

# ANNUAL FINANCIAL REPORT

LINCOLN COUNTY,  
OREGON

For the year ended June 30, 2022



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**LINCOLN COUNTY**  
 Financial Statements and Supplemental Information  
 For the Year Ended June 30, 2022  
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**LINCOLN COUNTY, OREGON**

List of Elected and Appointed Officials

June 30, 2022

**ELECTED OFFICIALS - COMMISSIONERS**

<b>Name</b>	<b>Term Expiration</b>
Commissioner, Chair	Doug Hunt
Commissioner	Claire Hall
Commissioner	Kaety Jacobson

All individuals receive mail at the address listed below:

225 W Olive Street  
Newport, OR 97365

**ADMINISTRATIVE STAFF**

Kristin Yuille, County Counsel

Tim Johnson, County Manager

225 W Olive Street  
Newport, OR 97365



## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Lincoln County  
Newport, Oregon

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

### ***Report on the Audit of the Financial Statements***

#### ***Opinions***

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 ("County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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, 2022, 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.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **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 is the responsibility of management and, 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, budget and actual schedules, and schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023, 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 June 14, 2024 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

June 14, 2024

## **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, 2022 . 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 increased by \$8,045,783 or 9.79%.
- Cash and investments increased by \$13,565,971 or 20.93%.
- Revenues increased by \$4,861,500 or 6.47%
- Expenses decreased by \$1,949,725 or 2.64%.

### 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 23 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 \$90,254,372 at June 30, 2022, which increased \$8,045,783 or 9.79% between fiscal years 2021 and 2022. An increase in cash and investments, due to COVID funding contributed to the increase in net position. This was offset by increases in current liabilities and net pension liability. Table 1, below, compares the various components of the County's net position between the two years.

Cash and investments increased by \$13,565,971 or 20.93% while other current assets increased 24.47% or \$941,901. Capital assets decreased \$386,117, or 0.94%. Overall, total assets increased by \$18,045,091 or 16.46%.

Current liabilities decreased from last year by \$6,908,504 or 52.04%. Current liabilities consist mainly of accounts payable, accrued payroll payable, and unearned revenue. The increase is mostly due to the increase in unearned revenue. The increase in unearned revenue is due to COVID funding for which the qualifying expenditures had not been made at year end. Long-term obligations increased \$1,999,678 due primarily to the issuance of new debt during the year.

With the continued implementation of GASB 68 and GASB 75 the County now reports a net pension liability of \$6,260,099 and net OPEB liability of \$1,105,158. At year end the combined pension and OPEB deferred outflow of resources and deferred inflow of resources were \$3,901,700 and \$5,548,789 respectively.

The County's net investment in capital assets increase by \$2,846,869 or 8.15% with modest capital project activity in 2022. A decrease in utilization of reserves caused restricted net position to increase \$6,405,513 or (24.47)%.

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

	Governmental Activities		Business-type Activities		Total Government	
	2022	2021	2022	2021	2022	2021
<b>Assets:</b>						
Cash and investments	\$ 77,403,999	\$ 64,111,570	\$ 975,486	\$ 701,944	\$ 78,379,485	\$ 64,813,514
Other current assets	4,790,651	3,848,750	-	-	4,790,651	3,848,750
Capital assets, net of accumulated depreciation	41,359,938	40,954,122	-	19,699	41,359,938	40,973,821
Right to use assets	3,151,102	-	-	-	3,151,102	-
<b>Total assets</b>	<b>126,705,690</b>	<b>108,914,442</b>	<b>975,486</b>	<b>721,643</b>	<b>127,681,176</b>	<b>109,636,085</b>
<b>Deferred outflows of resources:</b>	<b>3,901,700</b>	<b>3,398,407</b>	<b>-</b>	<b>-</b>	<b>3,901,700</b>	<b>3,398,407</b>
<b>Liabilities:</b>						
Current liabilities	20,171,572	13,261,212	12,494	14,350	20,184,066	13,275,562
Long-term debt outstanding	8,245,714	6,244,975	-	1,061	8,245,714	6,246,036
Net OPEB liability	1,105,158	1,026,226	-	-	1,105,158	1,026,226
Net pension liability	6,260,099	10,575,294	-	-	6,260,099	10,575,294
<b>Total liabilities</b>	<b>35,782,543</b>	<b>31,107,707</b>	<b>12,494</b>	<b>15,411</b>	<b>35,795,037</b>	<b>31,123,118</b>
<b>Deferred inflows of resources</b>	<b>5,548,789</b>	<b>641,218</b>	<b>-</b>	<b>-</b>	<b>5,548,789</b>	<b>641,218</b>
<b>Net position:</b>						
Net investment in capital assets	32,062,895	34,909,764	-	-	32,062,895	34,909,764
Restricted	32,585,086	26,179,573	-	-	32,585,086	26,179,573
Unrestricted	24,628,077	19,474,587	978,314	706,232	25,606,391	20,180,819
<b>Total net position</b>	<b>\$ 89,276,058</b>	<b>\$ 80,563,924</b>	<b>\$ 978,314</b>	<b>\$ 706,232</b>	<b>\$ 90,254,372</b>	<b>\$ 81,270,156</b>

**Governmental Activities.** Revenues for the County's governmental activities increased by \$4,687,606 or 6.27% while total expenses decreased \$1,939,667 or 2.64%. Refer to Table 2 for a comparison of governmental activities for the years 2022 and 2021.

The increase in revenue and expenses are due primarily to COVID funding and the related expenses, operating grants increasing \$1,246,511 (4.25%) and property taxes decreasing \$378,172 (1.50%).

As stated above, overall expenses increased this year. Specifically, general government expenses decreased \$386,117 (2.86%), public safety expenses decreased \$4,321,095 17.15%; and highways and streets expenses decreased by \$1,194,888 (17.44)% . 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 \$272,082 38.5%.

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

	Governmental Activities		Business-type Activities		Total Government	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 16,803,084	\$ 15,254,116	\$ 513,351	\$ 355,427	\$ 17,316,435	\$ 15,609,543
Operating grants and contributions	30,534,393	29,287,882	42,426	27,000	30,576,819	29,314,882
Capital grants and contributions	-	383,212	-	-	-	383,212
General revenues:						
Property taxes	24,902,205	25,280,377	-	-	24,902,205	25,280,377
Transient room taxes	6,912,213	2,163,014	-	-	6,912,213	2,163,014
Timber and land sales	80,999	-	-	-	80,999	-
Other taxes	86,344	1,802,706	-	-	86,344	1,802,706
Unrestricted investment earnings	(21,534)	415,385	5,818	5,274	(15,716)	420,659
Gain (loss) on sale of capital assets	126,512	149,918	-	-	126,512	149,918
<b>Total Revenues</b>	<b>79,424,216</b>	<b>74,736,610</b>	<b>561,595</b>	<b>387,701</b>	<b>79,985,811</b>	<b>75,124,311</b>
<b>Expenses:</b>						
General government	16,833,005	13,494,881	-	-	16,833,005	13,494,881
Community services	6,711,699	7,997,486	289,513	299,571	7,001,212	8,297,057
Public safety	20,872,869	25,193,964	-	-	20,872,869	25,193,964
Highways and streets	5,656,595	6,851,483	-	-	5,656,595	6,851,483
Culture and recreation	1,241,964	342,484	-	-	1,241,964	342,484
Health and welfare	19,775,969	18,885,350	-	-	19,775,969	18,885,350
Education	419,289	682,272	-	-	419,289	682,272
Debt service interest	139,125	142,262	-	-	139,125	142,262
<b>Total Expenses</b>	<b>71,650,515</b>	<b>73,590,182</b>	<b>289,513</b>	<b>299,571</b>	<b>71,940,028</b>	<b>73,889,753</b>
Change in net position	7,773,701	1,146,428	272,082	88,130	8,045,783	1,234,558
Net position at beginning of year, as restated see note 16	81,502,357	79,417,496	706,232	618,102	82,208,589	80,035,598
<b>Net position at end of year</b>	<b>\$ 89,276,058</b>	<b>\$ 80,563,924</b>	<b>\$ 978,314</b>	<b>\$ 706,232</b>	<b>\$ 90,254,372</b>	<b>\$ 81,270,156</b>

## 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 \$60,566,258, an increase of \$8,303,821 from the previous year.

- The County's General Fund balance decreased \$1,957,428 from last year, Increases in taxes and land sale revenue and expenditures remaining relatively flat contributes to this increase in fund balance.
- The Public Works Fund balance increased \$1,299,317. This is due to a decrease in grant funding from other governments
- The Mental Health Fund showed a fund balance increase of \$2,744,244. This reflected a status quo year with no major new programs.
- The Public Health Fund showed a fund balance increase of \$22,876. This reflected a significant increase in grant funding
- The Nonmajor Governmental fund balances increased a total of \$6,693,663 for the year, attributable to increase intergovernmental revenues for the year.

## BUDGETARY HIGHLIGHTS

Minor changes were made during the fiscal year to adjust the County's originally adopted General Fund Budget. The General Government appropriation increased by \$777,483, Public Safety by \$69,594, and Community Services by \$500,000. Increases in Beginning Fund Balance, intergovernmental revenue, and a small decrease in contingency (\$87,539) funded the budget adjustments. These changes were largely driven by timing of planned expenditures and increases in grant funded activities.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** As of June 30, 2022 the County had \$41,359,938 invested in capital assets. This amount represents a net decrease of \$386,117 over last year.

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

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land, easements and improvements	\$ 2,315,256	\$ 2,315,256	\$ -	\$ -	\$ 2,315,256	\$ 2,315,256
Infrastructure	74,534,068	74,534,068	-	-	74,534,068	74,534,068
Buildings and improvements	31,611,196	31,164,196	-	-	31,611,196	31,164,196
Equipment	17,596,474	18,492,461	21,888	21,888	17,596,474	18,492,461
Construction in progress	4,447,154	4,447,154	-	-	4,447,154	1,563,760
Less accumulated depreciation	(89,144,210)	(87,095,920)	(6,566)	(2,189)	(89,144,210)	(87,095,920)
Total	<u>\$ 41,359,938</u>	<u>\$ 43,857,215</u>	<u>\$ 15,322</u>	<u>\$ 19,699</u>	<u>\$ 41,359,938</u>	<u>\$ 40,973,821</u>

Table 4 shows a comparison in the changes in capital assets for the years 2022 and 2021. 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		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Beginning Balance	\$43,857,215	\$ 41,676,260	\$ 19,699	\$ -	\$ 40,973,821	\$ 41,676,260
Additions	898,175	5,511,493	-	21,888	898,175	2,630,288
Depreciation expense	(3,368,037)	(3,330,538)	(4,377)	(2,189)	(3,368,037)	(3,332,727)
Deletions, net book value	(27,415)	-	-	-	27,415	-
Ending Balance	<u>\$41,359,938</u>	<u>\$ 43,857,215</u>	<u>\$ 15,322</u>	<u>\$ 19,699</u>	<u>\$ 38,531,374</u>	<u>\$ 40,973,821</u>

**Long-term Debt.** At year end, the County had outstanding debt of \$6,021,786, 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. On July 30, 2020 the County entered into a full faith and credit financing agreement in the amount of \$5 million. .

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

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Bonds	\$ 1,392,158	\$ 1,520,000
Notes payable	4,629,628	4,962,437
Total	\$ 6,021,786	\$ 6,482,437

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The effects of the COVID pandemic and the wildfire in prior years continued to have an impact on the operations of the County. This impact is largely felt in the areas of previously planned Capital Project delays and prioritization of deployment of American Rescue Plan Act and other new grant funds. The County continues to be prudent in budgeting one-time funds and prioritizes County operations stability.

**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**  
Statement of Net Position  
June 30, 2022

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 77,403,999	\$ 975,486	\$ 78,379,485
Receivables - net	4,569,048	-	4,569,048
Leases receivable	221,313	-	221,313
Prepaid Expenses	290	-	290
Total current assets	<u>82,194,650</u>	<u>975,486</u>	<u>83,170,136</u>
Noncurrent assets:			
Capital assets:			
Land and construction in progress	6,762,410	-	6,762,410
Other capital assets (net of accumulated depreciation)	34,597,528	15,322	34,612,850
Right to use asset	3,151,102	-	3,151,102
Total noncurrent assets	<u>44,511,040</u>	<u>15,322</u>	<u>44,526,362</u>
Total assets	<u>126,705,690</u>	<u>990,808</u>	<u>127,696,498</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflow of resources related to pensions	3,816,806	-	3,816,806
Deferred outflow of resources related to OPEB	84,894	-	84,894
Total deferred outflows of resources	<u>3,901,700</u>	<u>-</u>	<u>3,901,700</u>
Total assets and deferred outflow of resources	<u>\$ 130,607,390</u>	<u>\$ 990,808</u>	<u>\$ 131,598,198</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 2,548,792	\$ 4,661	\$ 2,553,453
Accrued payroll and related liabilities	1,703,197	335	1,703,532
Unearned revenue	12,300,272	-	12,300,272
Accrued interest payable	31,446	-	31,446
Leases, current	612,491	-	612,491
Notes payable	438,838	-	438,838
Compensated absences payable	2,536,536	7,498	2,544,034
Total current liabilities	<u>20,171,572</u>	<u>12,494</u>	<u>20,184,066</u>
Noncurrent liabilities:			
Leases, noncurrent	2,567,766	-	2,567,766
Notes payable	5,677,948	-	5,677,948
Net other postemployment benefit obligation	1,105,158	-	1,105,158
Net Pension Liability	6,260,099	-	6,260,099
Total noncurrent liabilities	<u>15,610,971</u>	<u>-</u>	<u>15,610,971</u>
Total liabilities	<u>35,782,543</u>	<u>12,494</u>	<u>35,795,037</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow of resources related to leases	221,313	-	221,313
Deferred inflow of resources related to pensions	5,224,183	-	5,224,183
Deferred inflow of resources related to OPEB	103,293	-	103,293
Total deferred inflows of resources	<u>5,548,789</u>	<u>-</u>	<u>5,548,789</u>
<b>NET POSITION</b>			
Net investment in capital assets	32,062,895	-	32,062,895
Restricted for:			
Road maintenance	9,608,790	-	9,608,790
Transit services	5,031,272	-	5,031,272
Outpatient services	10,384,955	-	10,384,955
Title III	1,280,704	-	1,280,704
Other purposes	6,279,365	-	6,279,365
Unrestricted	24,628,077	978,314	25,606,391
Total net position	<u>89,276,058</u>	<u>978,314</u>	<u>90,254,372</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 130,607,390</u>	<u>\$ 990,808</u>	<u>\$ 131,598,198</u>

