

MORROW COUNTY, OREGON

**Financial Statements and
Independent Auditors' Report**

June 30, 2021

MORROW COUNTY, OREGON

List of Officials
June 30, 2021

COMMISSIONERS:

Don Russell, Chair
Jim Doherty, Vice Chair
Melissa Lindsay

TITLE:

Commissioner
Commissioner
Commissioner

OTHER ELECTED OFFICIALS:

Michael Gorman
Bobbi Childers
Kenneth Matlack
Jaylene Papineau
Glenn Diehl

Assessor & Tax Collector
Clerk
Sheriff
Treasurer
Justice of the Peace

ADMINISTRATION:

Darrell Green

County Administrator

ADDRESS:

P. O. Box 788
Heppner, OR 97836
Telephone: 541-676-5613

MORROW COUNTY, OREGON

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Barnett & Moro, P.C.

Certified Public Accountants

DENNIS L. BARNETT, C.P.A.
KRISTIE L. SHASTEEN, C.P.A.
CAMERON W. ANDERSON, C.P.A.
RICHARD L. STODDARD, C.P.A.
PAUL A. BARNETT, C.P.A.

975 S.E. 4th St.
Hermiston, OR 97838
(541) 567-5215
www.barnettandmoro.com

BETSY J. BENNETT, C.P.A.
REBECCA K. RAMOS BAUTISTA, C.P.A.
MITCHELL L. BOYLAN, C.P.A.
DAVID J. BARNETT, C.P.A.
SHERON VARIKATT, C.P.A.
CRYSTAL R. CHASE, C.P.A.

Independent Auditors' Report

County Commissioners
Morrow County
Heppner, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Morrow County, Oregon, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Morrow County, Oregon, as of June 30, 2021, and the respective changes in financial position, and the respective budgetary comparison for the General Fund and General Road Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and OPEB information on pages 9-20 and 58-64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Morrow County, Oregon's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, other schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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, other schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Reports on Other Legal and Regulatory Requirements

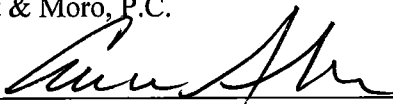
Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 31, 2022, on our consideration of Morrow County, Oregon'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 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 Morrow County, Oregon's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated June 3, 2022, on our consideration of Morrow County, Oregon'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.

Barnett & Moro, P.C.

By: 
Cameron W. Anderson, Shareholder
June 3, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

MORROW COUNTY, OREGON MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Morrow County, Oregon, we offer readers of the county's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- Morrow County's assets exceeded its liabilities at June 30, 2021, by \$86,038,004 (Net Position). Of this amount, \$10,971,052 may be used to meet the County's ongoing obligations to citizens and creditors.
- The total net position increased by \$5,306,177 for fiscal year ended June 30, 2021. All of this amount was due to the increase in governmental activities net position. The County had no business-type activities.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$26,206,316, an increase of \$9,168,045 in comparison to the prior year. Approximately \$15,537,828 is restricted or committed for purposes designated by special revenue or capital outlay funds, and \$10,668,488 is unassigned and available for spending at the County's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,668,488 or 79% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Morrow County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

MORROW COUNTY, OREGON MANAGEMENT'S DISCUSSION AND ANALYSIS

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, highways and streets, cultural and recreation, education, and health.

The government-wide financial statements can be found on pages 22 and 23 of this report.

Fund Financial Statements. The fund financial statements provide more detailed information about the County's funds, focusing on its most significant or "major" funds—not the county as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. The 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 financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances are reconciled to the government-wide Statements of Net Position and Activities.

The County maintains 48 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, General Road, and Capital Improvement Project funds which are considered to be major governmental funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

MORROW COUNTY, OREGON MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The basic governmental fund financial statements can be found on pages 24 through 27 of this report.

Proprietary Funds. The County does not maintain any proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County does not have any enterprise funds in fiscal year 2021. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support county programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 32 of this report.

Notes to Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33 through 58 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented as Supplemental Information beginning on page 66 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's assets exceeded liabilities by \$86.0 million at June 30, 2021.

Capital assets, which consist of the county's land, buildings, improvements, machinery and equipment, and infrastructure, represent about 72.17% of total assets. The remaining assets consist mainly of investments, cash, and grant and property taxes receivable.

The County's liabilities consist primarily of payables on accounts, salaries and benefits (15.32%), pension obligations (51.40%), capital leases and loans payable (31.78%), and Other post-employment benefits (1.50%). Current liabilities, not including current portions of long-term debts, represents about 15.32% of the county's total liabilities, and consists almost entirely of payables on accounts, salaries and benefits.

**MORROW COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Morrow County's Net Position
Governmental Activities (in thousands)

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Current assets	\$ 29,912	\$ 19,334
Capital assets	<u>77,589</u>	<u>74,265</u>
Total assets	<u>107,501</u>	<u>93,599</u>
Deferred outflows of resources	<u>3,656</u>	<u>3,417</u>
Current liabilities	3,849	2,529
Long-term debt	<u>21,270</u>	<u>13,756</u>
Total liabilities	<u>25,119</u>	<u>16,285</u>
Deferred inflows of resources	<u>-</u>	<u>-</u>
Net position:		
Net investment in capital assets	69,606	72,691
Restricted	5,461	3,940
Unrestricted	<u>10,971</u>	<u>4,101</u>
	<u>\$ 86,038</u>	<u>\$ 80,732</u>

Of the County's net position, its investment in capital assets (e.g. land, buildings, vehicles and equipment, and infrastructure) is substantially more than the related debt still outstanding used to acquire those assets. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the county's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities. During the current fiscal year, the County's net position increased by \$5,306,177. This was due to the increase in net position from Governmental activities. The primary increase to assets was \$11,283,660 in cash and investments. As of June 30, 2021, the total bank balances were \$202,653. Of these deposits, \$500,000, was covered by federal depository insurance. The net result of the transaction regarding capital assets resulted in increasing net position by \$3,323,149. The County saw an increase in long term debt for the 20-21 fiscal year. The net result of the County's debt transactions was an increase in long term debt of \$6,408,492, and an increase in pension liabilities of \$1,132,189. The County approved a credit bond payable with Zion Bank for the construction of the Administration Building in Irrigon, Oregon. The balance of the bond payable on June 30, 2021 is \$6,900,000; plus, a Community Bank note payable on June 30, 2021 is \$711,903. The net result of these transactions resulted in a \$5,306,177 net increase in the county's net position.

**MORROW COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

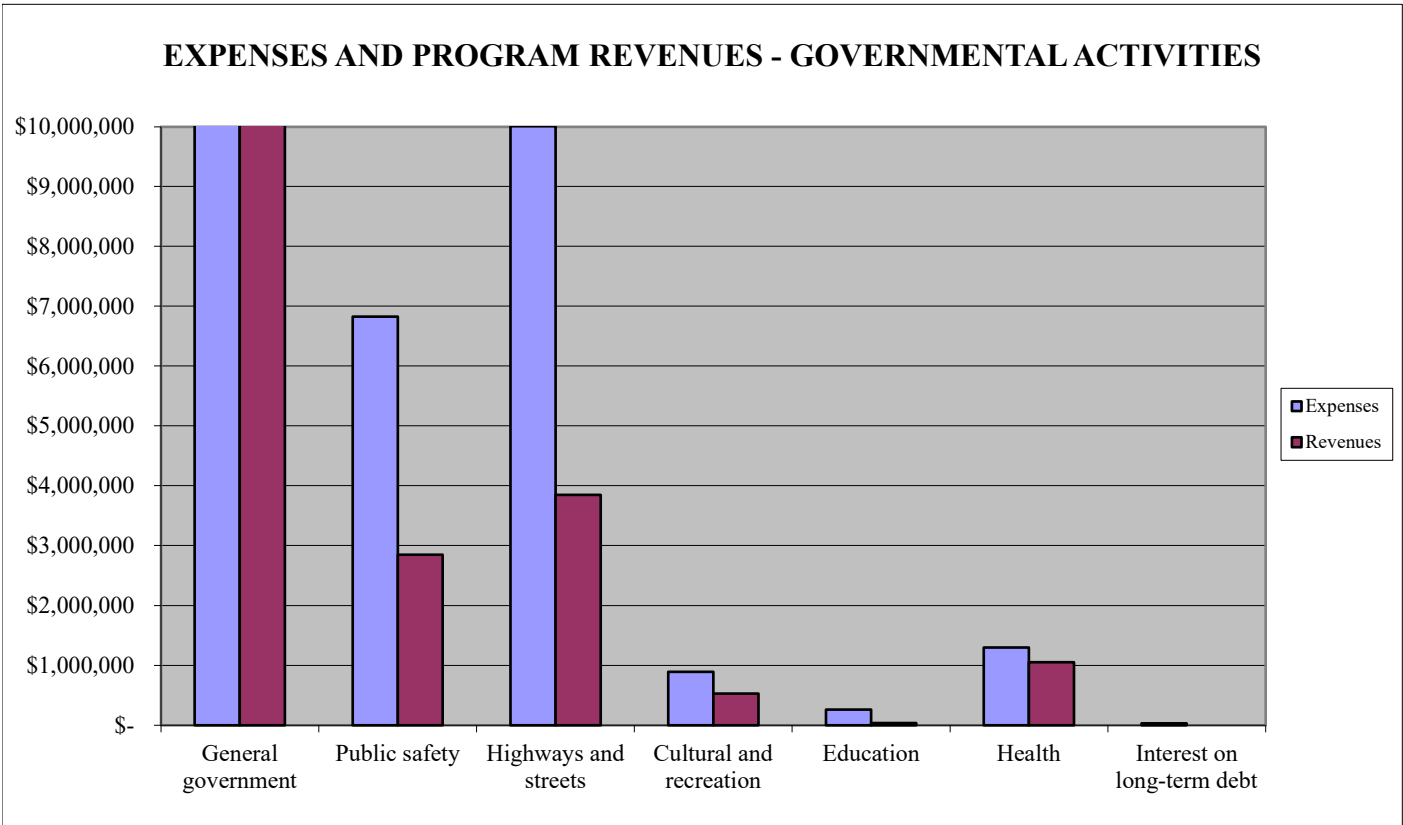
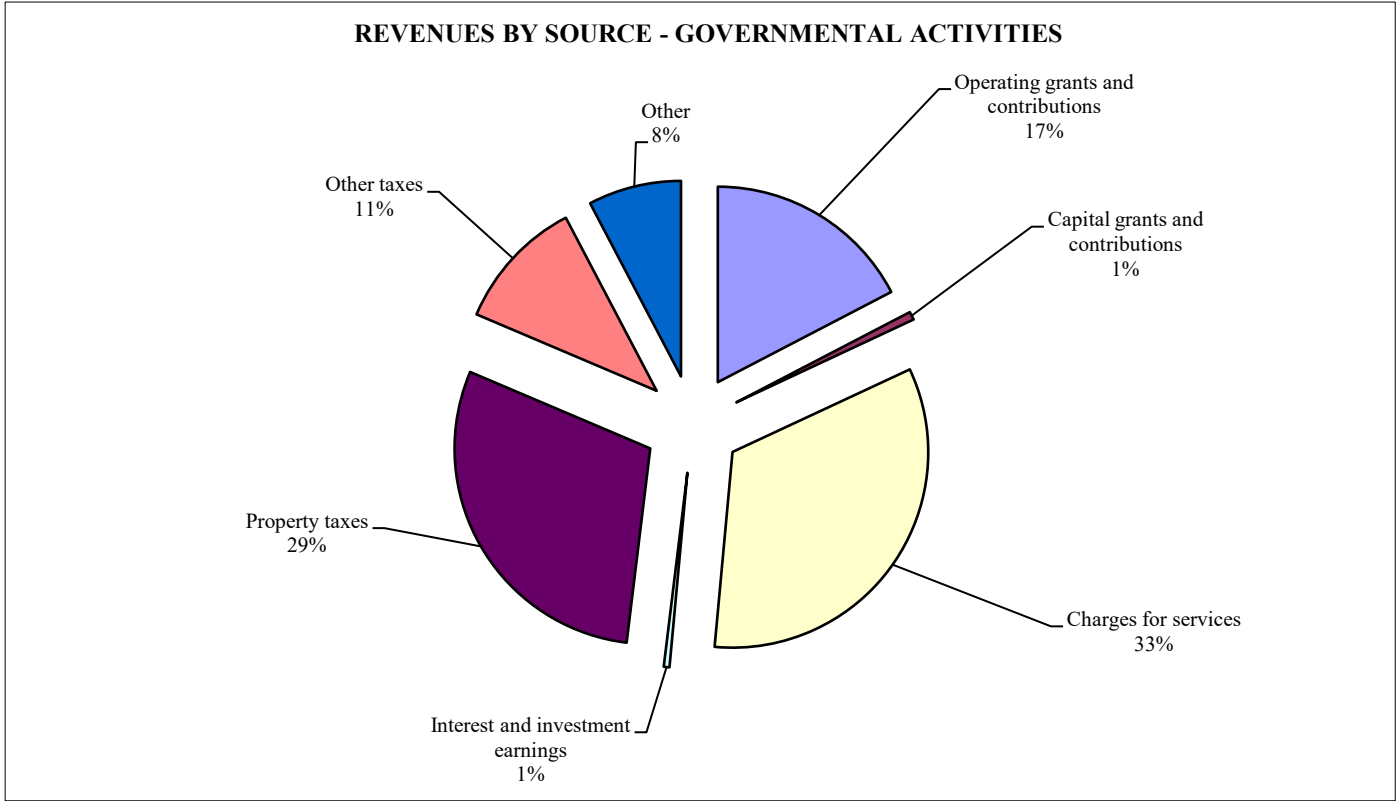
Governmental Activities. During the current fiscal year, the County's net position increased by \$5,306,177 compared to a \$ 859,613 increase in the prior year.