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

**LINCOLN COUNTY**

Statement of Activities

For the Year Ended June 30, 2022

<b>Functions/Programs</b>	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	\$ 16,833,005	\$ 2,825,243	\$ 5,478,181	\$ -	\$ (8,529,581)	\$ -	\$ (8,529,581)
Community services	6,711,699	1,832,786	2,749,235	-	(2,129,678)	-	(2,129,678)
Public safety	20,872,869	1,291,486	2,782,110	-	(16,799,273)	-	(16,799,273)
Highways and streets	5,656,595	362,159	6,899,570	-	1,605,134	-	1,605,134
Culture and recreation	1,241,964	230,019	168,859	-	(843,086)	-	(843,086)
Health and welfare	19,775,969	10,261,391	12,454,036	-	2,939,458	-	2,939,458
Education	419,289	-	2,402	-	(416,887)	-	(416,887)
Interest on long-term debt	139,125	-	-	-	(139,125)	-	(139,125)
Total governmental activities	<u>71,650,515</u>	<u>16,803,084</u>	<u>30,534,393</u>	<u>-</u>	<u>(24,313,038)</u>	<u>-</u>	<u>(24,313,038)</u>
Business-type activities:							
Solid waste	289,513	513,351	42,426	-	-	266,264	266,264
Total primary government	<u>\$ 71,940,028</u>	<u>\$ 17,316,435</u>	<u>\$ 30,576,819</u>	<u>\$ -</u>	<u>(24,313,038)</u>	<u>266,264</u>	<u>(24,046,774)</u>
General revenues:							
Property taxes					24,902,205	-	24,902,205
Transient room taxes					6,912,213	-	6,912,213
Timber and land sales					80,999	-	80,999
Other taxes					86,344	-	86,344
Unrestricted investment earnings					(21,534)	5,818	(15,716)
Gain on disposal of assets					126,512	-	126,512
Total general revenues					<u>32,086,739</u>	<u>5,818</u>	<u>32,092,557</u>
Change in net position					7,773,701	272,082	8,045,783
Net position, beginning, as restated see note 16					<u>81,502,357</u>	<u>706,232</u>	<u>82,208,589</u>
Net position, ending					<u>\$ 89,276,058</u>	<u>\$ 978,314</u>	<u>\$ 90,254,372</u>

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

**LINCOLN COUNTY**  
**GOVERNMENTAL FUNDS**

Balance Sheet

June 30, 2022

	101 General Fund	201 Public Works Fund	209 Mental Health Fund	208 Public Health Fund	275 American Rescue plan	219 Capital Projects Fund	Nonmajor Governmental Funds	Total
<b>ASSETS</b>								
Cash and investments	\$ 10,537,994	\$ 10,065,174	\$ 6,009,587	\$ 4,360,536	\$ 9,393,543	\$ 10,748,229	\$ 21,917,815	\$ 73,032,878
Receivables - net	1,802,992	16,335	471,929	459,220	-	-	1,818,572	4,569,048
Prepaid Expenses	-	-	-	-	-	-	290	290
Total assets	<u>\$ 12,340,986</u>	<u>\$ 10,081,509</u>	<u>\$ 6,481,516</u>	<u>\$ 4,819,756</u>	<u>\$ 9,393,543</u>	<u>\$ 10,748,229</u>	<u>\$ 23,736,677</u>	<u>\$ 77,602,216</u>
<b>LIABILITIES</b>								
Accounts Payable	\$ 626,822	\$ 352,066	\$ 82,057	\$ 358,179	\$ -	\$ 83,590	\$ 201,606	\$ 1,704,320
Accrued payroll and related expenses	923,547	120,653	166,655	201,789	-	-	290,553	1,703,197
Unearned revenue	1,179,131	-	-	1,727,598	9,393,543	-	-	12,300,272
Total liabilities	<u>2,729,500</u>	<u>472,719</u>	<u>248,712</u>	<u>2,287,566</u>	<u>9,393,543</u>	<u>83,590</u>	<u>492,159</u>	<u>15,707,789</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenues - A/R	<u>985,394</u>	<u>-</u>	<u>144,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,156</u>	<u>1,328,169</u>
<b>FUND BALANCES</b>								
Restricted	52,911	9,608,790	6,088,185	2,532,190	-	-	13,148,828	31,430,904
Committed	-	-	-	-	-	10,664,639	9,897,534	20,562,173
Unassigned	8,573,181	-	-	-	-	-	-	8,573,181
Total fund balances	<u>8,626,092</u>	<u>9,608,790</u>	<u>6,088,185</u>	<u>2,532,190</u>	<u>-</u>	<u>10,664,639</u>	<u>23,046,362</u>	<u>60,566,258</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,340,986</u>	<u>\$ 10,081,509</u>	<u>\$ 6,481,516</u>	<u>\$ 4,819,756</u>	<u>\$ 9,393,543</u>	<u>\$ 10,748,229</u>	<u>\$ 23,736,677</u>	<u>\$ 77,602,216</u>

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

**LINCOLN COUNTY**

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

June 30, 2022

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

Fund balances - governmental funds		\$ 60,566,258
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Governmental capital assets, cost	\$ 130,504,148	
Less accumulated depreciation	<u>(89,144,210)</u>	41,359,938
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.		985,394
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.		342,776
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.		
Lease receivable	221,313	
Right to use asset	3,151,102	
Deferred outflow of resources pension	3,816,806	
Deferred outflow of resources OPEB	<u>84,894</u>	7,274,115
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	(31,446)	
Bonds and notes payable	(6,116,786)	
Compensated absences	(2,536,536)	
Net pension liability	(6,260,099)	
Lease liability	(3,180,257)	
Deferred inflow of resources leases	(221,313)	
Deferred inflow of resources pension	(5,224,183)	
Deferred inflow of resources OPEB	(103,293)	
Net other postemployment benefit obligation	<u>(1,105,158)</u>	(24,779,071)
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>3,526,648</u>
Net position of governmental activities		<u>\$ 89,276,058</u>

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

**LINCOLN COUNTY**

**GOVERNMENTAL FUNDS**

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2022

	101 General Fund	201 Public Works Fund	209 Mental Health Fund	208 Public Health Fund	275 American Rescue plan	219 Capital Projects Fund	Nonmajor Governmental Funds	Total
<b>REVENUES:</b>								
Taxes and land sales	\$ 28,040,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,369,526	\$ 32,409,994
Intergovernmental Revenues	5,577,425	6,899,570	4,447,725	4,034,694	310,990	500,000	9,056,542	30,826,946
Fines and Fees	69,464	-	-	-	-	-	45,411	114,875
Permits and fees	1,817,858	-	-	-	-	-	274,724	2,092,582
Charges for services	1,115,992	1,083,799	4,479,099	3,844,923	-	-	2,916,073	13,439,886
Donations	-	-	-	200	-	53,188	365,779	419,167
Indirect charges	-	-	-	-	-	72,252	-	72,252
Investment Earnings	(284,261)	61,513	32,406	28,273	-	3,384	116,078	(42,607)
Other revenue	538,338	53,165	74,026	83,058	-	-	52,622	801,209
<b>Total revenues</b>	<b>36,875,284</b>	<b>8,098,047</b>	<b>9,033,256</b>	<b>7,991,148</b>	<b>310,990</b>	<b>628,824</b>	<b>17,196,755</b>	<b>80,134,304</b>
<b>EXPENDITURES:</b>								
Current:								
General government	13,103,233	-	-	-	219,542	284,694	2,634,381	16,241,850
Public safety	19,854,987	-	-	-	-	-	1,469,229	21,324,216
Community services	2,997,989	-	-	-	-	-	2,604,474	5,602,463
Culture and recreation	-	-	-	-	-	-	184,455	184,455
Health and welfare	-	-	6,289,012	8,148,093	-	-	5,236,690	19,673,795
Education	-	-	-	-	-	-	372,019	372,019
Highway and streets	-	6,115,718	-	-	-	-	-	6,115,718
Debt service:								
Principal	421,000	1,800	-	-	-	-	-	422,800
Interest	144,747	1,282	-	-	-	-	-	146,029
Capital Outlay	50,559	675,197	-	-	-	842,981	304,913	1,873,650
<b>Total expenditures</b>	<b>36,572,515</b>	<b>6,793,997</b>	<b>6,289,012</b>	<b>8,148,093</b>	<b>219,542</b>	<b>1,127,675</b>	<b>12,806,161</b>	<b>71,956,995</b>
Excess (deficiency) of revenues over (under) expenditures	302,769	1,304,050	2,744,244	(156,945)	91,448	(498,851)	4,390,594	8,177,309
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers in	151,000	-	-	179,821	-	-	2,402,462	2,733,283
Transfers Out	(2,411,197)	(22,638)	-	-	(91,448)	-	(208,000)	(2,733,283)
Gains (Losses) on Sale of Capital Asset	-	17,905	-	-	-	-	108,607	126,512
<b>Total other financing sources (uses)</b>	<b>(2,260,197)</b>	<b>(4,733)</b>	<b>-</b>	<b>179,821</b>	<b>(91,448)</b>	<b>-</b>	<b>2,303,069</b>	<b>126,512</b>
Net change in fund balances	(1,957,428)	1,299,317	2,744,244	22,876	-	(498,851)	6,693,663	8,303,821
Beginning fund balance	10,583,520	8,309,473	3,343,941	2,509,314	-	11,163,490	16,352,699	52,262,437
<b>Ending fund balances</b>	<b>\$ 8,626,092</b>	<b>\$ 9,608,790</b>	<b>\$ 6,088,185</b>	<b>\$ 2,532,190</b>	<b>\$ -</b>	<b>\$ 10,664,639</b>	<b>\$ 23,046,362</b>	<b>\$ 60,566,258</b>

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

**LINCOLN COUNTY**

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, 2022

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

Net change in fund balances - governmental funds	\$	8,303,821
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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	\$ 2,332,773	
Less current year depreciation	<u>(3,368,037)</u>	(1,035,264)

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	(390,694)
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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	2,132	
Change in leases	48,532	
Principal payments	422,800	
Change in bond premium	<u>4,772</u>	478,236

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	3,100	
Change in net pension asset / liability	4,315,195	
Change in deferred outflow of resources related to pensions	513,161	
Change in deferred inflow of resources related to pensions	(4,716,128)	
Change in net OPEB liability	(78,932)	
Change in deferred outflow of resources related to OPEB	(9,868)	
Change in deferred inflow of resources related to OPEB	<u>29,870</u>	56,398

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>361,204</u>
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Change in net position of governmental activities	\$	<u><u>7,773,701</u></u>
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**LINCOLN COUNTY**

101 GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes and land sales	\$ 26,559,976	\$ 26,559,976	\$ 28,040,468	\$ 1,480,492
Intergovernmental				
Revenues	6,227,130	6,657,418	5,577,425	(1,079,993)
Fines and Fees	70,000	70,000	69,464	(536)
Permits and fees	1,626,425	1,710,506	1,817,858	107,352
Charges for services	1,193,138	1,193,138	1,115,992	(77,146)
Investment Earnings	100,000	100,000	(284,261)	(384,261)
Other revenue	226,272	226,272	538,338	312,066
Total revenues	36,002,941	36,517,310	36,875,284	357,974
Expenditures:				
General government	15,186,998	15,936,299	13,110,543	2,825,756
Public safety	20,749,678	21,118,415	19,883,347	1,235,068
Community services	2,659,947	3,168,817	3,012,878	155,939
Debt service:				
Principal	816,804	896,804	421,000	475,804
Interest	161,000	161,000	144,747	16,253
Contingency	4,017,581	3,930,042	-	3,930,042
Total expenditures	43,592,008	45,211,377	36,572,515	8,638,862
Excess revenues over (under) expenditures	(7,589,067)	(8,694,067)	302,769	8,996,836
Other financing sources (uses):				
Transfers In	83,000	133,000	151,000	18,000
Transfers Out	(2,285,668)	(2,344,610)	(2,411,197)	(66,587)
Total other financing sources (uses)	(2,202,668)	(2,211,610)	(2,260,197)	(48,587)
Net change in fund balances	(9,791,735)	(10,905,677)	(1,957,428)	8,948,249
Fund Balance:				
Beginning of year	9,302,833	10,416,775	10,583,520	166,745
End of year	\$ (488,902)	\$ (488,902)	\$ 8,626,092	\$ 9,114,994

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

**LINCOLN COUNTY**  
**201 PUBLIC WORKS FUND**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental Revenues	\$ 6,021,053	\$ 6,021,053	\$ 6,899,570	\$ 878,517
Charges for services	975,000	975,000	1,083,799	108,799
Investment Earnings	90,000	90,000	61,513	(28,487)
Other revenue	369,920	369,920	53,165	(316,755)
Total revenues	<u>7,455,973</u>	<u>7,455,973</u>	<u>8,098,047</u>	<u>642,074</u>
Expenditures:				
Personal services	4,164,836	4,164,836	3,382,639	782,197
Materials and services	2,493,390	2,858,390	2,733,079	125,311
Capital outlay	1,480,000	1,480,000	675,197	804,803
Debt service	3,052	3,152	3,082	70
Contingency	8,505,047	8,139,947	-	8,139,947
Total expenditures	<u>16,646,325</u>	<u>16,646,325</u>	<u>6,793,997</u>	<u>9,852,328</u>
Excess revenues over (under) expenditures	<u>(9,190,352)</u>	<u>(9,190,352)</u>	<u>1,304,050</u>	<u>10,494,402</u>
Other financing sources (uses):				
Gain on Sale of Capital Asset	5,000	5,000	17,905	12,905
Transfers Out	(22,711)	(22,711)	(22,638)	73
Net change in fund balances	(9,208,063)	(9,208,063)	1,299,317	10,507,380
Fund Balance:				
Beginning of year	<u>9,208,063</u>	<u>9,208,063</u>	<u>8,309,473</u>	<u>(898,590)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,608,790</u>	<u>\$ 9,608,790</u>

**LINCOLN COUNTY**  
**209 MENTAL HEALTH FUND**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 2,994,076	\$ 3,407,235	\$ 4,447,725	\$ 1,040,490
Charges for services	3,858,500	4,556,128	4,479,099	(77,029)
Investment earnings	30,000	30,000	32,406	2,406
Other revenue	<u>18,050</u>	<u>74,056</u>	<u>74,026</u>	<u>(30)</u>
Total revenues	<u>6,900,626</u>	<u>8,067,419</u>	<u>9,033,256</u>	<u>965,837</u>
Expenditures:				
Personal services	6,613,553	6,688,445	4,326,396	2,362,049
Materials and services	1,967,298	2,156,471	1,962,616	193,855
Contingency	<u>1,427,934</u>	<u>2,566,444</u>	<u>-</u>	<u>2,566,444</u>
Total expenditures	<u>10,008,785</u>	<u>11,411,360</u>	<u>6,289,012</u>	<u>5,122,348</u>
Excess revenues over (under) expenditures	<u>(3,108,159)</u>	<u>(3,343,941)</u>	<u>2,744,244</u>	<u>6,088,185</u>
Fund Balance:				
Beginning of year	<u>3,108,159</u>	<u>3,343,941</u>	<u>3,343,941</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,088,185</u>	<u>\$ 6,088,185</u>