Morrow County Changes in Net Position-Governmental Activities

	2020-2021	2019-2020
Revenues		
Program revenues		
Charges for services	\$11,960,138	\$ 7,966,004
Operating grants and contributions	6,216,062	5,663,131
Capital grants and contributions	243,752	-
General revenues		
Property taxes	10,548,982	9,794,092
Payments in lieu of taxes	2,120,598	941,143
State shared taxes	1,790,514	1,633,111
Interest and investment earnings	173,642	341,804
Other revenues, net	<u>2,748,885</u>	<u>2,629,871</u>
Total revenues	<u>35,802,573</u>	<u>28,969,156</u>
Expenses		
General government	11,181,819	8,994,747
Public safety	6,826,041	6,866,568
Highways and streets	10,006,551	9,690,897
Cultural and recreation	891,560	924,873
Education	262,137	267,524
Health	1,229,044	1,336,390
Interest on long-term debt	<u>29,244</u>	<u>28,544</u>
Total expenses	<u>30,496,396</u>	<u>28,109,543</u>
Increase in net assets before transfer	5,306,177	859,613
Transfers	-	-
Change in net position	<u>5,306,177</u>	<u>859,613</u>
Beginning net position	80,731,827	79,872,214
Ending net position	<u>\$86,038,044</u>	<u>\$80,731,827</u>

The following graphs show the County's Governmental Activity revenues by source; and expenses and program revenues by functions.

**MORROW COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**



**MORROW COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$26,206,316, an increase of \$9,168,045 in comparison with the prior year. Approximately 40.71% or \$10,668,488 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. \$15,537,828 or 59.29% is restricted or committed to purposes designated by special revenue or reserve funds. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for prepaid items which will not provide spendable resources.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the total fund balance of the General Fund was \$10,835,120, of which \$10,668,488 was unassigned. This indicates a high degree of liquidity of the General Fund.

The fund balance of the County's General Fund increased by \$4,094,552 during the fiscal year ended June 30, 2021.

Budgetary Highlights

Differences between the original budget and the final amended budget were primarily due to the mid-year supplemental and specific purpose increases. The changes were made to recognize additional resources available from higher actual beginning fund balances and from new grants and fees received as well as additional resources from property taxes due to an actual assessed value larger than the estimated value used in preparation of the original budget.

The budget resolutions increasing or transferring appropriations in the following areas:

- The General Fund budget for the County Clerk's department increased \$30,000 for security equipment purchased with grant dollars.
- The General Fund budget for the Veteran's Department was increased by \$3,338 to reflect an increase in Suicide Awareness grant dollars. The modification allows Morrow County to increase services to Veterans within the County.
- General Fund, Health Department, increase in appropriations in materials & services and capital outlay for \$173,000.

**MORROW COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Budgetary Highlights (continued):

- General Fund, Surveyor, increase in personnel and capital outlay expenditures for adding full-time Surveyor to County budget.
- General Fund, North & South transfer station departments, increase in expenditures for \$35,912, for reservation processing fees, equipment & rental, and Finley Buttes fees
- General Fund, Transfer to Other Funds, move transfer from Equity Fund to Resiliency Fund for \$500 thousand; increase Fair Fund by \$33,165 for grant dollars.
- General Fund, Non-departmental, increase in Other Requirements for Boardman Food Pantry contribution for \$100 thousand.
- General Fund, Non-departmental, increase in capital outlay for Sheriff's building for \$250,000 and \$610,105 for North-End Administration building.
- Fair Fund, increase from General Fund for \$33,165; Cultural Trust grant for economic development capital improvements.
- Safety Fund, increase appropriations for the additional CARES dollars in the amount of \$21,363
- Special Transportation Fund, supplemental budget increase in grant dollars and expenditures for personnel, materials, and services, total \$196,086
- Road Fund, increase revenue and expenditures to reflect increase in the amount of \$3,618,040 for the NextEra-Wheatridge Road Use Agreement.
- Equity Fund, decrease transfer from General Fund for (\$500,000); transfer moved to Resiliency Fund.
- Resiliency Fund, budget transfer from General Fund for \$500,000 and CARES grant dollars \$250,000.

**MORROW COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Capital Projects and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities as of June 30, 2021, amounts to \$77,588,781 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, roads and bridges, vehicles, and campsites and trails.

Major capital asset purchases during the current fiscal year were made by the General Fund, Road Equipment Reserve, Road Fund, Fair Fund, CIP Fund, Park Fund, and Community Corrections Fund which included the following:

- General – County Clerk \$18,232
- General - Sheriff's Equipment, \$54,745
- General – Health Department, \$43,334
- General – Public Works General Maintenance, \$184,805
- General – South Transfer Station, \$11,719
- General – Surveyor, \$85,283
- General – Non-Departmental, \$334,284
- Road Equipment Reserve - \$1,533,610
- Road Fund - \$1,300,946
- 911 Emergency- \$19,929
- Parks - \$255,489
- CIP Fund - \$3,484,461
- Fair Fund - \$33,233
- Community Corrections Fund - \$42,480

Additional information on the County's capital assets can be found in note 5 on page 43 of this report.

Long-term debt. At the end of the current fiscal year, the County had total debt outstanding of \$7,982,840. This was in the form of long-term capital lease obligations, a construction loan for the new Heppner Administrative Building, and bonds payable. The County's total long-term debt increased by decreased by \$6,408,492 during the current fiscal year.

During the current year, the County issued bonds through The Commerce Bank of Oregon to finance the construction of the North Morrow County Government Center in Irrigon, Oregon. Starting in December 2021, semi-annual payments are due in June and December including interest at 1.79%. The total bond proceeds received were \$6,900,000.

Additional information on the County's long-term debt can be found in note 6 on page 44 of this report.

MORROW COUNTY, OREGON MANAGEMENT'S DISCUSSION AND ANALYSIS

Key Economic Factors and Budget Information

- Morrow County was impacted by the 2020 Coronavirus (COVID-19) Pandemic. The Board of Commissioners organized an Emergency Operations Center consisting of key management team including a Commissioner, County Administrator, Public Health Director, Emergency Manager, and other management staff as needed. The County received U.S. Department of the Treasury federal funding, passed through the Oregon Department of Administrative Services, Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) and American Rescue Plan Act (ARPA) dollars in the amount of \$6.4 million. The permissible use of Funds was limited to necessary expenditures incurred due to the public health emergency.
- The County continues to experience significant industrial development over the last several years, with food processing and data centers in the Port of Morrow and large wind power projects throughout the County. Most of these projects involve some sort of property tax exemption, like SIP (Strategic Investment Program) which is a 15 year exemption or EZ (Enterprise Zone) which can be a 3 year to 15 year exemption. These programs have resulted in an exempt value of around one billion dollars for the County. These projects have created several hundred jobs for the County but unfortunately the residential and commercial development has not increased as much.
- The 2021-2022 fiscal year the County will see the tenth significant payment of Strategic Investment Program (SIP) monies from the Caithness/Shepherds Flat Wind Project, the fifth significant payment from PGE – Carty Plant, and the first payment for Wheatridge Wind and Orchard Wind. The 2021-2022 budget includes an estimated receipt of \$5.7 million for these payments which will be used to fund Road Fund, Road Equipment, and Capital Improvement Fund for capital projects and equipment within the County.
- It is anticipated that the costs of providing cost of living wage increases to be 2.5%, and medical & dental insurance coverage to employees will continue to rise in the next fiscal year.
- The County’s retirement plan experienced a significant change in 2020-2021. The Board of Commissioners, along with three Collective Bargaining Units, approved moving forward with a new defined contribution and PERS retirement plan, effective to all new-hires on or after July 1, 2020. The approval will assist the County in paying down the defined benefit unfunded liability over an estimated twenty-eight years.
 - Defined Benefit Plan:
 - Continue to be “equal to or better” than the PERS plan through the end of fiscal year 2021-2022. The Plan was tested in 2009-2010 and passed the “equal to or better” standard required for public safety members and has historically been applied to all members;
 - County will continue to contribute 24.8% for the 2021-2022 fiscal year.