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

**LINCOLN COUNTY**  
**208 PUBLIC HEALTH FUND**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 3,297,123	\$ 4,490,608	\$ 4,034,694	\$ (455,914)
Charges for services	4,555,041	4,525,041	3,844,923	(680,118)
Investment earnings	10,000	10,000	28,273	18,273
Other revenue	71,500	66,710	83,058	16,348
Contributions and donations	200	200	200	-
Total revenues	<u>7,933,864</u>	<u>9,092,559</u>	<u>7,991,148</u>	<u>(1,101,411)</u>
Expenditures:				
Personal services	7,036,281	6,224,143	6,002,599	221,544
Materials and services	2,289,985	2,463,635	2,102,724	360,911
Capital outlay	-	42,770	42,770	-
Contingency	1,302,939	4,479,364	-	4,479,364
Total expenditures	<u>10,629,205</u>	<u>13,209,912</u>	<u>8,148,093</u>	<u>5,061,819</u>
Excess revenues under expenditures	<u>(2,695,341)</u>	<u>(4,117,353)</u>	<u>(156,945)</u>	<u>3,960,408</u>
Other financing sources (uses):				
Transfers in	60,000	60,000	179,821	119,821
Total other financing sources (uses)	<u>60,000</u>	<u>60,000</u>	<u>179,821</u>	<u>119,821</u>
Net change in fund balances	(2,635,341)	(4,057,353)	22,876	4,080,229
Fund Balance:				
Beginning of year	<u>2,635,341</u>	<u>4,057,353</u>	<u>2,509,314</u>	<u>(1,548,039)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,532,190</u>	<u>\$ 2,532,190</u>

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

**LINCOLN COUNTY**  
**275 AMERICAN RESCUE PLAN**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 4,852,267	\$ 4,902,267	\$ 310,990	\$ (4,591,277)
Total revenues	<u>4,852,267</u>	<u>4,902,267</u>	<u>310,990</u>	<u>(4,591,277)</u>
Expenditures:				
Personal services	300,000	300,000	219,542	80,458
Capital Outlay	18,000	-	-	-
Contingency	<u>4,510,819</u>	<u>4,510,819</u>	<u>-</u>	<u>4,510,819</u>
Total expenditures	<u>4,828,819</u>	<u>4,810,819</u>	<u>219,542</u>	<u>4,591,277</u>
Excess revenues over expenditures	<u>23,448</u>	<u>91,448</u>	<u>91,448</u>	<u>-</u>
Other financing sources (uses):				
Transfers out	<u>(23,448)</u>	<u>(91,448)</u>	<u>(91,448)</u>	<u>-</u>
Total other financing sources (uses)	<u>(23,448)</u>	<u>(91,448)</u>	<u>(91,448)</u>	<u>-</u>
Fund Balance:				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**LINCOLN COUNTY**  
**PROPRIETARY FUNDS**

Balance Sheet

June 30, 2022

	Business-type Activities - Nonmajor Enterprise Fund 210 Solid Waste District Fund	Governmental Activities - Internal Service Fund 215 Self Insurance Fund
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 975,486	\$ 4,371,122
Noncurrent assets:		
Capital assets	15,322	-
Total assets	\$ 990,808	\$ 4,371,122
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and payroll liabilities	\$ 4,661	\$ 844,474
Accrued payroll and related expenses	335	-
Current portion of compensated absences	7,498	-
Total liabilities	12,494	844,474
<b>NET POSITION</b>		
Unrestricted	978,314	3,526,648
Total liabilities and net position	\$ 990,808	\$ 4,371,122

**LINCOLN COUNTY**  
**PROPRIETARY FUNDS**

Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	Business-type Activities - Nonmajor Enterprise Fund	Governmental Activities - Internal Service Fund
	210 Solid Waste District Fund	215 Self Insurance Fund
<b>Operating revenues:</b>		
Charges for services	\$ 513,351	\$ 1,240,036
Other revenue	-	31,585
Total operating revenues	513,351	1,271,621
<b>Operating expenses:</b>		
Operations and maintenance	289,513	931,491
Total operating expenses	289,513	931,491
Operating income (loss)	223,838	340,130
<b>Nonoperating revenues:</b>		
Operating grant	42,426	-
Investment Earnings	5,818	21,074
Total nonoperating revenues	48,244	21,074
Income before transfers	272,082	361,204
Change in net position	272,082	361,204
Beginning net position	706,232	3,165,444
Ending net position	\$ 978,314	\$ 3,526,648

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

**LINCOLN COUNTY**  
**PROPRIETARY FUNDS**  
Statement of Cash Flows  
For the Year Ended June 30, 2022

	Business-type Activities - Nonmajor <u>Enterprise Fund</u> 210 Solid Waste District Fund	Governmental Activities - Internal Service Fund <u>215 Self Insurance Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from services provided	\$ 513,351	\$ -
Cash received from interfund services provided	-	1,271,621
Cash payments to employees for services	(113,860)	-
Cash payments to other suppliers for goods and services	<u>(174,193)</u>	<u>(228,706)</u>
Net cash provided (used) by operating activities	<u>225,298</u>	<u>1,042,915</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash received from operating grant	<u>42,426</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<u>5,818</u>	<u>21,074</u>
Net change in cash and investments	273,542	1,063,989
Cash and investments:		
Beginning of year	<u>701,944</u>	<u>3,307,133</u>
End of year	<u>\$ 975,486</u>	<u>\$ 4,371,122</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ 223,838	\$ 340,130
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	4,377	-
(Increase) decrease in assets:		
Prepaid expenses	-	334,879
Increase (decrease) in liabilities:		
Accounts payable	(1,260)	367,906
Accrued payroll	(3,854)	-
Compensated absences	<u>2,197</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 225,298</u>	<u>\$ 1,042,915</u>
Noncash capital and financing activities:		

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

**LINCOLN COUNTY**  
**FIDUCIARY FUNDS**  
Statement of Fiduciary Net Position  
June 30, 2022

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ 5,112,405
Taxes Receivables	<u>4,968,436</u>
Total assets	<u>\$ 10,080,841</u>
<b>NET POSITION</b>	
<b>Net position- restricted</b>	<u>\$ 10,080,841</u>

LINCOLN COUNTY, OREGON

FIDUCIARY FUNDS

Statement of Changes in Fiduciary Net Position

June 30, 2022

	<u>Custodial Funds</u>
<b>Additions</b>	
Property tax collections	\$ 128,877,967
Sheriff's Civil Trust	283,702
Jail Inmate Trust	926,810
Other	<u>336,725</u>
Total additions	<u>\$ 130,425,204</u>
<b>Deductions</b>	
Property tax distributions	\$ 131,542,766
Sheriff's Civil Trust	285,291
Jail Inmate Trust	1,112,262
Other	<u>122,543</u>
Total deductions	<u>\$ 133,062,862</u>
<b>Change in net position</b>	\$ (2,637,658)
<b>Net position - beginning</b>	<u>\$ 12,718,499</u>
<b>Net position - ending</b>	<u><u>\$ 10,080,841</u></u>

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

## **NOTES TO BASIC FINANCIAL STATEMENTS**

## LINCOLN COUNTY

### 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

### Notes to Financial Statements

June 30, 2022

#### **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.
- *American Rescue Plan Fund* - accounts for the uses of the federally funded American Rescue Plan grant.
- *Capital Projects Fund* - accounts for financial resources used for the acquisition and construction of major capital facilities.

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 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.
- *Custodial* - 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

### Notes to Financial Statements

June 30, 2022

#### **Note 2 - Summary of Significant Accounting Policies, continued**

##### A. Government-wide financial statements, 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 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

## Notes to Financial Statements

June 30, 2022

### 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, 2022, the County's tax levy did not exceed the Oregon constitutional limitation. All other districts' property taxes receivable are reported in the Custodial 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, Public Works, Mental Health, Public Health, and Nonmajor Governmental Funds. Sick leave does not vest, except in the following 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. and PERS members at 50 are also considered vested at 50% for sick leave. In 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

### Notes to Financial Statements

June 30, 2022

#### **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.

LINCOLN COUNTY

Notes to Financial Statements

June 30, 2022

**Note 2 - Summary of Significant Accounting Policies, continued**

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.

*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, 2022.

*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, 2022 are as follows:

	General Fund	Public Works Fund	Mental Health Fund	Public Health Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Restricted for:</b>							
Road maintenance	-	9,608,790	-	-	-	-	9,608,790
Economic development	-	-	-	-	-	2,170,934	2,170,934
Transit services	-	-	-	-	-	5,031,272	5,031,272
Public safety	1,207,093	-	-	-	-	-	1,207,093
County Fair	-	-	-	-	-	348,989	348,989
Outpatient services	-	-	6,088,185	2,532,190	-	1,764,580	10,384,955
Veterans' services outreach	-	-	-	-	-	602,106	602,106
Animal control services	-	-	-	-	-	306,700	306,700
Title III	-	-	-	-	-	1,280,704	1,280,704
DUII administration	-	-	-	-	-	22,857	22,857
Law enforcement	-	-	-	-	-	177,393	177,393
Maintenance of government surveys	-	-	-	-	-	480,869	480,869
Public education	-	-	-	-	-	962,424	962,424
<b>Total restricted</b>	<b>1,207,093</b>	<b>9,608,790</b>	<b>6,088,185</b>	<b>2,532,190</b>	<b>-</b>	<b>13,148,828</b>	<b>32,585,086</b>
<b>Committed to:</b>							
Law library	-	-	-	-	-	154,974	154,974
County records	-	-	-	-	-	172,183	172,183
Post-closure obligations	-	-	-	-	-	675,272	675,272
Capital outlay	-	-	-	-	10,664,639	6,021,126	16,685,765
<b>Total committed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,664,639</b>	<b>7,023,555</b>	<b>17,688,194</b>
<b>Unassigned</b>	<b>8,573,181</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,573,181</b>
<b>Total fund balances</b>	<b>\$ 9,780,274</b>	<b>\$ 9,608,790</b>	<b>\$ 6,088,185</b>	<b>\$ 2,532,190</b>	<b>\$ 10,664,639</b>	<b>\$ 20,172,383</b>	<b>\$ 58,846,461</b>

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

Notes to Financial Statements

June 30, 2022

**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.

The Community Justice fund reported a deficit fund balance of \$42,736 for the year ended June 30, 2022.

The following funds reported expenditures over budgeted amounts for the year ended June 30, 2022.

General Fund transfers out	\$ 66,587
Solid Waste District personal services	\$ 1,275

**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, 2022 are as follows:

Total investments	\$ 76,821,590
Deposits with financial institutions	6,670,300
Total deposits and investments	<u>\$ 83,491,890</u>

B. Cash and investments are reported as follows:

Governmental Activities/Funds	
General Fund	\$ 10,537,994
Public Works Fund	10,065,174
Mental Health Fund	6,009,587
Community Health Centers Fund	4,360,536
American Rescue Plan Fund	9,393,543
Capital Projects Fund	10,748,229
Nonmajor governmental funds	<u>21,917,814</u>
Total governmental funds	73,032,877
Internal Service Fund	<u>4,371,122</u>
Total Governmental Activities	77,403,999
Business-Type Activities	975,486
Fiduciary Funds	<u>5,112,405</u>
Total cash and investments	<u>\$ 83,491,890</u>

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**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, 2022, the County's deposits with various financial institutions had a bank value of \$69,596,615. 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, 2022, the County held the following investments and maturities:

Investment type	Carrying Value	Weighted Average Maturity in Years	Moody's Credit Rating	% of Investment Portfolio
US Treasuries	\$ 6,867,671	1.801	Aaa	8.94 %
Federal Farm Credit Bank	2,495,313	1.551	Aaa	3.25 %
Federal National Mortgage Association	488,636	2.296	Aaa	0.64 %
Federal Home Loan Mortgage Corporation	1,491,997	3.190	Aaa	1.94 %
Federal Home Loan Bank	3,451,546	2.499	Aaa	4.49 %
Local government investment pool	\$ 62,026,427	N/A	N/A	80.74 %
Total	<u>\$ 76,821,590</u>			<u>100.00 %</u>

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 <https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/pages/default.aspx>. 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).

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 3 - Cash and Investments, continued**

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 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 measured at fair value measurement:.