**MORROW COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Key Economic Factors and Budget Information (continued):

- Defined Contribution Plan
 - Open to new, 'non-safety', hires effective on or after July 1, 2020;
 - probationary waiting period is six months from the date of hire;
 - employer will contribute 9%, and employee will contribute 6%.
- PERS
 - Open to new, Teamster members, hires effective on or after July 1, 2020;
 - terms are reflective of the PERS agreement.
- Road funding continues to be a priority for Morrow County. In an effort to continue to provide the Road Department with sufficient funds and cover general operation of the department, the 2021-2022 budget included several transfers to the Road Fund of unrestricted, non-property tax monies. The 2021-2022 budget included a transfer of \$3,042,275 from the Finley Buttes License Fee Fund, and a transfer of \$2,610,667 of Strategic Investment Program (SIP) monies from the Shepherds Flat Fees Fund and PGE Carty Fees.
- Road Equipment Reserve received an increase in transfers to support the road equipment replacement plan. The transfers were from the Road Fund, \$1,055,000, and Shepherds Flat SIP money, \$175,000.

All of these factors were considered in preparing the County's budget for fiscal year 2021-2022. The unassigned fund balances increased to \$8,385,969, (General Fund - \$3,637,616, and all other funds, \$4,748,353).

Requests for Information:

This financial report is designed to provide a general overview of Morrow County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the following address:

Morrow County Finance, PO Box 867, Heppner, OR 97836

BASIC FINANCIAL STATEMENTS

MORROW COUNTY, OREGON

Statement of Net Position
June 30, 2021

	<u>Governmental Activities</u>
<u>ASSETS:</u>	
Cash and investments	\$ 28,300,930
Receivables (net of allowance for uncollectibles):	
Property taxes	313,068
Other receivables	1,131,751
Prepaid expenses	166,632
Capital assets:	
Land and other non-depreciable assets	8,583,324
Other capital assets (net of accumulated depreciation)	69,005,457
Total assets	<u>107,501,162</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>	
Pension and other post employment benefits deferrals	3,655,863
Total deferred outflows of resources	<u>3,655,863</u>
<u>LIABILITIES:</u>	
Accounts payable	3,165,471
Accrued payroll and payroll taxes payable	294,390
Compensated absences	389,312
Non current liabilities:	
Long-term debt, due within one year	532,659
Long-term debt, due in more than one year	7,450,181
Net pension liability	12,909,992
Other post employment benefits	377,016
Total liabilities	<u>25,119,021</u>
<u>NET POSITION:</u>	
Net investment in capital assets	69,605,941
Restricted for:	
Highways and streets	4,154,454
Public safety	1,098,026
Education	1,315
Other restrictions	207,216
Unrestricted	10,971,052
Total net position	<u>\$ 86,038,004</u>

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

MORROW COUNTY, OREGON

Statement of Activities
Year Ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
General government	\$ 11,181,819	\$ 6,854,454	\$ 3,014,199	\$ 243,752	\$ (1,069,414)
Public safety	6,826,041	1,178,940	1,667,129	-	(3,979,972)
Highways and streets	10,006,551	3,320,185	526,131	-	(6,160,235)
Cultural and recreation	891,560	324,227	202,767	-	(364,566)
Education	262,137	4,478	30,891	-	(226,768)
Health	1,299,044	277,854	774,945	-	(246,245)
Interest on long-term debt	29,244	-	-	-	(29,244)
Total governmental activities	<u>\$ 30,496,396</u>	<u>\$ 11,960,138</u>	<u>\$ 6,216,062</u>	<u>\$ 243,752</u>	<u>(12,076,444)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	10,548,982
Payments in lieu of taxes	2,120,598
State shared taxes	1,790,514
Interest and investment earnings	173,642
Other revenues	2,748,885
Total general revenues	<u>17,382,621</u>
Change in net position	5,306,177
Net position--beginning	<u>80,731,827</u>
Net position--ending	<u>\$ 86,038,004</u>

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

MORROW COUNTY, OREGON

Governmental Funds
Balance Sheet
June 30, 2021

	General	General Road	Capital Improvement Projects	Other Governmental	Total
<u>ASSETS:</u>					
Cash and investments	\$ 10,625,475	\$ 4,754,732	\$ 3,997,095	\$ 8,923,628	\$ 28,300,930
Receivables					
Property taxes	308,645	-	-	4,423	313,068
Due from other funds	170,381	-	-	-	170,381
Other receivables	271,735	5,784	-	854,232	1,131,751
Prepays	166,632	-	-	-	166,632
Total assets	<u>\$ 11,542,868</u>	<u>\$ 4,760,516</u>	<u>\$ 3,997,095</u>	<u>\$ 9,782,283</u>	<u>\$ 30,082,762</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ 268,937	\$ 1,913,964	\$ 622,366	\$ 360,204	\$ 3,165,471
Accrued payroll and payroll taxes payable	196,085	58,826	-	39,479	294,390
Due to other funds	-	-	-	170,381	170,381
Total liabilities	<u>465,022</u>	<u>1,972,790</u>	<u>622,366</u>	<u>570,064</u>	<u>3,630,242</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred property taxes	242,726	-	-	3,478	246,204
Total deferred inflows of resources	<u>242,726</u>	<u>-</u>	<u>-</u>	<u>3,478</u>	<u>246,204</u>
<u>FUND BALANCES:</u>					
Nonspendable	166,632	-	-	-	166,632
Restricted	-	2,787,726	-	2,793,577	5,581,303
Committed	-	-	3,374,729	6,415,164	9,789,893
Unassigned	10,668,488	-	-	-	10,668,488
Total fund balances	<u>10,835,120</u>	<u>2,787,726</u>	<u>3,374,729</u>	<u>9,208,741</u>	<u>26,206,316</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,542,868</u>	<u>\$ 4,760,516</u>	<u>\$ 3,997,095</u>	<u>\$ 9,782,283</u>	<u>\$ 30,082,762</u>

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

MORROW COUNTY, OREGON

Governmental Funds
Reconciliation of the Balance Sheet
to the Statement of Net Position
June 30, 2021