	Total as of June 30, 2022	Fair Value Measurement Using			Cost Measurement Not Measured at Fair Value
		Level One	Level Two	Level Three	
U.S. agency securities	14,795,163	14,795,163	-	-	-
LGIP	62,026,427	-	-	-	62,026,427
	<b>\$ 76,821,590</b>	<b>\$ 14,795,163</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 62,026,427</b>

**Note 4 - Receivables**

Receivables at June 30, 2022 were as follows:

	Governmental Funds					Totals
	General	Public Works	Mental Health	Public Health	Nonmajor	
Property taxes	\$ 896,260	\$ -	\$ -	\$ -	\$ 89,135	\$ 985,395
Accounts	906,732	16,335	493,911	459,390	1,756,504	3,632,872
Less: allowance for doubtful accounts	-	-	(21,982)	(170)	(27,068)	(49,220)
	<b>\$ 1,802,992</b>	<b>\$ 16,335</b>	<b>\$ 471,929</b>	<b>\$ 459,220</b>	<b>\$ 1,818,571</b>	<b>\$ 4,569,047</b>

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

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**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:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Nonmajor Funds	\$ 2,402,462
General Fund	Public Health	156,373
ARPA Fund	General Fund	68,000
ARPA Fund	Public Health	23,448
Nonmajor Funds	General Fund	83,000
Total		<u>\$ 2,733,283</u>

**Note 6 - Capital Assets**

A. Capital asset activity for the year ended June 30, 2022 was as follows:

<b><u>Governmental Activities</u></b>	<u>Balances July 1, 2021</u>	<u>Additions and Reclassifications</u>	<u>Deletions and Reclassifications</u>	<u>Balances June 30, 2022</u>
<i>Capital assets, not being depreciated:</i>				
Land and easements	\$ 2,315,256	\$ -	\$ -	\$ 2,315,256
Construction in progress, as restated (see note 16)	<u>4,447,154</u>	<u>-</u>	<u>-</u>	<u>4,447,154</u>
Total capital assets, not being depreciated	<u>6,762,410</u>	<u>-</u>	<u>-</u>	<u>6,762,410</u>
<i>Capital assets being depreciated:</i>				
Infrastructure	74,534,068	-	-	74,534,068
Buildings	18,268,090	447,000	-	18,715,090
Improvements	12,896,106	-	-	12,896,106
Equipment	<u>18,492,461</u>	<u>451,175</u>	<u>(1,347,162)</u>	<u>17,596,474</u>
Total capital assets being depreciated	<u>124,190,725</u>	<u>898,175</u>	<u>(1,347,162)</u>	<u>123,741,738</u>
<i>Less accumulated depreciation for:</i>				
Infrastructure	(53,922,712)	(795,492)	-	(54,718,204)
Buildings	(12,149,929)	(517,923)	-	(12,667,852)
Improvements	(7,898,399)	(531,897)	-	(8,430,296)
Equipment	<u>(13,124,880)</u>	<u>(1,522,725)</u>	<u>1,319,747</u>	<u>(13,327,858)</u>
Total accumulated depreciation	<u>(87,095,920)</u>	<u>(3,368,037)</u>	<u>1,319,747</u>	<u>(89,144,210)</u>
Total capital assets being depreciated, net	<u>37,094,805</u>	<u>(2,469,862)</u>	<u>(27,415)</u>	<u>34,597,528</u>
Total capital assets, net	<u>\$ 43,857,215</u>	<u>\$ (2,469,862)</u>	<u>\$ (27,415)</u>	<u>\$ 41,359,938</u>

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

General government	\$ 510,996
Community services	278,996
Public safety	1,248,081
Highways and streets	1,070,116
Culture and recreation	103,005
Health and welfare	<u>156,843</u>
Total depreciation expense - governmental activities	<u>\$ 3,368,037</u>

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

<b><u>Business-type Activities</u></b>	Balance July 1, 2021	Additions	Deletions and Reclassifications	Balance June 30, 2022
Capital assets being depreciated:				
Equipment	\$ 21,888	\$ -	\$ -	\$ 21,888
Less accumulated depreciation for:				
Equipment	<u>(2,189)</u>	<u>(4,377)</u>	-	<u>(6,566)</u>
Total capital assets, net	<u>\$ 19,699</u>	<u>\$ (4,377)</u>	<u>\$ -</u>	<u>\$ 15,322</u>

**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

**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.	\$ 1,430,000
Full Faith and Credit Financing Agreement, Series 2020. On July 30, 2020, the County issued \$5 million in debt through JPMorgan Chase Bank at a rate of 1.52% per annum. Proceeds are to be used to improve County facilities and to acquire property and equipment for the County. Principal payments are due annually on June 1 of each year through 2035, with interest payable semiannually on December 1 and June 1 of each year beginning December 2020.	<u>4,440,000</u>
Total general obligation bonds outstanding	<u>\$ 5,870,000</u>

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.

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 8 - Noncurrent liabilities, continued**

**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, 2022, was as follows:

<b><u>Governmental activities:</u></b>	<u>Outstanding July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2022</u>	<u>Balances Due Within One Year</u>
<b>Certificates of Participation</b>					
LOCAP Series 2013C	\$ 1,520,000	\$ -	\$ (90,000)	\$ 1,430,000	\$ 95,000
Full Faith and Credit Series 2020	\$ 4,747,000	\$ -	\$ (307,000)	\$ 4,440,000	\$ 312,000
<b>Notes payable</b>					
Curry property note	<u>215,437</u>	<u>-</u>	<u>(25,809)</u>	<u>189,628</u>	<u>24,602</u>
Total bonds and notes payable	6,482,437	-	(422,809)	6,059,628	431,602
Vested compensated absences	<u>2,539,635</u>	<u>2,536,536</u>	<u>(2,539,635)</u>	<u>2,536,536</u>	<u>2,539,635</u>
Total governmental activities	<u>\$ 9,022,072</u>	<u>\$ 2,536,536</u>	<u>\$ (2,962,444)</u>	<u>\$ 8,596,164</u>	<u>\$ 2,971,237</u>
<b><u>Business-type activities:</u></b>					
Vested compensated absences	<u>\$ 5,300</u>	<u>\$ 7,498</u>	<u>\$ (5,300)</u>	<u>\$ 7,498</u>	<u>\$ 7,498</u>

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

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

<u>Fiscal Year</u>	<u>LOCAP Series 2013C</u>		<u>Full Faith and Credit Series 2020</u>		<u>Curry property note</u>		<u>Governmental Activities Totals</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 95,000	\$ 60,150	\$ 312,000	\$ 67,488	\$ 24,602	\$ 8,512	\$ 431,602	\$ 136,150
2024	100,000	55,763	316,000	62,746	28,404	7,183	444,404	125,692
2025	100,000	51,450	321,000	57,942	29,798	5,789	450,798	115,181
2026	105,000	47,222	326,000	53,063	31,260	4,327	462,260	104,612
2027	110,000	42,788	331,000	48,108	32,794	2,793	473,794	93,689
2028-2032	625,000	138,048	1,731,000	163,552	42,770	1,219	2,398,770	302,819
2033-2037	<u>295,000</u>	<u>13,388</u>	<u>1,103,000</u>	<u>33,698</u>	<u>-</u>	<u>-</u>	<u>1,398,000</u>	<u>47,086</u>
	<u>\$ 1,430,000</u>	<u>\$ 408,809</u>	<u>\$ 4,440,000</u>	<u>\$ 486,597</u>	<u>\$ 189,628</u>	<u>\$ 29,823</u>	<u>\$ 6,059,628</u>	<u>\$ 925,229</u>

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

LOCAP payable ending balance	\$ 1,430,000
Less: current portion	(95,000)
Add: unamortized premium	<u>57,158</u>
LOCAP bond payable, due in more than one year	<u>\$ 1,392,158</u>

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 9 - Leases**

**Leases receivable**

The County leases land to various companies for communication equipment. During the year ended June 30, 2022 the lease payments during the year were \$28,278 and \$10,568 in principal and interest respectively. The earliest expires in 2032 and the latest expires in 2046.

**Lease payable**

For the year ended June 30, 2022, the County has reported the following lease activity consistent with the adoption of GASB Statement 87, with activity reported based on the facts in place as of the beginning of the implementation period.

Lease description	Lease origination date	Initial lease value	Interest rate	Annual payment including interest	Lease liability as of 6/30/2022	Right-of-use asset	Accumulated amortization as of 6/30/22	Right-of use asset, net
Corrections - Ruggeri	7/1/21	114,925	0.3	57,600	57,522	114,925	57,462	57,463
QA Enterprise	7/1/21	171,761	0.5	63,200	109,167	171,761	64,410	107,351
HHS Devil's Lake	7/1/21	651,608	0.9	108,000	548,502	651,608	108,601	543,007
Western Title	7/1/21	229,850	0.5	230,300	-	229,850	229,850	-
Western Title II	6/1/22	202,786	2.7	103,992	194,120	202,786	8,450	194,336
Law Library Surplus	7/1/21	287,076	0.9	58,680	230,507	287,076	57,415	229,661
Veterans - Curry	7/1/21	361,375	1.5	28,800	337,312	361,375	30,115	331,260
Highland AT&T	7/1/21	149,189	1.5	8,534	142,634	149,189	10,785	138,404
Otter Crest Cape	7/1/21	5,998	1.0	6,000	-	5,998	5,998	-
Otter Crest Cape II	5/20/22	275,461	2.9	33,600	273,314	275,461	3,826	271,635
Forest Capital								
Hancock	7/1/21	685,491	2.0	21,000	664,491	685,491	29,804	655,687
ODOT Table Mountain	7/1/21	580,777	2.0	33,869	557,386	580,777	27,656	553,121
CLPUD Table Mountain	7/1/21	76,393	1.5	11,700	65,243	76,393	7,276	69,117
<b>Total</b>		<b>3,792,690</b>		<b>765,275</b>	<b>3,180,198</b>	<b>3,792,690</b>	<b>641,648</b>	<b>3,151,042</b>

Scheduled payments to maturity are as follows:

Year Ended June 30,	Amount
2023	\$ 517,446
2024	437,391
2025	301,142
2026	304,641
2027	249,694
2028-2032	745,131
2033-2037	524,466
2038-2042	431,515
2043-2044	114,947
<b>Total payments</b>	<b>3,626,373</b>
Less amount allocated to interest expense	(446,175)
<b>Accrued lease liability</b>	<b>\$ 3,180,198</b>

## LINCOLN COUNTY

### Notes to Financial Statements

June 30, 2022

#### **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, 2022, 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 \$1,192,953 and employees contributed \$805,831 for the year ended June 30, 2022. 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.

#### **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, 2022, were \$246,551.

#### **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 <https://www.oregon.gov/pers/Documents/Financials/ACFR/2021-ACFR.pdf>

##### ***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.

## LINCOLN COUNTY

### Notes to Financial Statements

June 30, 2022

#### **Note 12 - Defined Benefit Pension Plan, continued**

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 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. All monthly pension and annuity benefits except unit purchases are eligible for post-retirement adjustments. As a result of the Senate Bills 822 and 861 and the Oregon Supreme Court Decision in *Moro v. State of Oregon*, automatic post-retirement adjustments are based on a blended COLA rate.

#### **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.

LINCOLN COUNTY

Notes to Financial Statements

June 30, 2022

**Note 12 - Defined Benefit Pension Plan, continued**

*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.

***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, 2018 actuarial valuation. Employer contributions for the year ended June 30, 2022 were \$790,956 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2022 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 its 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, 2022, The County's proportionate share of the net pension liability is \$6,260,099.. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2019 rolled forward to June 30, 2021. 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, 2022, the County's proportion share was 0.05231362 percent, which was changed from its proportion measured as of June 30, 2020 of 0.04845842 percent.

For the year ended June 30, 2022, the County recognized pension expense of \$1,296,809.

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 12 - Defined Benefit Pension Plan, continued**

At June 30, 2022, 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	\$ 585,986	\$ -
Change in assumptions	1,567,091	16,475
Net difference between projected and actual earnings on pension plan investments	-	4,634,303
Changes in proportion share	683,098	95,069
Changes in proportion and differences between contributions and proportionate share of contributions	-	478,336
Sub-total before post-measurement date contributions	2,836,175	5,224,183
Contributions subsequent to the measurement date	980,631	-
Total	\$ 3,816,806	\$ 5,224,183

Deferred outflows of resources related to pensions of \$980,631 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, 2022. 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:	
2022	\$ (387,252)
2023	(456,151)
2024	(640,963)
2025	(1,069,886)
2026	166,244
Total	\$ (2,388,008)

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 12 - Defined Benefit Pension Plan, continued**

**Actuarial Assumptions:**

The employer contribution rates effective July 1, 2021, through June 30, 2022, 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, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date:	December 31, 2019
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	2.40%
Investment Rate of return	6.90%
Projected Salary Increases	3.40% overall payroll growth
Mortality	<p><b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Date Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010 Disabled retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2018 Experience Study which reviewed experience for the four-year period ending on December 31, 2018.

**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 return 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/ACFR/2021-ACFR.pdf>.

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 12 - Defined Benefit Pension Plan, continued**

***Discount Rate***

The discount rate used to measure the total pension liability was 6.9 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.

***Depletion Date Projection.***

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

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

PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.

GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

***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 6.9 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 (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate share of net pension liability (asset)	\$ 12,293,337	\$ 6,260,099	\$ 1,212,469

***Pension Plan Fiduciary Net Position***

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

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**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.

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

**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		2,646
Differences between expected and actual experience		21,081
Contributions after measurement date		<u>61,167</u>
Total deferred outflow of resources		84,894
Net OPEB liability		1,105,158
Deferred inflow of resources		
Differences between expected and actual experience		(19,221)
Change in assumptions		<u>(84,072)</u>
Total deferred inflow of resources	\$	(103,293)

Deferred outflows of resources related to OPEB of \$61,167 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, 2022. 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:		
2022	\$	(24,102)
2023		(21,552)
2024		(14,236)
2025		(9,672)
2026		(10,515)
Thereafter		<u>511</u>
Total	\$	<u>(79,566)</u>

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 13 - Other Postemployment Benefits (OPEB), continued**

**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, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	12
Active employees	<u>427</u>
Total	<u><u>439</u></u>

The County's total OPEB liability of \$1,105,158 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020.

For the fiscal year ended June 30, 2022, the County recognized OPEB expense from this plan of \$119,641

*Actuarial Assumptions and Other Inputs*

The total OPEB liability in the July 1, 2020 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	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one year setback for male general service employees and female safety employees.
Discount rate	2.16 percent (change from 2.21 percent in previous measurement period)
Health Care Cost Trend	The medical trend assumptions used in this valuation are based on long-term healthcare trend rates generated by the Society of Actuaries' Getzen Trend Model. Inputs to the model are consistent with other assumptions used in the valuation. The medical trend assumption includes the impact of the Further Consolidated Appropriations Act, 2020, which became law on December 20, 2019. This law repeals the Cadillac Tax completely and removes the Health Insurer Fee permanently beginning in 2021.
	Medical and vision:
	Year                      Pre-65 Trend
	2020                      3.75%
	2021                      5.75
	2022                      5.25
	2023 - 2025              5.00
	2026 - 2040              4.75
	2041 - 2049              5.00
	2050 - 2064              4.75
	2065 - 2067              4.50
	2068 - 2071              4.25
	2072+                      4.00
	Dental: -1.25% for 2020, 4.00% per year thereafter
	Health care cost trend affects both the projected health care costs as well as the projected health care premiums.

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

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**Note 13 - Other Postemployment Benefits (OPEB), continued**

**Changes in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance as of June 30, 2021	\$ 1,026,226
Changes for the year	
Service cost	119,641
Interest on total OPEB liability	24,558
Effect of assumptions changes or inputs	4,373
Benefit payments	(69,640)
Balance as of June 30, 2022	<u>\$ 1,105,158</u>

Changes in assumptions is the result of the change in the discount rate from 2.21 percent to 2.16 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 (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

	<u>1% Decrease (1.16%)</u>	<u>Discount Rate (2.16%)</u>	<u>1% Increase (3.16%)</u>
Discount Rates:			
Total OPEB Liability	\$ 1,192,474	\$ 1,105,158	\$ 1,023,742
Health Cost Trends:			
Total OPEB Liability	\$ 973,184	\$ 1,105,158	\$ 1,265,049

**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 County carries a liability policy combined with an excess layer with a 10 million limit per occurrence or wrongful act, and a \$25,000 deductible. The annual aggregate limit of the policy is \$30 million. The County also carries an additional excess layer with a \$5 million per occurrence and a \$10 million annual aggregate. The policy renews July 1 of each yearly.