Fund Balances - Governmental Funds		\$ 26,206,316
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	\$ 182,900,124	
Less accumulated depreciation	<u>(105,311,343)</u>	77,588,781
Deferred outflows of resources related to pensions and other post employment benefits are not current financial resources, so are not reported in the governmental fund statements.		3,655,863
Long-term liabilities, including capital leases payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Notes payable		(711,903)
Bonds payable		(6,900,000)
Capital leases payable		(370,937)
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.		(389,312)
Net pension liability for the County's retirement plan is not reported in the governmental fund financial statements because such amounts are not due and payable in the current period. (See Note 19 to the financial statements)		(12,909,992)
Other post employment benefits liability for the County is not reported in the governmental fund financial statements because such amounts are not due and payable in the current period. (See Note 20 to the financial statements)		(377,016)
Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.		<u>246,204</u>
Net Position of Governmental Activities		<u><u>\$ 86,038,004</u></u>

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

MORROW COUNTY, OREGON

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2021

	<u>General</u>	<u>General Road</u>	<u>Capital Improvement Projects</u>	<u>Other Governmental</u>	<u>Total</u>
<u>REVENUES:</u>					
Taxes	\$ 12,498,664	\$ 1,180,495	\$ -	\$ 468,569	\$ 14,147,728
Intergovernmental	3,096,968	526,131	-	3,152,407	6,775,506
Fees, fines, and charges for services	1,218,372	-	-	7,913,641	9,132,013
Investment interest	74,786	16,949	7,881	74,026	173,642
Miscellaneous	1,640,378	3,815,704	-	154,581	5,610,663
Total revenues	<u>18,529,168</u>	<u>5,539,279</u>	<u>7,881</u>	<u>11,763,224</u>	<u>35,839,552</u>
<u>EXPENDITURES:</u>					
Current:					
General government	7,054,670	-	107,824	3,184,992	10,347,486
Public safety	4,645,690	-	-	1,549,027	6,194,717
Highways and streets	-	6,741,938	-	-	6,741,938
Cultural and recreation	11,000	-	-	667,392	678,392
Education	-	-	-	262,137	262,137
Health	1,229,771	-	-	-	1,229,771
Capital outlay	735,611	1,300,946	3,484,461	2,075,296	7,596,314
Debt service:					
Principal	-	-	360,824	130,684	491,508
Interest	-	-	11,798	17,446	29,244
Total expenditures	<u>13,676,742</u>	<u>8,042,884</u>	<u>3,964,907</u>	<u>7,886,974</u>	<u>33,571,507</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)</u>	<u>4,852,426</u>	<u>(2,503,605)</u>	<u>(3,957,026)</u>	<u>3,876,250</u>	<u>2,268,045</u>
<u>OTHER FINANCING SOURCES (USES):</u>					
Bond proceeds	-	-	6,900,000	-	6,900,000
Transfers in	317,377	4,246,667	394,000	1,928,003	6,886,047
Transfers out	(1,075,251)	(730,000)	-	(5,080,796)	(6,886,047)
Total other financing sources (uses)	<u>(757,874)</u>	<u>3,516,667</u>	<u>7,294,000</u>	<u>(3,152,793)</u>	<u>6,900,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>4,094,552</u>	<u>1,013,062</u>	<u>3,336,974</u>	<u>723,457</u>	<u>9,168,045</u>
<u>FUND BALANCES, BEGINNING OF YEAR</u>	<u>6,740,568</u>	<u>1,774,664</u>	<u>37,755</u>	<u>8,485,284</u>	<u>17,038,271</u>
<u>FUND BALANCES, END OF YEAR</u>	<u>\$ 10,835,120</u>	<u>\$ 2,787,726</u>	<u>\$ 3,374,729</u>	<u>\$ 9,208,741</u>	<u>\$ 26,206,316</u>

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

MORROW COUNTY, OREGON

Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2021

Net change in fund balances - Governmental Funds \$ 9,168,045

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

Governmental funds report capital outlay as expenditures. However in the statement of activities, the cost of those assets is depreciated over their estimated useful lives. When capital assets are disposed of the difference between original cost and depreciation and the proceeds are booked as a gain or (loss) on the sale. This entry takes into account the difference in how capital costs are treated between the Statement of Activities and the governmental fund statements.

Expenditures for capital assets	\$ 7,596,314	
Less current year depreciation	(4,269,590)	
Disposal of Capital Assets and other adjustments	<u>(3,575)</u>	3,323,149

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

Net change in deferred property taxes	(33,404)
---------------------------------------	----------

The issuance of long-term debt (e.g. notes payable, capital 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 net position.

Proceeds from bonds payable	(6,900,000)	
Principal payments on notes payable and capital leases	<u>491,508</u>	(6,408,492)

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 governmental funds.

Net change in compensated absences		123,807
Net change in net pension liability	(1,132,189)	
Net change in net other post employment benefits liability	26,524	
Net change in deferred outflows of resources - pension deferrals	<u>238,737</u>	<u>(866,928)</u>

Change in Net Position of Governmental Activities \$ 5,306,177

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

MORROW COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Property taxes	\$ 10,500,044	\$ 10,500,044	\$ 10,476,941	\$ (23,103)
Payments in lieu of taxes	650,000	650,000	1,925,373	1,275,373
Liquor tax apportionment	50,000	50,000	85,900	35,900
Cigarette tax apportionment	10,000	10,000	8,387	(1,613)
Amusement Device Tax	-	-	2,063	2,063
General government grants	8,000	41,165	182,286	141,121
Wolf depredation grant	8,650	8,650	22,260	13,610
Assessor fees and other	19,600	19,600	20,377	777
Clerk, recorder fees, and grants	78,176	108,176	146,896	38,720
Veterans service office grants and other	81,054	81,054	91,438	10,384
District attorney grants and other	40,500	40,500	74,678	34,178
Emergency management grants	63,600	63,600	78,158	14,558
Health department fees	146,900	146,900	277,854	130,954
Health department grants and other	437,281	610,281	1,933,927	1,323,646
Juvenile court grants and other	52,950	52,950	36,979	(15,971)
State grant, assessment and taxation	124,300	124,300	202,967	78,667
Non-departmental fees and other	1,579,400	2,189,505	1,465,703	(723,802)
Planning fees and grants	31,800	31,800	62,631	30,831
Weed department fees and grants	20,500	20,500	35,008	14,508
Transfer station revenue and fees	59,500	59,500	108,540	49,040
Sheriff civil fees and other	351,232	351,232	450,156	98,924
Sheriff intergovernmental contracts	422,666	422,666	399,755	(22,911)
Justice court fines and other	273,000	273,000	366,105	93,105
Interest	100,000	100,000	74,786	(25,214)
Total revenues	<u>15,109,153</u>	<u>15,955,423</u>	<u>18,529,168</u>	<u>2,573,745</u>
EXPENDITURES:				
General government:				
County court	633,900	650,366	566,951	83,415
County accountant	572,920	572,920	545,824	27,096
Assessor	876,970	876,970	786,408	90,562
Treasurer	138,825	138,825	126,747	12,078
County clerk	346,657	385,552	369,403	16,149
Veteran's service officer	108,941	112,279	98,259	14,020
Juvenile	409,374	409,374	357,052	52,322
Planning department	377,323	388,900	358,565	30,335
Community development	150,052	150,052	100,389	49,663
County surveyor	179,226	190,869	178,626	12,243
Public works, administrator	573,800	579,349	253,978	325,371
Public works, general maintenance	590,058	598,792	524,744	74,048
Computer	190,267	190,267	168,961	21,306
Weed department	151,326	151,326	117,591	33,735
Board of Property Tax Appeals	2,882	2,947	2,058	889
Solid waste transfer station - north	37,670	53,764	63,514	(9,750)
Solid waste transfer station - south	65,221	85,039	85,046	(7)
Non-departmental	3,839,613	4,899,718	2,956,376	1,943,342
Total general government	<u>9,245,025</u>	<u>10,437,309</u>	<u>7,660,492</u>	<u>2,776,817</u>

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

MORROW COUNTY, OREGON

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Continued from previous page.				
<u>EXPENDITURES (continued):</u>				
Public Safety:				
District attorney	430,148	442,112	392,200	49,912
Justice of the peace	335,161	342,399	296,229	46,170
Sheriff	4,605,707	4,355,707	3,941,599	414,108
Emergency management	43,807	44,328	20,829	23,499
	<u>5,414,823</u>	<u>5,184,546</u>	<u>4,650,857</u>	<u>533,689</u>
Total public safety				
Heath:				
Health department	1,518,939	1,691,939	1,270,179	421,760
Total health	<u>1,518,939</u>	<u>1,691,939</u>	<u>1,270,179</u>	<u>421,760</u>
Cultural and recreation:				
Museum	11,000	11,000	11,000	-
Total cultural and recreation	<u>11,000</u>	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Contingency	-	-	-	-
Total expenditures	<u>16,189,787</u>	<u>17,324,794</u>	<u>13,592,528</u>	<u>3,732,266</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(1,080,634)</u>	<u>(1,369,371)</u>	<u>4,936,640</u>	<u>6,306,011</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	489,377	489,377	317,377	(172,000)
Transfers out	<u>(1,085,172)</u>	<u>(1,118,337)</u>	<u>(1,075,251)</u>	<u>43,086</u>
Total other financing sources (uses)	<u>(595,795)</u>	<u>(628,960)</u>	<u>(757,874)</u>	<u>(128,914)</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(1,676,429)</u>	<u>(1,998,331)</u>	<u>4,178,766</u>	<u>6,177,097</u>
<u>FUND BALANCES, BEGINNING</u>	<u>4,912,628</u>	<u>5,234,530</u>	<u>6,408,497</u>	<u>1,173,967</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 3,236,199</u>	<u>\$ 3,236,199</u>	<u>\$ 10,587,263</u>	<u>\$ 7,351,064</u>

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

MORROW COUNTY, OREGON

General Road Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget (Non-GAAP Budgetary Basis) to Actual

Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Federal forest fees	\$ 120,235	\$ 120,235	\$ 93,463	\$ (26,772)
Licenses	1,402,236	1,402,236	1,180,495	(221,741)
Intergovernmental	641,983	641,983	432,668	(209,315)
Reimbursed items	110,000	3,728,040	3,771,427	43,387
Interest	4,000	4,000	16,949	12,949
Other	25,275	25,275	44,277	19,002
Total revenues	<u>2,303,729</u>	<u>5,921,769</u>	<u>5,539,279</u>	<u>(382,490)</u>
<u>EXPENDITURES:</u>				
Road department	6,399,515	8,017,555	6,704,898	1,312,657
Capital equipment	70,000	2,070,000	1,307,938	762,062
Contingency	660,906	660,906	-	660,906
Total expenditures	<u>7,130,421</u>	<u>10,748,461</u>	<u>8,012,836</u>	<u>2,735,625</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>				
	<u>(4,826,692)</u>	<u>(4,826,692)</u>	<u>(2,473,557)</u>	<u>2,353,135</u>
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	4,246,667	4,246,667	4,246,667	-
Transfers out	(730,000)	(730,000)	(730,000)	-
Total other financing sources (uses)	<u>3,516,667</u>	<u>3,516,667</u>	<u>3,516,667</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	<u>(1,310,025)</u>	<u>(1,310,025)</u>	<u>1,043,110</u>	<u>2,353,135</u>
<u>FUND BALANCES, BEGINNING</u>				
	<u>2,310,025</u>	<u>2,310,025</u>	<u>1,647,316</u>	<u>(662,709)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 2,690,426</u>	<u>\$ 1,690,426</u>

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

MORROW COUNTY, OREGON

Capital Improvement Project Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ -	\$ -	\$ 7,881	\$ 7,881
<u>EXPENDITURES:</u>				
Debt service	394,000	394,000	372,622	21,378
Capital outlay	-	4,753,186	3,592,285	1,160,901
Total expenditures	394,000	5,147,186	3,964,907	1,182,279
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(394,000)	(5,147,186)	(3,957,026)	1,190,160
<u>OTHER FINANCING SOURCES:</u>				
Bond proceeds	-	6,900,000	6,900,000	-
Transfers in	394,000	394,000	394,000	-
Total other financing sources	394,000	7,294,000	7,294,000	-
<u>NET CHANGE IN FUND BALANCES</u>	-	2,146,814	3,336,974	1,190,160
<u>FUND BALANCES, BEGINNING</u>	30,049	30,049	37,755	7,706
<u>FUND BALANCES, ENDING</u>	<u>\$ 30,049</u>	<u>\$ 2,176,863</u>	<u>\$ 3,374,729</u>	<u>\$ 1,197,866</u>

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

MORROW COUNTY, OREGON

Agency Funds
Statement of Fiduciary Net Position
June 30, 2021

	<u>Agency Funds</u>
ASSETS:	
Cash and investments	\$ 3,750,835
Taxes receivable	901,715
Total assets	<u>4,652,550</u>
LIABILITIES:	
Payable to other agencies	<u>4,652,550</u>
Total liabilities	<u>4,652,550</u>
NET POSITION	<u>\$ -</u>

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

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Morrow County was organized February 16, 1885 under the Statutory Provisions of Oregon Law. Administration of the County is vested in an elected county court consisting of a county judge and two commissioners.

The financial statements of Morrow County, Oregon include the accounts of all County operations and have been prepared in conformity with generally accepted accounting policies as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

Reporting Entity:

A component unit is a separate legal organization for which the County is considered to be financially accountable. The County has determined that no other organization meets the criteria to be included as a component unit in the County's financial statements.

Government-wide and fund financial statements:

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County had no business-type activities for the year ended June 30, 2021.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include : 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns with composite columns for non-major funds.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Measurement focus, basis of accounting, and financial statement presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest of long-term debt are recorded as fund liabilities when payment is due.

Those revenues susceptible to accrual are property taxes, special assessments, intergovernmental revenue, licenses, interest revenue, and charges for services. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports deferred revenue on its balance sheet. Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them. In subsequent periods, when other revenue recognition criteria are met, or when the County has legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

The County reports the following major governmental funds:

- The General Fund is the County’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The General Road Fund accounts for revenues and expenditures association with the improvement and maintenance of the County’s road infrastructure.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Additionally, the County reports the following fund types:

Special Revenue Funds are primarily operating funds that account for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make expenditures.