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:

	<u>Year Ended June 30,</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b><u>Workers' compensation</u></b>			
Unpaid claims, beginning of year	\$ -	\$ -	\$ -
Incurred claims (including IBNR)	426,248	436,098	523,745
Claim payments	(426,248)	(436,098)	(523,745)
Unpaid claims, end of year	\$ -	\$ -	\$ -
<b><u>State unemployment</u></b>			
Unpaid claims, beginning of year	\$ -	\$ -	\$ -
Incurred claims (including IBNR)	34,150	209,487	80,500
Claim payments	(34,150)	(209,487)	(80,500)
Unpaid claims, end of year	\$ -	\$ -	\$ -

**LINCOLN COUNTY**

Notes to Financial Statements

June 30, 2022

**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.

**Note 16 - Restatement of net position and fund balance**

In the year ended June 30, 2022, the County changed the accounting for inventory from the consumption method to recording the expense of inventory when purchased. Opening fund balance in the Public Works Fund and net position for governmental activities has been restated to recognize this change.

On the financial statements for the year ended June 30, 2021, the County incorrectly expensed amounts that should have been reported as additions to construction in progress. Net position for governmental activities has been restated to recognize this change.

	<u>As originally reported</u>	<u>Inventory Adjustment</u>	<u>Construction in Progress Adjustment</u>	<u>Restated balance</u>
Fund balances				
Public Works Fund	<u>\$ 8,812,122</u>	<u>\$ (502,649)</u>	<u>\$ -</u>	<u>\$ 8,309,473</u>
Net position				
Governmental Activities	<u>\$ 80,563,924</u>	<u>\$ (502,649)</u>	<u>\$ 1,441,082</u>	<u>\$ 81,502,357</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

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

June 30, 2022

	2022	2021	2020	2019	2018
Balance at beginning of year	\$ 1,026,226	\$ 1,059,353	\$ 1,031,081	\$ 1,050,957	\$ 1,085,048
Services cost	119,641	102,600	91,723	83,397	88,685
Interest on total OPEB liability	24,558	39,278	40,861	38,912	32,067
Effect of economic/demographic gains or losses	-	3,748	-	(46,677)	(56,971)
Effect of assumptions changes or inputs	4,373	(98,622)	30,925	174	-
Benefit payments	(69,640)	(80,131)	(135,237)	(95,682)	(97,872)
Balance at end of year	<u>\$ 1,105,158</u>	<u>\$ 1,026,226</u>	<u>\$ 1,059,353</u>	<u>1,031,081</u>	<u>1,050,957</u>
Covered payroll	\$ 18,553,836	\$ 18,385,384	\$ 18,553,836	\$ 16,697,376	\$ 15,657,072
Total OPEB liability as a percentage of covered payroll	5.96 %	5.58 %	5.71 %	6.18 %	6.71 %

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

**LINCOLN COUNTY**

Required Supplemental Information - Oregon Public Employee Retirement System  
Year Ended June 30, 2022

Proportionate Share of Net Pension Liability

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.052314 %	0.049477 %	0.048458 %	0.048019 %	0.045001 %	0.045681 %	0.051031 %	0.039560 %
Proportionate share of the net pension liability	\$ 6,260,099	\$10,575,294	\$ 8,558,329	\$ 7,274,260	\$ 6,066,726	\$ 6,857,708	\$ 2,929,952	\$ 896,723
Covered payroll	5,363,922	5,333,586	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	116.71 %	198.28 %	175.49 %	150.36 %	127.09 %	151.74 %	67.23 %	21.43 %
Plan net position as a percentage of the total pension liability	87.6 %	75.8 %	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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 916,720	\$ 790,956	\$ 779,776	\$ 817,231	\$ 826,330	\$ 686,083	\$ 671,464	\$ 634,532
Contributions in relation to the contractually required contribution	<u>916,720</u>	<u>790,956</u>	<u>779,776</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>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,472,245	\$ 5,363,922	\$ 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	16.75 %	14.75 %	14.62 %	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**

**LINCOLN COUNTY**

**219 CAPITAL PROJECTS FUND**

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Intergovernmental Revenues	\$ -	\$ 500,000	\$ 500,000	\$ -
Indirect charges	100,000	100,000	72,252	(27,748)
Investment Earnings	-	-	3,384	3,384
Donations	-	-	53,188	53,188
Total revenues	<u>100,000</u>	<u>600,000</u>	<u>628,824</u>	<u>28,824</u>
<b>Expenditures:</b>				
Materials and services	1,355,905	1,355,905	284,694	1,071,211
Capital Outlay	7,720,000	8,220,000	842,981	7,377,019
Contingency	<u>2,405,293</u>	<u>2,405,293</u>	-	<u>2,405,293</u>
Total expenditures	<u>11,481,198</u>	<u>11,981,198</u>	<u>1,127,675</u>	<u>10,853,523</u>
<b>Other financing sources (uses):</b>				
Net change in fund balances	(11,381,198)	(11,381,198)	(498,851)	10,882,347
<b>Fund Balance:</b>				
Beginning of year	<u>11,381,198</u>	<u>11,381,198</u>	<u>11,163,490</u>	<u>(217,708)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,664,639</u>	<u>\$ 10,664,639</u>

COMBINING AND INDIVIDUAL NONMAJOR FUNDS  
STATEMENTS AND SCHEDULES

**LINCOLN COUNTY**  
NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

June 30, 2022

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>ASSETS</b>			
Cash and investments	\$ 16,187,023	\$ 5,730,792	\$ 21,917,815
Receivables - net	1,528,238	290,334	1,818,572
Prepaid Expenses	<u>290</u>	<u>-</u>	<u>290</u>
Total assets	<u>\$ 17,715,551</u>	<u>\$ 6,021,126</u>	<u>\$ 23,736,677</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 201,606	\$ -	\$ 201,606
Accrued payroll and related liabilities	<u>290,553</u>	<u>-</u>	<u>290,553</u>
Total liabilities	<u>492,159</u>	<u>-</u>	<u>492,159</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues - A/R	198,156	-	198,156
<b>FUND BALANCES</b>			
Restricted	13,148,828	-	13,148,828
Committed	<u>3,876,408</u>	<u>6,021,126</u>	<u>9,897,534</u>
Total fund balances	<u>17,025,236</u>	<u>6,021,126</u>	<u>23,046,362</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,715,551</u>	<u>\$ 6,021,126</u>	<u>\$ 23,736,677</u>

**LINCOLN COUNTY**  
NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2022

	<u>Special Revenue</u>	<u>Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>REVENUES:</b>			
Taxes and land sales	\$ 2,833,980	\$ 1,535,546	\$ 4,369,526
Intergovernmental Revenues	9,056,542	-	9,056,542
Fines and Fees	45,411	-	45,411
Permits and fees	274,724	-	274,724
Charges for services	2,605,929	310,144	2,916,073
Donations	365,779	-	365,779
Investment Earnings	83,984	32,094	116,078
Other revenue	<u>52,622</u>	<u>-</u>	<u>52,622</u>
Total revenues	<u>15,318,971</u>	<u>1,877,784</u>	<u>17,196,755</u>
<b>EXPENDITURES:</b>			
Current:			
General government	2,626,332	8,049	2,634,381
Public safety	1,469,229	-	1,469,229
Community Services	2,604,474	-	2,604,474
Culture and recreation	184,455	-	184,455
Public works	5,236,690	-	5,236,690
Education	372,019	-	372,019
Capital outlay	<u>-</u>	<u>304,913</u>	<u>304,913</u>
Total expenditures	<u>12,493,199</u>	<u>312,962</u>	<u>12,806,161</u>
Excess (deficiency) of revenues over expenditures	<u>2,825,772</u>	<u>1,564,822</u>	<u>4,390,594</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	2,402,462	-	2,402,462
Transfers out	-	(208,000)	(208,000)
Proceeds from sale of capital assets	<u>21,650</u>	<u>86,957</u>	<u>108,607</u>
Total other financing sources (uses)	<u>2,424,112</u>	<u>(121,043)</u>	<u>2,303,069</u>
Net change in fund balances	5,249,884	1,443,779	6,693,663
Fund balances at beginning of year	<u>11,775,352</u>	<u>4,577,347</u>	<u>16,352,699</u>
Fund balances at end of year	<u>\$ 17,025,236</u>	<u>\$ 6,021,126</u>	<u>\$ 23,046,362</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.
- **Property Management** – This fund is used to record activities related to maintaining an inventory of County-owned property
- **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**  
**NONMAJOR SPECIAL REVENUE FUNDS**

Combining Balance Sheet

June 30, 2022

	102 Economic Development Fund	111 Property Management	203 County Commons Fund	205 Law Library Fund	207 Clerk Records Fund	204 Transit District Fund	216 Community Health Centers Fund
<b>ASSETS</b>							
Cash and investments	\$ 1,900,105	\$ 188,983	\$ 374,512	\$ 155,018	\$ 173,309	\$ 4,088,001	\$ 1,753,303
Receivables - net	81,846	-	-	-	-	1,035,135	353,017
Prepaid Expenses	-	-	-	-	-	-	-
Total assets	<u>\$ 1,981,951</u>	<u>\$ 188,983</u>	<u>\$ 374,512</u>	<u>\$ 155,018</u>	<u>\$ 173,309</u>	<u>\$ 5,123,136</u>	<u>\$ 2,106,320</u>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ 25,523	\$ 44	\$ 207	\$ 8,373	\$ 99,646
Accrued payroll and related expenses	-	-	-	-	919	52,596	133,073
Total liabilities	<u>-</u>	<u>-</u>	<u>25,523</u>	<u>44</u>	<u>1,126</u>	<u>60,969</u>	<u>232,719</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Other Deferred Revenue	-	-	-	-	-	30,895	109,021
<b>FUND BALANCES</b>							
Restricted	1,981,951	188,983	348,989	-	-	5,031,272	1,764,580
Committed	-	-	-	154,974	172,183	-	-
Total fund balances	<u>1,981,951</u>	<u>188,983</u>	<u>348,989</u>	<u>154,974</u>	<u>172,183</u>	<u>5,031,272</u>	<u>1,764,580</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,981,951</u>	<u>\$ 188,983</u>	<u>\$ 374,512</u>	<u>\$ 155,018</u>	<u>\$ 173,309</u>	<u>\$ 5,123,136</u>	<u>\$ 2,106,320</u>

**LINCOLN COUNTY**  
**NONMAJOR SPECIAL REVENUE FUNDS**

Combining Balance Sheet

June 30, 2022

	230 Siletz Law Enforcement District	212 Animal Services Fund	213 Title III/Safety Net Fund	217 Corner Preservation Fund	250 Community Justice	291 Radio Communications Fund	859 OSU Extension Agency
<b>ASSETS</b>							
Cash and investments	\$ 307,084	\$ 642,605	\$ 1,280,704	\$ 480,844	\$ 3,002,956	\$ 178,669	\$ 962,801
Receivables - net	8,996	34,930	-	-	-	-	14,314
Prepaid Expenses	-	-	-	290	-	-	-
Total assets	<u>\$ 316,080</u>	<u>\$ 677,535</u>	<u>\$ 1,280,704</u>	<u>\$ 481,134</u>	<u>\$ 3,002,956</u>	<u>\$ 178,669</u>	<u>\$ 977,115</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 384	\$ 16,498	\$ -	\$ 11	\$ 49,267	\$ 1,276	\$ 377
Accrued payroll and related expenses	-	24,001	-	254	79,710	-	-
Total liabilities	<u>384</u>	<u>40,499</u>	<u>-</u>	<u>265</u>	<u>128,977</u>	<u>1,276</u>	<u>377</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Other Deferred Revenue	<u>8,996</u>	<u>34,930</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,314</u>
<b>FUND BALANCES</b>							
Restricted	306,700	602,106	1,280,704	480,869	-	177,393	962,424
Committed	-	-	-	-	2,873,979	-	-
Total fund balances	<u>306,700</u>	<u>602,106</u>	<u>1,280,704</u>	<u>480,869</u>	<u>2,873,979</u>	<u>177,393</u>	<u>962,424</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 316,080</u>	<u>\$ 677,535</u>	<u>\$ 1,280,704</u>	<u>\$ 481,134</u>	<u>\$ 3,002,956</u>	<u>\$ 178,669</u>	<u>\$ 977,115</u>

**LINCOLN COUNTY**  
**NONMAJOR SPECIAL REVENUE FUNDS**

Combining Balance Sheet

June 30, 2022

	603 Agate Beach Disposal Site Closure	601 DUII Fund	Total
	<u>        </u>	<u>        </u>	<u>        </u>
<b>ASSETS</b>			
Cash and investments	\$ 675,272	\$ 22,857	\$ 16,187,023
Receivables - net	-	-	1,528,238
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>290</u>
Total assets	<u>\$ 675,272</u>	<u>\$ 22,857</u>	<u>\$ 17,715,551</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ 201,606
Accrued payroll and related expenses	<u>-</u>	<u>-</u>	<u>290,553</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>492,159</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Other Deferred Revenue	<u>-</u>	<u>-</u>	<u>198,156</u>
<b>FUND BALANCES</b>			
Restricted	-	22,857	13,148,828
Committed	<u>675,272</u>	<u>-</u>	<u>3,876,408</u>
Total fund balances	<u>675,272</u>	<u>22,857</u>	<u>17,025,236</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 675,272</u>	<u>\$ 22,857</u>	<u>\$ 17,715,551</u>

**LINCOLN COUNTY**

**NONMAJOR SPECIAL REVENUE FUNDS**

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

For the Year Ended June 30, 2022

	102 Economic Development Fund	111 Property Management	203 County Commons Fund	205 Law Library Fund	207 Clerk Records Fund	204 Transit District Fund	216 Community Health Centers Fund
<b>REVENUES:</b>							
Taxes and land sales	\$ 432,851	\$ -	\$ -	\$ -	\$ -	\$ 831,866	\$ -
Intergovernmental Revenues	316,152	-	53,167	-	-	2,210,664	3,328,083
Fines and Fees	-	-	-	45,411	-	-	-
Permits and fees	-	-	8,094	-	65,180	-	-
Charges for services	-	-	-	-	-	511,597	1,874,078
Donations	-	-	22,550	-	-	-	550
Investment Earnings	12,090	-	2,123	1,088	1,271	28,046	11,898
Other revenue	-	-	32,542	-	-	3,223	3,000
<b>Total revenues</b>	<b>761,093</b>	<b>-</b>	<b>118,476</b>	<b>46,499</b>	<b>66,451</b>	<b>3,585,396</b>	<b>5,217,609</b>
<b>EXPENDITURES:</b>							
Current:							
General government	-	83,086	-	-	77,884	-	-
Public safety	-	-	-	32,678	-	-	-
Community Services	253,700	-	-	-	-	2,240,291	-
Culture and recreation	-	-	184,455	-	-	-	-
Health and welfare	-	-	-	-	-	-	5,236,690
Education	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>253,700</b>	<b>83,086</b>	<b>184,455</b>	<b>32,678</b>	<b>77,884</b>	<b>2,240,291</b>	<b>5,236,690</b>
Excess (deficiency) of revenues over (under) expenditures	507,393	(83,086)	(65,979)	13,821	(11,433)	1,345,105	(19,081)
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers In	-	-	125,000	-	-	-	-
Gain on Sale of Capital Asset	-	-	-	-	-	21,650	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>125,000</b>	<b>-</b>	<b>-</b>	<b>21,650</b>	<b>-</b>
Net change in fund balance	507,393	(83,086)	59,021	13,821	(11,433)	1,366,755	(19,081)
Fund balance beginning of year	1,474,558	272,069	289,968	141,153	183,616	3,664,517	1,783,661
<b>Ending fund balance</b>	<b>\$ 1,981,951</b>	<b>\$ 188,983</b>	<b>\$ 348,989</b>	<b>\$ 154,974</b>	<b>\$ 172,183</b>	<b>\$ 5,031,272</b>	<b>\$ 1,764,580</b>

**LINCOLN COUNTY**

**NONMAJOR SPECIAL REVENUE FUNDS**

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

For the Year Ended June 30, 2022

	<u>230 Siletz Law Enforcement District</u>	<u>212 Animal Services Fund</u>	<u>213 Title III/Safety Net Fund</u>	<u>217 Corner Preservation Fund</u>	<u>250 Community Justice</u>	<u>291 Radio Communications Fund</u>
<b>REVENUES:</b>						
Taxes and land sales	\$ 243,176	\$ 940,401	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	161,814	5,858	-	-	2,978,402	-
Fines and Fees	-	-	-	-	-	-
Permits and fees	-	53,197	-	128,374	14,557	-
Charges for services	-	-	-	-	94,661	125,593
Donations	-	342,679	-	-	-	-
Investment Earnings	45	3,548	8,898	3,136	-	-
Other revenue	-	-	-	-	13,857	-
Total revenues	<u>405,035</u>	<u>1,345,683</u>	<u>8,898</u>	<u>131,510</u>	<u>3,101,477</u>	<u>125,593</u>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	61,542	2,403,820	-
Public safety	335,346	959,073	-	-	-	142,132
Community Services	-	-	92,236	-	-	-
Culture and recreation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Education	-	-	-	-	-	-
Total expenditures	<u>335,346</u>	<u>959,073</u>	<u>92,236</u>	<u>61,542</u>	<u>2,403,820</u>	<u>142,132</u>
Excess (deficiency) of revenues over (under) expenditures	<u>69,689</u>	<u>386,610</u>	<u>(83,338)</u>	<u>69,968</u>	<u>697,657</u>	<u>(16,539)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	-	-	-	-	2,219,058	58,404
Gain on Sale of Capital Asset	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,219,058</u>	<u>58,404</u>
Net change in fund balance	69,689	386,610	(83,338)	69,968	2,916,715	41,865
Fund balance beginning of year	<u>237,011</u>	<u>215,496</u>	<u>1,364,042</u>	<u>410,901</u>	<u>(42,736)</u>	<u>135,528</u>
Ending fund balance	<u>\$ 306,700</u>	<u>\$ 602,106</u>	<u>\$ 1,280,704</u>	<u>\$ 480,869</u>	<u>\$ 2,873,979</u>	<u>\$ 177,393</u>

**LINCOLN COUNTY**

**NONMAJOR SPECIAL REVENUE FUNDS**

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

For the Year Ended June 30, 2022

	<u>859 OSU Extension Agency</u>	<u>603 Agate Beach Disposal Site Closure</u>	<u>601 DUUI Fund</u>	<u>Total</u>
<b>REVENUES:</b>				
Taxes and land sales	\$ 385,686	\$ -	\$ -	\$ 2,833,980
Intergovernmental Revenues	2,402	-	-	9,056,542
Fines and Fees	-	-	-	45,411
Permits and fees	-	5,322	-	274,724
Charges for services	-	-	-	2,605,929
Donations	-	-	-	365,779
Investment Earnings	7,058	4,629	154	83,984
Other revenue	-	-	-	52,622
Total revenues	<u>395,146</u>	<u>9,951</u>	<u>154</u>	<u>15,318,971</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	2,626,332
Public safety	-	-	-	1,469,229
Community Services	-	18,247	-	2,604,474
Culture and recreation	-	-	-	184,455
Health and welfare	-	-	-	5,236,690
Education	372,019	-	-	372,019
Total expenditures	<u>372,019</u>	<u>18,247</u>	<u>-</u>	<u>12,493,199</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,127</u>	<u>(8,296)</u>	<u>154</u>	<u>2,825,772</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	-	-	2,402,462
Gain on Sale of Capital Asset	-	-	-	21,650
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,424,112</u>
Net change in fund balance	23,127	(8,296)	154	5,249,884
Fund balance beginning of year	<u>939,297</u>	<u>683,568</u>	<u>22,703</u>	<u>11,775,352</u>
Ending fund balance	<u>\$ 962,424</u>	<u>\$ 675,272</u>	<u>\$ 22,857</u>	<u>\$ 17,025,236</u>

**LINCOLN COUNTY**  
**102 ECONOMIC DEVELOPMENT FUND**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Taxes and land sales	\$ 200,000	\$ 200,000	\$ 432,851	\$ 232,851
Intergovernmental revenues	300,000	300,000	316,152	16,152
Investment earnings	<u>10,000</u>	<u>10,000</u>	<u>12,090</u>	<u>2,090</u>
Total revenues	<u>510,000</u>	<u>510,000</u>	<u>761,093</u>	<u>251,093</u>
<b>Expenditures:</b>				
Materials and services	925,000	925,000	253,700	671,300
Contingency	<u>227,448</u>	<u>227,448</u>	<u>-</u>	<u>227,448</u>
Total expenditures	<u>1,152,448</u>	<u>1,152,448</u>	<u>253,700</u>	<u>898,748</u>
Net change in fund balances	(642,448)	(642,448)	507,393	1,149,841
<b>Fund Balance:</b>				
Beginning of year	<u>642,448</u>	<u>642,448</u>	<u>1,474,558</u>	<u>832,110</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,981,951</u>	<u>\$ 1,981,951</u>

**LINCOLN COUNTY**

111 PROPERTY MANAGEMENT

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes and land sales	\$ 556,250	\$ 556,250	\$ -	\$ (556,250)
Total revenues	<u>556,250</u>	<u>556,250</u>	<u>-</u>	<u>(556,250)</u>
Expenditures:				
Materials and services	431,250	431,250	83,086	348,164
Capital outlay	100,000	100,000	-	100,000
Contingency	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>581,250</u>	<u>581,250</u>	<u>83,086</u>	<u>498,164</u>
Net change in fund balances	(25,000)	(25,000)	(83,086)	(58,086)
Beginning of year	<u>25,000</u>	<u>25,000</u>	<u>272,069</u>	<u>247,069</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 188,983</u>	<u>\$ 188,983</u>

**LINCOLN COUNTY**  
**203 COUNTY COMMONS FUND**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 53,500	\$ 53,500	\$ 53,167	\$ (333)
Permits and fees	10,000	10,000	8,094	(1,906)
Donations	5,000	5,000	22,550	17,550
Investment Earnings	2,100	2,100	2,123	23
Other revenue	<u>30,500</u>	<u>30,500</u>	<u>32,542</u>	<u>2,042</u>
Total revenues	<u>101,100</u>	<u>101,100</u>	<u>118,476</u>	<u>17,376</u>
<b>Expenditures:</b>				
Materials and services	250,600	250,600	184,455	66,145
Contingency	<u>265,858</u>	<u>265,858</u>	-	<u>265,858</u>
Total expenditures	<u>516,458</u>	<u>516,458</u>	<u>184,455</u>	<u>332,003</u>
Excess revenues under expenditures	<u>(415,358)</u>	<u>(415,358)</u>	<u>(65,979)</u>	<u>349,379</u>
<b>Other financing sources (uses):</b>				
Transfers In	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	-
Net change in fund balances	(290,358)	(290,358)	59,021	349,379
<b>Fund Balance:</b>				
Beginning of year	<u>290,358</u>	<u>290,358</u>	<u>289,968</u>	<u>(390)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 348,989</u>	<u>\$ 348,989</u>

**LINCOLN COUNTY**

205 LAW LIBRARY FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Fines and penalties	\$ 30,000	\$ 30,000	\$ 45,411	\$ 15,411
Investment earnings	1,000	1,000	1,088	88
Total revenues	<u>31,000</u>	<u>31,000</u>	<u>46,499</u>	<u>15,499</u>
Expenditures:				
Materials and services	43,675	43,675	32,678	10,997
Contingency	109,464	109,464	-	109,464
Total expenditures	<u>153,139</u>	<u>153,139</u>	<u>32,678</u>	<u>120,461</u>
Net change in fund balances	(122,139)	(122,139)	13,821	135,960
Fund Balance:				
Beginning of year	<u>122,139</u>	<u>122,139</u>	<u>141,153</u>	<u>19,014</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154,974</u>	<u>\$ 154,974</u>

**LINCOLN COUNTY**

207 CLERK RECORDS FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Permits and fees	\$ 70,000	\$ 70,000	\$ 65,180	\$ (4,820)
Investment earnings	<u>1,000</u>	<u>1,000</u>	<u>1,271</u>	<u>271</u>
Total revenues	<u>71,000</u>	<u>71,000</u>	<u>66,451</u>	<u>(4,549)</u>
Expenditures:				
Personal services	62,406	62,406	43,932	18,474
Materials and services	<u>164,766</u>	<u>164,766</u>	<u>33,952</u>	<u>130,814</u>
Total expenditures	<u>227,172</u>	<u>227,172</u>	<u>77,884</u>	<u>149,288</u>
Excess revenues under expenditures	<u>(156,172)</u>	<u>(156,172)</u>	<u>(11,433)</u>	<u>144,739</u>
Net change in fund balances	(156,172)	(156,172)	(11,433)	144,739
Fund Balance:				
Beginning of year	<u>156,172</u>	<u>156,172</u>	<u>183,616</u>	<u>27,444</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 172,183</u>	<u>\$ 172,183</u>

**LINCOLN COUNTY**  
**204 TRANSIT DISTRICT FUND**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Taxes and land sales	\$ 750,000	\$ 750,000	\$ 831,866	\$ 81,866
Intergovernmental revenues	3,205,642	3,205,642	2,210,664	(994,978)
Charges for services	480,885	480,885	511,597	30,712
Investment earnings	35,000	35,000	28,046	(6,954)
Other revenue	<u>2,000</u>	<u>2,000</u>	<u>3,223</u>	<u>1,223</u>
Total revenues	<u>4,473,527</u>	<u>4,473,527</u>	<u>3,585,396</u>	<u>(888,131)</u>
<b>Expenditures:</b>				
Personal services	2,621,874	2,621,874	1,501,114	1,120,760
Materials and services	1,201,739	1,201,739	739,177	462,562
Capital outlay	1,400,000	1,400,000	-	1,400,000
Contingency	<u>1,003,746</u>	<u>1,003,746</u>	<u>-</u>	<u>1,003,746</u>
Total expenditures	<u>6,227,359</u>	<u>6,227,359</u>	<u>2,240,291</u>	<u>3,987,068</u>
Excess revenues over (under) expenditures	<u>(1,753,832)</u>	<u>(1,753,832)</u>	<u>1,345,105</u>	<u>3,098,937</u>
<b>Other financing sources (uses):</b>				
Gain on disposition of assets	<u>-</u>	<u>-</u>	<u>21,650</u>	<u>21,650</u>
Net change in fund balances	<u>(1,753,832)</u>	<u>(1,753,832)</u>	<u>1,366,755</u>	<u>3,120,587</u>
<b>Fund Balance:</b>				
Beginning of year	<u>1,753,832</u>	<u>1,753,832</u>	<u>3,664,517</u>	<u>1,910,685</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,031,272</u>	<u>\$ 5,031,272</u>

**LINCOLN COUNTY**  
**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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Intergovernmental revenues	\$ 2,747,278	\$ 3,530,789	\$ 3,328,083	\$ (202,706)
Charges for services	1,576,602	1,576,602	1,874,078	297,476
Investment earnings	20,000	20,000	11,898	(8,102)
Contributions and donations	600	600	550	(50)
Other revenue	<u>100</u>	<u>100</u>	<u>3,000</u>	<u>2,900</u>
Total revenues	<u>4,344,580</u>	<u>5,128,091</u>	<u>5,217,609</u>	<u>89,518</u>
<b>Expenditures:</b>				
Personal services	4,423,343	4,681,517	3,712,144	969,373
Materials and services	1,550,076	1,767,462	1,524,546	242,916
Contingency	<u>-</u>	<u>462,772</u>	<u>-</u>	<u>462,772</u>
Total expenditures	<u>5,973,419</u>	<u>6,911,751</u>	<u>5,236,690</u>	<u>1,675,061</u>
Net change in fund balances	(1,628,839)	(1,783,660)	(19,081)	1,764,579
<b>Fund Balance:</b>				
Beginning of year	<u>1,628,839</u>	<u>1,783,660</u>	<u>1,783,661</u>	<u>1</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,764,580</u>	<u>\$ 1,764,580</u>

**LINCOLN COUNTY**

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes and land sales	\$ 227,000	\$ 227,000	\$ 243,176	\$ 16,176
Intergovernmental revenues	170,431	170,431	161,814	(8,617)
Investment earnings	<u>170</u>	<u>170</u>	<u>45</u>	<u>(125)</u>
Total revenues	<u>397,601</u>	<u>397,601</u>	<u>405,035</u>	<u>7,434</u>
Expenditures:				
Materials and services	336,061	341,061	335,346	5,715
Contingency	<u>337,539</u>	<u>332,539</u>	<u>-</u>	<u>332,539</u>
Total expenditures	<u>673,600</u>	<u>673,600</u>	<u>335,346</u>	<u>338,254</u>
Net change in fund balances	(275,999)	(275,999)	69,689	345,688
Fund Balance:				
Beginning of year	<u>275,999</u>	<u>275,999</u>	<u>237,011</u>	<u>(38,988)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 306,700</u>	<u>\$ 306,700</u>