Capital Project Funds account for expenditures on major construction projects or equipment acquisition.

Fiduciary Funds account for assets held by the County for other governmental units. These funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.

Assets, liabilities, and net position or equity:

Cash and investments:

Cash includes demand deposits, short-term cash investments, and deposits in the Oregon Local Government Investment Pool (LGIP). The County Treasurer combines each fund's cash in a cash pool which is accounted for monthly.

Oregon Revised Statutes authorize counties to invest in obligations of the U.S. Treasury, agencies and instrumentalities of the United States, bankers acceptances guaranteed by a qualified financial institution, repurchase agreements, interest bearing bonds of any city, county, or port, among others.

The Oregon Short Term Fund (OSTF) is the LGIP for local governments and was established by the State Treasurer. OSTF investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The fair value of the District's position in the pool is the same as the value of its pool shares.

Inventories:

The County does not have any significant inventories. Inventory items are recorded as expenditures when purchased.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Receivables and payables:

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds". Property tax receivables are deemed to be substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is deemed necessary. All other receivables are shown net of an allowance for uncollectible accounts.

Morrow County assesses, collects, and distributes property taxes for all local governments within the County. Property taxes are billed in October of each year. Unpaid personal and real property taxes become liens against the property on July 1. Property taxes are payable in three installments due November 15, February 15, and May 15. A 3% discount is allowed for full payment by November 15. Interest at 16% annually is charged for late payments.

Capital assets and long-term liabilities:

The County capitalized assets purchased or constructed with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair values on the date donated.

Capital assets are comprehensively reported in the governmental-wide financial statements. Capital assets are depreciated using the straight-line method. Maintenance and repairs are charged to expenditures in various budgetary funds as incurred and are not capitalized. Upon disposal, the cost and applicable accumulated depreciation are removed from the respective account, and the resulting gain or loss is recorded in operations.

The estimated useful lives for depreciable assets are as follows:

Street system	40-50 years
Buildings and improvements	15-40 years
Machinery and equipment	4-20 years
Automobiles and trucks	4-6 years

Long-term debt and other long-term obligations are reported as liabilities in the government-wide financial statements.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Compensated absences:

It is the County's policy to permit employees to accumulate earned but unused vacation benefits. All vacation pay is accrued when incurred in the government-wide statements.

Income taxes:

The County is a municipal corporation exempt from federal and state income taxes.

Fund balance:

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.

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash and include inventories and prepaid amounts.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the County Court passes a resolution that places specific constraints on how the resources may be used. The County Court can modify or rescind the resolution at any time through passage of an additional resolution.

Fund balance is reported as assigned when resources are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the County Court approves which resources should be assigned to expenditure for particular purposes during the adoption of the annual budget. The County's Finance Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the County's financial statements.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

When the option is available to use restricted or unrestricted resources for any purpose, the County expends restricted resources first. When the option is available to use committed, assigned, or unassigned resources for any purpose, the County expends committed resources before assigned resources, and assigned resources before unassigned resources.

Use of estimates:

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

NOTE 2 – FUND BALANCES, STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

Fund balances by classification for the year ended June 30, 2021 were as follows:

	General	General Road	Other Governmental	Total Governmental Funds
<u>Fund Balances</u>				
Nonspendable:				
Prepays and deposits	\$ 166,632	\$ -	\$ -	\$ 166,632
Restricted:				
Public safety	-	-	1,121,924	1,121,924
Highways and streets	-	2,787,726	1,464,028	4,251,754
Education	-	-	409	409
Other restrictions	-	-	207,216	207,216
Total restricted	-	2,787,726	2,793,577	5,581,303
Committed:				
Culture and recreation	-	-	580,183	580,183
Education	-	-	31,250	31,250
Capital projects	-	-	1,744,768	1,744,768
Economic development	-	-	620,294	620,294
Other committed	-	-	3,438,669	6,813,398
Total committed	-	-	6,415,164	9,789,893
Unassigned	10,668,488	-	-	10,668,488
Ending fund balance	\$ 10,835,120	\$ 2,787,726	\$ 9,208,741	\$ 26,206,316

Of the amount restricted for highways and streets, \$2,787,726 is restricted by enabling legislation.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 2 – FUND BALANCES, STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

(continued):

Budget procedures:

A budget is prepared for each fund in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. Budget amounts shown in the financial statements include the original and supplemental budget amounts and all appropriation transfers approved by the County Commissioners.

The budget for the General Fund includes capital outlay expenditures in each program for capital outlay applicable to that program. Capital outlay expenditures in other funds, which are not a part of an identifiable program, are reported separately.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The appointed budget officer develops a proposed budget for submission to the budget committee appointed by the County Commissioners. The operating budget includes proposed expenditures and the means for financing them for the upcoming year, along with estimates for the current year and actual data for the two preceding years.
2. After the proposed budget is prepared, the budget officer publishes a "Notice of Budget Committee Meeting" in at least one newspaper of general circulation. At the budget committee meeting, the budget message is delivered explaining the proposed budget and any significant changes in the County's financial position. The budget committee meets thereafter as many times as necessary until the budget document is completed.
3. After approval by the budget committee and the required public hearing, and prior to July 1, the budget is adopted by the County Commissioners, and appropriations are enacted by resolution. Appropriations control expenditures in broad categories as required by Oregon Local Budget Law. More detailed classifications of budgeted expenditures are adopted for administrative control purposes. Budget appropriations lapse at year end.
4. Management is not allowed to modify the budget without action by the governing body. The governing body is authorized to modify the original budget appropriation ordinance in the following ways:
 - a. Transfer of budget appropriations within a fund are authorized by resolution of the governing body.
 - b. Budget revisions that increase total expenditures in any fund require a supplemental budget to be adopted. If a supplemental budget increases a fund's expenditures by less than 10%, the County can adopt the adoption resolution at a regularly scheduled meeting. If a supplemental budget increases a fund's expenditures by more than 10%, the County can adopt it by publishing a notice five to thirty days before a meeting is held to pass the adoption resolution.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 2 – FUND BALANCES, STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

(continued):

Three supplemental budgets were adopted during the year ended June 30, 2021; total appropriations increased by \$14,450,354.

5. The following funds legally adopt annual budgets:

General fund, all special revenue funds, and all capital project funds.

6. The agency funds do not adopt annual budgets. These funds are not used to expend funds for County activities or functions.
7. Expenditures may not legally exceed budget appropriations at the departmental level of control in most funds. Appropriations are made at various legal levels of control for each fund.
8. For budget preparation, capital lease proceeds and related capital outlay expenditures are recorded when the capital lease payments are disbursed.