**LINCOLN COUNTY**  
**212 ANIMAL SERVICES FUND**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Taxes and land sales	\$ 909,289	\$ 909,289	\$ 940,401	\$ 31,112
Intergovernmental revenues	3,000	3,000	5,858	2,858
Permits and fees	42,000	42,000	53,197	11,197
Investment earnings	5,000	5,000	3,548	(1,452)
Contributions and donations	<u>60,000</u>	<u>70,000</u>	<u>342,679</u>	<u>272,679</u>
Total revenues	<u>1,019,289</u>	<u>1,029,289</u>	<u>1,345,683</u>	<u>316,394</u>
<b>Expenditures:</b>				
Personal services	841,236	841,236	644,838	196,398
Materials and services	340,000	350,000	314,235	35,765
Contingency	<u>34,247</u>	<u>34,247</u>	<u>-</u>	<u>34,247</u>
Total expenditures	<u>1,215,483</u>	<u>1,225,483</u>	<u>959,073</u>	<u>266,410</u>
Excess revenues over (under) expenditures	<u>(196,194)</u>	<u>(196,194)</u>	<u>386,610</u>	<u>582,804</u>
<b>Other financing sources (uses):</b>				
Net change in fund balances	(196,194)	(196,194)	386,610	582,804
<b>Fund Balance:</b>				
Beginning of year	<u>196,194</u>	<u>196,194</u>	<u>215,496</u>	<u>19,302</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 602,106</u>	<u>\$ 602,106</u>

**LINCOLN COUNTY**

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment earnings	\$ 12,500	\$ 12,500	\$ 8,898	\$ (3,602)
Expenditures:				
Materials and services	565,404	565,404	92,236	473,168
Capital outlay	<u>850,046</u>	<u>850,046</u>	<u>-</u>	<u>850,046</u>
Total expenditures	<u>1,415,450</u>	<u>1,415,450</u>	<u>92,236</u>	<u>1,323,214</u>
Net change in fund balances	(1,402,950)	(1,402,950)	(83,338)	1,319,612
Fund Balance:				
Beginning of year	<u>1,402,950</u>	<u>1,402,950</u>	<u>1,364,042</u>	<u>(38,908)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,280,704</u>	<u>\$ 1,280,704</u>

**LINCOLN COUNTY**  
**217 CORNER PRESERVATION FUND**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Permits and fees	\$ 103,000	\$ 103,000	\$ 128,374	\$ 25,374
Investment earnings	3,800	3,800	3,136	(664)
Total revenues	<u>106,800</u>	<u>106,800</u>	<u>131,510</u>	<u>24,710</u>
<b>Expenditures:</b>				
Personal services	33,483	33,483	29,591	3,892
Materials and services	143,700	143,700	31,951	111,749
Capital outlay	78,000	78,000	-	78,000
Contingency	<u>231,437</u>	<u>231,437</u>	<u>-</u>	<u>231,437</u>
Total expenditures	<u>486,620</u>	<u>486,620</u>	<u>61,542</u>	<u>425,078</u>
Net change in fund balances	(379,820)	(379,820)	69,968	449,788
<b>Fund Balance:</b>				
Beginning of year	<u>379,820</u>	<u>379,820</u>	<u>410,901</u>	<u>31,081</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 480,869</u>	<u>\$ 480,869</u>

**LINCOLN COUNTY**

250 COMMUNITY JUSTICE

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental Revenues	2,740,924	2,906,749	2,978,402	71,653
Permits and fees	-	2,500	14,557	12,057
Charges for services	150,000	150,000	94,661	(55,339)
Other revenue	-	-	13,857	13,857
Total revenues	<u>2,890,924</u>	<u>3,059,249</u>	<u>3,101,477</u>	<u>42,228</u>
Expenditures:				
Personnel Services	2,383,801	2,462,410	1,804,738	657,672
Materials and services	795,491	944,149	599,082	345,067
Contingency	<u>1,991,143</u>	<u>1,991,143</u>	-	<u>1,991,143</u>
Total expenditures	<u>5,170,435</u>	<u>5,397,702</u>	<u>2,403,820</u>	<u>2,993,882</u>
Excess revenues over (under) expenditures	<u>(2,279,511)</u>	<u>(2,338,453)</u>	<u>697,657</u>	<u>3,036,110</u>
Other financing sources (uses):				
Transfers In	<u>2,191,423</u>	<u>2,246,888</u>	<u>2,219,058</u>	<u>(27,830)</u>
Total other financing sources (uses)	<u>2,191,423</u>	<u>2,246,888</u>	<u>2,219,058</u>	<u>(27,830)</u>
Net change in fund balances	(88,088)	(91,565)	2,916,715	3,008,280
Fund Balance:				
Beginning of year	<u>88,088</u>	<u>91,565</u>	<u>(42,736)</u>	<u>(134,301)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,873,979</u>	<u>\$ 2,873,979</u>

**LINCOLN COUNTY**  
**291 RADIO COMMUNICATIONS FUND**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Charges for services	\$ 125,199	\$ 125,199	\$ 125,593	\$ 394
Expenditures:				
Materials and services	160,761	160,761	142,132	18,629
Contingency	<u>125,100</u>	<u>125,100</u>	<u>-</u>	<u>125,100</u>
Total expenditures	<u>285,861</u>	<u>285,861</u>	<u>142,132</u>	<u>143,729</u>
Excess revenues under expenditures	<u>(160,662)</u>	<u>(160,662)</u>	<u>(16,539)</u>	<u>144,123</u>
Other financing sources (uses):				
Transfers in	<u>56,956</u>	<u>56,956</u>	<u>58,404</u>	<u>1,448</u>
Net change in fund balances	(103,706)	(103,706)	41,865	145,571
Fund Balance:				
Beginning of year	<u>103,706</u>	<u>103,706</u>	<u>135,528</u>	<u>31,822</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 177,393</u>	<u>\$ 177,393</u>

**LINCOLN COUNTY**  
**859 EXTENSION DISTRICT**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Taxes and land sales	\$ 341,500	\$ 341,500	\$ 385,686	\$ 44,186
Intergovernmental revenues	6,000	6,000	2,402	(3,598)
Investment earnings	<u>10,000</u>	<u>10,000</u>	<u>7,058</u>	<u>(2,942)</u>
Total revenues	<u>357,500</u>	<u>357,500</u>	<u>395,146</u>	<u>37,646</u>
<b>Expenditures:</b>				
Materials and services	474,000	474,000	372,019	101,981
Capital outlay	15,000	15,000	-	15,000
Contingency	<u>592,834</u>	<u>592,834</u>	<u>-</u>	<u>592,834</u>
Total expenditures	<u>1,081,834</u>	<u>1,081,834</u>	<u>372,019</u>	<u>709,815</u>
Net change in fund balances	(724,334)	(724,334)	23,127	747,461
<b>Fund Balance:</b>				
Beginning of year	<u>884,334</u>	<u>884,334</u>	<u>939,297</u>	<u>54,963</u>
End of year	<u>\$ 160,000</u>	<u>\$ 160,000</u>	<u>\$ 962,424</u>	<u>\$ 802,424</u>

**LINCOLN COUNTY**

603 AGATE BEACH DISPOSAL SITE CLOSURE

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Permits and fees	\$ 7,500	\$ 7,500	\$ 5,322	\$ (2,178)
Investment earnings	5,000	5,000	4,629	(371)
Total revenues	<u>12,500</u>	<u>12,500</u>	<u>9,951</u>	<u>(2,549)</u>
Expenditures:				
Materials and services	500,000	500,000	18,247	481,753
Capital outlay	15,000	15,000	-	15,000
Contingency	193,494	193,494	-	193,494
Total expenditures	<u>708,494</u>	<u>708,494</u>	<u>18,247</u>	<u>690,247</u>
Net change in fund balances	(695,994)	(695,994)	(8,296)	687,698
Fund Balance:				
Beginning of year	<u>695,994</u>	<u>695,994</u>	<u>683,568</u>	<u>(12,426)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 675,272</u>	<u>\$ 675,272</u>

**LINCOLN COUNTY**

601 DUII FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 154	\$ (46)
Total revenues	200	200	154	(46)
Expenditures:				
Materials and services	18,000	18,000	-	18,000
Contingency	4,716	4,716	-	4,716
Total expenditures	22,716	22,716	-	22,716
Net change in fund balances	(22,516)	(22,516)	154	22,670
Fund Balance:				
Beginning of year	22,516	22,516	22,703	187
End of year	\$ -	\$ -	\$ 22,857	\$ 22,857

## **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.
- 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**

Nonmajor Capital Project Funds

Balance Sheet

June 30, 2022

	<u>607 County Commons Facilities Fund</u>	<u>103 Vehicle Replacement Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,011,589	\$ 719,203	\$ 5,730,792
Accounts Receivable	<u>290,334</u>	<u>-</u>	<u>290,334</u>
 Total assets	 <u>\$ 5,301,923</u>	 <u>\$ 719,203</u>	 <u>\$ 6,021,126</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Fund Balances:			
Committed	<u>5,301,923</u>	<u>719,203</u>	<u>6,021,126</u>
 Total liabilities and fund balances	 <u>\$ 5,301,923</u>	 <u>\$ 719,203</u>	 <u>\$ 6,021,126</u>

**LINCOLN COUNTY**

Nonmajor Capital Project Funds

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

Year ended June 30, 2022

	607 County Commons Facilities Fund	103 Vehicle Replacement Fund	Total
<b>REVENUES</b>			
Hotel and Motel Taxes	\$ 1,535,546	\$ -	\$ 1,535,546
Charges for services	-	310,144	310,144
Investment Earnings	32,094	-	32,094
Total revenues	1,567,640	310,144	1,877,784
<b>EXPENDITURES</b>			
Current			
General government	-	8,049	8,049
Capital Outlay	108,500	196,413	304,913
Total expenditures	108,500	204,462	312,962
Excess (deficiency) of revenues over (under) expenditures	1,459,140	105,682	1,564,822
<b>OTHER FINANCING SOURCES (USES)</b>			
Gains (Losses) on Sale of Capital Asset	-	86,957	86,957
Transfers Out	(208,000)	-	(208,000)
Total other financing source (uses)	(208,000)	86,957	(121,043)
Net change in fund balances	1,251,140	192,639	1,443,779
Beginning fund balances	4,050,783	526,564	4,577,347
Ending fund balances	\$ 5,301,923	\$ 719,203	\$ 6,021,126

**LINCOLN COUNTY**  
**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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Hotel and Motel Taxes	\$ 750,000	\$ 750,000	\$ 1,535,546	\$ 785,546
Investment Earnings	40,000	40,000	32,094	(7,906)
Total revenues	<u>790,000</u>	<u>790,000</u>	<u>1,567,640</u>	<u>777,640</u>
Expenditures:				
Materials and Services	470,000	470,000	-	470,000
Capital Outlay	4,197,966	4,197,966	108,500	4,089,466
Total expenditures	<u>4,667,966</u>	<u>4,667,966</u>	<u>108,500</u>	<u>4,559,466</u>
Excess revenues over (under) expenditures	<u>(3,877,966)</u>	<u>(3,877,966)</u>	<u>1,459,140</u>	<u>5,337,106</u>
Other financing sources (uses):				
Transfers Out	<u>(208,000)</u>	<u>(208,000)</u>	<u>(208,000)</u>	<u>-</u>
Net change in fund balances	(4,085,966)	(4,085,966)	1,251,140	5,337,106
Fund Balance:				
Beginning of year	<u>4,085,966</u>	<u>4,085,966</u>	<u>4,050,783</u>	<u>(35,183)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,301,923</u>	<u>\$ 5,301,923</u>

**LINCOLN COUNTY**  
**103 VEHICLE REPLACEMENT FUND**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Charges for services	\$ 311,128	\$ 311,128	\$ 310,144	\$ (984)
Total revenues	<u>311,128</u>	<u>311,128</u>	<u>310,144</u>	<u>(984)</u>
Expenditures:				
Materials and services	4,000	8,100	8,049	51
Capital outlay	309,000	309,000	196,413	112,587
Contingency	<u>557,256</u>	<u>553,156</u>	<u>-</u>	<u>553,156</u>
Total expenditures	<u>870,256</u>	<u>870,256</u>	<u>204,462</u>	<u>665,794</u>
Excess revenues over (under) expenditures	(559,128)	(559,128)	105,682	664,810
Other financing sources (uses):				
Gain on disposition of assets	<u>43,000</u>	<u>43,000</u>	<u>86,957</u>	<u>43,957</u>
Net change in fund balances	(516,128)	(516,128)	192,639	708,767
Fund Balance:				
Beginning of year	<u>516,128</u>	<u>516,128</u>	<u>526,564</u>	<u>10,436</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 719,203</u>	<u>\$ 719,203</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**  
**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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Intergovernmental revenues	\$ 27,000	\$ 27,000	\$ 42,426	\$ 15,426
Charges for services	388,000	388,000	513,351	125,351
Investment earnings	<u>6,000</u>	<u>6,000</u>	<u>5,818</u>	<u>(182)</u>
Total revenues	<u>421,000</u>	<u>421,000</u>	<u>561,595</u>	<u>140,595</u>
<b>Expenditures:</b>				
Personal services	108,731	108,731	110,006	(1,275)
Materials and services	291,638	291,638	172,933	118,705
Contingency	<u>733,295</u>	<u>733,295</u>	<u>-</u>	<u>733,295</u>
Total expenditures	<u>1,133,664</u>	<u>1,133,664</u>	<u>282,939</u>	<u>850,725</u>
Net change in fund balances	(712,664)	(712,664)	278,656	991,320
<b>Fund Balance:</b>				
Beginning of year	<u>712,664</u>	<u>712,664</u>	<u>691,834</u>	<u>(20,830)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	970,490	<u>\$ 970,490</u>
<b>Reconciliation to GAAP Basis:</b>				
Compensated absences			(7,498)	
Capital assets			<u>15,322</u>	
GAAP Fund Balance - end of year			<u>\$ 978,314</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**

215 SELF INSURANCE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance
<b>Revenues:</b>				
Charges for services	\$ 1,287,500	\$ 1,287,500	\$ 1,240,036	\$ (47,464)
Investment earnings	15,000	15,000	21,074	6,074
Other revenue	10,000	10,000	31,585	21,585
Total revenues	1,312,500	1,312,500	1,292,695	(19,805)
<b>Expenditures:</b>				
Materials and services	1,132,900	1,132,900	931,491	201,409
Capital outlay	175,000	175,000	-	175,000
Contingency	3,021,798	3,021,798	-	3,021,798
Total expenditures	4,329,698	4,329,698	931,491	3,398,207
Net change in fund balances	(3,017,198)	(3,017,198)	361,204	3,378,402
<b>Fund Balance:</b>				
Beginning of year	3,017,198	3,017,198	3,165,444	148,246
End of year	\$ -	\$ -	\$ 3,526,648	\$ 3,526,648

**LINCOLN COUNTY**

Schedule of Receipts and Disbursements for Elected Officials  
For the Year Ended June 30, 2022

There is no cash on hand or cash transactions for independently elected officials for fiscal year ending June 30, 2022.

## **COMPLIANCE SECTION**



## COMMENTS AND DISCLOSURES OF INDEPENDENT AUDITOR REQUIRED BY STATE STATUTE

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

To the Board of Commissioners  
Lincoln County  
Newport, Oregon

We have audited the basic financial statements of Lincoln County, ("County") as of and for the year ended June 30, 2022, and have issued our report thereon dated June 14, 2024. 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 over financial reporting that might be material weaknesses or significant deficiencies. We identified deficiencies in internal control over financial reporting that we consider to be material weakness, as described in the AU Section 265 written communication.

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  
June 14, 2024



**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**

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

To the Board of Commissioners  
Lincoln County

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lincoln County as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Lincoln County's basic financial statements, and have issued our report thereon dated June 14, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

Compliance and Other Matters

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

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

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

By: Paul Nielson, CPA, a member of the firm  
Eugene, Oregon  
June 14, 2024



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

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

To the Board of Commissioners  
Lincoln County

Report on Compliance for Each Major Federal Program

**Opinion on Each Major Federal Program**

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 as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Lincoln County's basic financial statements, and have issued our report thereon dated June 14, 2024.

In our opinion, Lincoln County 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, 2022.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lincoln County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lincoln County's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lincoln County's federal programs.

**Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lincoln County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lincoln County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Lincoln County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lincoln County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lincoln County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Isler CPA



By: Paul Nielson, CPA, a member of the firm  
Eugene, Oregon  
June 14, 2024

LINCOLN COUNTY  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2022

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?	Yes
• 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	ALN
Health Center Program Cluster	93.224/93.240/93.527
Community Development Disability Services	93.778
Coronavirus Relief Fund	21.019
American Rescue Plan Act	21.027

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

Finding 2022-001 Deferred Revenue (Material Weakness)

Criteria:	Internal controls over financial reporting should include a process for ensuring that deferred revenue be properly recorded.
Condition:	The County did not properly defer revenue that had not met the revenue recognition criteria.
Cause:	The County recorded the amounts received in cash as revenue. While the revenue recognition criteria for the cash received had not been met.
Effect:	During the audit process it was determined that an adjustment of \$10,051,087 was needed to reduce revenue and increase deferred revenue.
Context:	Revenue and deferred revenue were materially misstated
Recommendation:	The County should implement a system to monitor what revenues should be recorded as deferred revenue.
Response:	Management concurs with the finding

LINCOLN COUNTY  
Schedule of Findings and Questioned Costs, continued  
Year Ended June 30, 2022

Section II – Financial Statement Findings, continued

Finding 2022-002 Accounting for Capital Assets (Material Weakness)

Criteria: Internal controls over capital asset reporting and recording should include a process for ensuring that all capital assets are properly recorded and reported.

Condition: The County did not properly record capital assets in the 2021 audit. This was discovered in performing the 2022 audit.

Cause: Not all capital assets were included in the system used by the County to track capital assets.

Effect: During the audit process it was determined that an adjustment of \$1,441,082 was needed to correct an unreported capital asset on the 2021 audit. Capital asset and net position were increased by \$1,441,082.

Context: Capital assets and net position were materially misstated

Recommendation: The County should implement a system to review capital asset and construction in progress listings in conjunction with finance and public works personnel.

Response: Management concurs with the finding

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Summary Schedule of Prior Audit Findings

None



**Lincoln County Board of  
Commissioners**

Courthouse, Room 110  
225 W. Olive Street  
Newport, Oregon 97365  
(541) 265-4100  
FAX (541) 265-4176

June 5, 2024

Oregon Secretary of State,  
Audits Division  
255 Capitol Street, NE  
Suite 500  
Salem, OR 97310

**Plan of Action for Lincoln County for FY 21-22 Audit Findings**

Lincoln County respectfully submits the following corrective action plan in response to deficiencies reported in our audit of fiscal year ended June 30, 2022. The audit was completed by the independent auditing firm Isler, CPA and reported the deficiencies listed below. The Plan of Action was adopted by the governing body at their meeting on June 5, 2024, as indicated by signatures below.

The deficiencies are listed below, including the adopted plan of action and timeframe for each.

1. Deficiency #1
  - a. Type of deficiency (Material Weakness or Significant Deficiency); **Finding 2022-001** Deferred Revenue (Material Weakness)
  - b. Criteria: Internal controls over financial reporting should include a process for ensuring that deferred revenue be properly recorded.
  - c. Condition: The County did not properly defer revenue that had not met the revenue recognition criteria.
  - d. Cause: The County recorded the amounts received in cash as revenue. While the revenue recognition criteria for the cash received had not been met.
  - e. Effect: During the audit process it was determined that an adjustment of \$10,051,087 was needed to reduce revenue and increase deferred revenue.
  - f. Context: Revenue and deferred revenue were materially misstated
  - g. Recommendation: The County should implement a system to monitor what revenues should be recorded as deferred revenue.
  - h. The Plan of Action includes the County Finance and Treasurer's departments working to review the revenue as it comes in on a more frequent basis. Department staff will communicate Countywide on training to help determine correct year for revenue. Staff will then follow up with the

departments before year end to ensure revenue is booked to the correct year.

- i. The time frame for implementation will start with FY 22-23. The County is simultaneously being audited for FY 21-22 and FY 22-23. As such, the County is currently working with a new auditing firm on the FY 22-23 audit. The new auditors have mentioned this is also an issue for this fiscal year. Additionally, the County plans to work with the auditors on this audit, and to have a new plan in place for the FY 24-25 audit.

2. Deficiency #2


- a. Type of deficiency - (Material weakness or deficiency); **Finding 2022-002 Accounting for Capital Assets (Material Weakness)**
- b. Criteria: Internal controls over capital asset reporting and recording should include a process for ensuring that all capital assets are properly recorded and reported.
- c. Condition: The County did not properly record capital assets in the 2021 audit. This was discovered in performing the 2022 audit.
- d. Cause: Not all capital assets were included in the system used by the County to track capital assets.
- e. Effect: During the audit process it was determined that an adjustment of \$1,441,082 was needed to correct an unreported capital asset on the 2021 audit. Capital asset and net position were increased by \$1,441,082.
- f. Context: Capital assets and net position were materially misstated
- g. Recommendation: The County should implement a system to review capital asset and construction in progress listings in conjunction with finance and public works personnel
- h. The Plan of Action is to work with all County departments to educate them on the definitions of Capital Assets and Construction in Progress and how these purchases need to be noted and addressed. Finance department staff will also review the Accounts Payable expenses and General Ledger looking for Capital Assets and Construction projects to properly record them. Finance staff will also properly note and record Fixed Assets, and we will follow up with the departments before year end to ensure CIP is properly recorded.
- i. The time frame for implementation will be FY 23-24.

Casey Miller  
County Commissioner Chair



Signature

Tim Johnson  
County Administrator



Signature

Deanna Gravelle  
Assistant Finance Director



Signature

**LINCOLN COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

Federal Grantor / Pass-Through Grantor / Program Title	ALN Number	Pass-Through Number	Expenditures (Revenue Recognized)	Amounts Provided to subrecipients
<b><u>Department of Agriculture</u></b>				
<b>Food and Nutrition Service</b>				
<b>Oregon Department of Human Services - Health Division</b>				
Special Supplement Nutrition Program for Women, Infants, and Children	10.557	169520	\$ 369,943	\$ -
<b>Direct</b>				
Cooperative Forestry Assistance	10.664	17-LE-11061200-004	<u>1,455</u>	-
<i>Total Department of Agriculture</i>			371,398	-
<b><u>Department of Interior</u></b>				
<b>Direct</b>				
National Wildlife Refuge Fund	15.659	FY 22 20-SA-11061200-	2,462	-
Noxious Weed Control-False Brome	15.230	008	<u>4,000</u>	-
<i>Total Department of Interior</i>			6,462	-
<b><u>Department of Justice</u></b>				
<b>Direct</b>				
Coronavirus Emergency Supplemental Oregon Commission on Children and Families	16.034	6051/5851	3,253	-
Crime Victim Assistance	16.575	CFA-2017- LINCOLNCODAVAP- 00045	42,558	-
Human Trafficking	16.575	VOCA-FL-2020- LINCOLNCOCAC- 00050	21,644	-
Discretionary grant	16.585	2017-DC-BX-0025	35,826	-
Rural Domestic Violence, Dating Violence, Sexual Assault,	16.589	2019-X00843-OR- WR	71,572	-
Pretrial Justice Program	16.745	2018-MO-BX-0023	203,315	-
Hope Court Measure 57	16.738	5890	65,126	-
Justice Reinvestment Grant Program-TAPS	16.738	JR-23-018	381,857	-
Downward Departure	16.738	JR-19-021	<u>198,329</u>	-
<i>Total Department of Justice</i>			1,023,480	-
<b><u>Department of Transportation</u></b>				
<b>Oregon Department of Transportation</b>				
Formula Grants for Rural Areas				
Agreement with Confederated Tribes of Siletz	20.509	29274	265,885	-
5311 Operating Funds	20.509	34996	1,405,657	-
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	359190	<u>20,212</u>	-
<i>Total Department of Transportation</i>			<u>1,691,754</u>	-

**LINCOLN COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued

For the Year Ended June 30, 2022

Federal Grantor / Pass-Through Grantor / Program Title	ALN Number	Pass-Through Number	Expenditures (Revenue Recognized)	Amounts Provided to subrecipients
<b><u>Department of Health and Human Services</u></b>				
<i>Health Center Program Cluster</i>				
Community Health Centers	93.224	6H80CS06639	1,877,344	-
Expanded Capacity for Coronavirus Testing	93.224	H8ECS38056	135,566	-
HRSA Integrated Behavioral Health Services	93.240	H80CS06639	195,155	-
Integrated Behavioral Health Service	93.527		<u>44,904</u>	-
<i>Health Center Program Cluster Total</i>			<u>2,252,969</u>	<u>-</u>
<b>Oregon Health and Human Services</b>				
Family Planning Services			-	-
Immunization Action Program	93.268	159820	50,195	-
Public Health Emergency Preparedness				
Bioterrorism-Preparedness and Response	93.069	169520	82,993	44,602
ELC Lab Capacity				
Contract Tracing	93.323	169520-3	191,217	-
Contract Tracing	93.323	159820	272,166	-
			-	-
Public Health OIP Cares	93.268	169520	23,133	-
<i>Affordable Care Act Maternal, Infant, and Early Childhood Home Visits Cluster</i>				
Nurse Family Partnership	93.505	166293	<u>172,197</u>	-
Total Affordable Care Act Maternal, Infant, and Early Childhood Home Visits Cluster			<u>172,197</u>	-
Rural Communities Opioid Response	93.912	GA1RH42912	168,539	-
<i>HIV Care Formula Grants</i>				
Oregon Mothers Care	93.940	169520	2,850	-
MCH Title V Flexible Funds and CAH	93.940	169520	33,351	-
MCH Prenatal	93.994	169520	2,671	-
Ryan White HIV/AIDS	93.917	155918	752,918	-
Block Grant for Community Mental Health Services	93.958	166048	76,318	-
<i>Block Grants for Prevention and Treatment of Substance Abuse</i>				
Continuum of Care	93.959	166048	88,701	40,000
Peer Support	93.959	166048	17,447	17,447
A and D Prevention Education	93.959	169520	44,655	-
<i>Social Services Block Grant</i>				
Community Development Disability Services	93.778	169815	1,273,020	-
Juvenile Crime Prevention-Basic and Diversion	93.667	14306	23,581	-
Immunization Cooperative Agreements	93.268	14306	20,013	-
<b>Oregon Department of Justice-Child Support Division</b>				
Child Support Enforcement	93.563	610008	328,215	-
COVID Behavioral Health Crisis	93.982	168038	43,505	-

**LINCOLN COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued

For the Year Ended June 30, 2022

Federal Grantor / Pass-Through Grantor / Program Title	ALN Number	Pass-Through Number	Expenditures (Revenue Recognized)	Amounts Provided to subrecipients
<b><u>Department of Health and Human Services (cont.)</u></b>				
<b>Oregon Commission on Children and Families</b>				
Basic Center Tides	93.623	90CY7288-01-00	140,007	-
Project Nurture Oregon	93.788	FY 21-22	6,222	-
Child Welfare Program	93.658	159067	24,300	-
Prescription Drug Overdose Prevention	93.136	169520	135,546	-
<b>Oregon Health Sciences University</b>				
OHSU Cocoon	93.994	1015198	<u>33,170</u>	-
<i>Total Department of Health and Human Services</i>			<u>6,259,899</u>	<u>102,049</u>
<b><u>Department of Homeland Security</u></b>				
<b>Oregon Military Department-Emergency Management</b>				
Disaster Grant-Public Assistance	97.036	4258-DR-OR	12,631	-
Emergency Management Performance Grants	97.042	21-521	39,653	-
Emergency Management Performance Grants	97.042	21-229	41,479	-
<b>Oregon State Marine Board</b>				
Boating Safety Financial Assistance	97.012	250- 2123LINCOLNCOUN TY-000	<u>182,237</u>	-
<i>Total Department of Homeland Security</i>			<u>276,000</u>	<u>-</u>
<b><u>Department of Treasury</u></b>				
<b>Coronavirus Relief Fund</b>				
CARES Act	21.019	2516	80	-
COVID-19 Reimbursement	21.019	FY21	289,049	-
COVID Active Monitoring	21.019	159820	9,037	-
COVID 19 Vaccine Access	21.019	2621	198,300	-
American Rescue Plan Act	21.027	21H8FCS40768C6	<u>840,536</u>	-
<i>Total Department of Treasury</i>			<u>1,337,002</u>	<u>-</u>
<b><u>Department of Veterans Administration</u></b>				
<b>Veterans Medical Care Benefits</b>				
Primary Care, Outpatient Services	64.009	36C26021C0008	792,136	-
<b><u>Environmental Protection Agency</u></b>				
<b>Oregon Department of Human Services</b>				
State Public Water System Supervision Sanitary Survey Program	66.432	169520	<u>29,903</u>	<u>-</u>
<b><u>Department of General Services Administration</u></b>				
Federal Surplus	39.000		<u>\$ 1,367</u>	<u>\$ -</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$11,789,401</u></u>	<u><u>\$ 102,049</u></u>

**LINCOLN COUNTY**

**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended June 30, 2022

**1. 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.

**2. Indirect Cost**

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