Budget overexpenditures:

Oregon state local budget laws prohibit overexpenditure of budgeted appropriations. For the year ended June 30, 2021, the County overexpended the budget of the following funds:

General Fund	Solid Waste Transfer - North	<u>\$ 9,750</u>
General Fund	Solid Waste Transfer - South	<u>\$ 7</u>
Park Fund	Fair park	<u>\$ 2,301</u>
Shepherd Flat Fees Fund	Special Payments	<u>\$ 20,515</u>
FTA Grant Fund	Personal services	<u>\$ 86</u>

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 3 – CASH AND INVESTMENTS:

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

Cash

Demand deposits	\$ 202,653
Petty cash	2,016
	<hr/>
	204,669
	<hr/>

Investments

State of Oregon Local Government Investment Pool	31,847,096	<u>Weighted Average Maturity (Years)</u> 0.55
	<hr/>	

Total cash and investments

\$ 32,051,765

Cash and investments are reflected in the basic financial statements as follows:

Cash and investments - governmental activities	\$ 28,300,930
Statement of Fiduciary Net Position	3,750,835
	<hr/>
	\$ 32,051,765
	<hr/>

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the County's deposits may not be returned. ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. The Public Funds Collateralization Program was created by the Office of the State Treasurer to facilitate bank depository, custodian, and public official compliance with ORS 295. ORS 295 requires the depository institutions to pledge collateral against any public funds deposits in excess of deposit insurance amounts. As of June 30, 2021, the total bank balances were \$828,334. Of these deposits, \$500,000, was covered by federal depository insurance. The County keeps its deposits at financial institutions deemed to be qualified depositories by the Office of the State Treasurer.

Credit Risk - Investments

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

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 3 – CASH AND INVESTMENTS (continued):

Credit Risk - Investments (continued)

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

Concentration Risk - Investments

The County has concentrations in the following investments: Local Government Investment Pool comprises 94% of the County's total investments. The remaining 6% is held in US Government Securities.

Interest Rate Risk - Investments

The County does not have a formal investment policy that explicitly limits investments maturities as means of managing its exposure to fair value loss arising from increasing interest rates.

Custodial Credit Risk - Investments

The Local Government Investment Pool is not subject to custodial credit risk because it is not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 3. Other securities are held by a third party custodian in a segregated account. The County does not have investments exposed to custodial credit risk on June 30, 2021.

NOTE 4 -- RECEIVABLES

The County lends money to businesses in Morrow County for economic development. The Equity Fund is used for this purpose. On June 30, 2021 loans receivable and corresponding interest of \$320,056 were outstanding. This balance is not expected to be collected within one year.

The County expects to collect all receivables, no allowance is deemed necessary. Other Receivables at June 30, 2021 are as follows:

Receivable	General		Other	Total
	General	Road	Governmental	
Intergovernmental	\$ 113,671	\$ -	\$ 153,339	\$ 267,010
Other shared taxes	11,688	-	38,027	49,715
Charges for services	146,376	5,784	342,810	494,970
Equity Fund loans	-	-	312,485	312,485
Equity Fund interest	-	-	7,571	7,571
	<u>\$ 271,735</u>	<u>\$ 5,784</u>	<u>\$ 854,232</u>	<u>\$ 1,131,751</u>

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 5 - CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 2,407,778	\$ -	\$ -	\$ 2,407,778
Construction in progress	1,003,303	6,012,065	(839,822)	6,175,546
Total capital assets, not being depreciated	<u>3,411,081</u>	<u>6,012,065</u>	<u>(839,822)</u>	<u>8,583,324</u>
Capital assets, being depreciated:				
Buildings and improvements	17,468,301	813,427	-	18,281,728
Campsites and trails	961,898	-	-	961,898
Machinery and equipment	16,250,603	1,622,866	(639,754)	17,233,715
Bridges	23,384,760	-	-	23,384,760
Infrastructure	114,454,699	-	-	114,454,699
Total capital assets being depreciated	<u>172,520,261</u>	<u>2,436,293</u>	<u>(639,754)</u>	<u>174,316,800</u>
Less accumulated depreciation for:				
Buildings and improvements	(8,497,893)	(474,968)	-	(8,972,861)
Campsites and trails	(647,631)	(28,883)	-	(676,514)
Machinery and equipment	(11,049,328)	(901,703)	623,957	(11,327,074)
Bridges	(15,968,952)	(587,013)	-	(16,555,965)
Infrastructure	(65,501,906)	(2,277,023)	-	(67,778,929)
Total accumulated depreciation	<u>(101,665,710)</u>	<u>(4,269,590)</u>	<u>623,957</u>	<u>(105,311,343)</u>
Total capital assets being depreciated, net	<u>70,854,551</u>	<u>(1,833,297)</u>	<u>(15,797)</u>	<u>69,005,457</u>
Governmental activities capital assets, net	<u>\$ 74,265,632</u>	<u>\$ 4,178,768</u>	<u>\$ (855,619)</u>	<u>\$ 77,588,781</u>

Depreciation was charged to functions and programs as follows:

	<u>Governmental activities</u>
General government	\$ 570,370
Public safety	358,922
Highways and streets	3,142,397
Cultural and recreation	191,201
Health	6,700
	<u>\$ 4,269,590</u>

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 6 - LONG TERM DEBT:

The County has entered into lease/purchase agreements to acquire property. The agreements qualify as capital leases for accounting purposes and have been capitalized in accordance with generally accepted accounting principles.

Lease purchase agreement payable at \$45,479 per year, by the Road Fund, including interest at 4.94%, collateralized by a Caterpillar 315F excavator. Final payment is due in October 2022.	84,400
Lease purchase agreement payable at \$60,553 per year, by the Road Fund, including interest at 2.95%, collateralized by a Caterpillar 938M wheel loader. Final payment is due in October 2022.	58,407
Lease purchase agreement payable at \$42,098 annually, by the Road fund, including interest at 2.95%, collateralized by John Deere 772G motor grader. Final payment is due in March 2027.	<u>228,130</u>
	<u><u>\$ 370,937</u></u>

Future minimum payments of the capital lease obligations are as follows:

<u>Fiscal Year</u>	<u>Governmental</u>		
	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>
2022	\$ 147,708	12,772	134,936
2023	87,408	7,928	79,480
2024	42,098	4,680	37,418
2025	42,098	3,561	38,537
2026	42,098	2,409	39,689
2027-2031	42,099	1,222	40,877
Total	<u>\$ 403,509</u>	<u>\$ 32,572</u>	<u>\$ 370,937</u>

The County entered into a note payable with Community Bank for the construction of the Administration Building in Heppner, Oregon during the year ended June 30, 2015. Starting in November 2016, semi-annual principal and interest payments are due each November and May for \$182,624.55. The balance of the note payable on June 30, 2021 is \$711,903.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 6 - LONG TERM DEBT (continued):

Future principal and interest payments on this loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 357,723	\$ 7,526
2023	354,180	3,197
Total	<u>\$ 711,903</u>	<u>\$ 10,723</u>

During the current year, the County issued bonds through The Commerce Bank of Oregon to finance the construction of the North Morrow County Government Center in Irrigon, Oregon. Starting in December 2021, semi-annual payments are due June and December including interest at 1.79%. The total bond proceeds received were \$6,900,000.

Future principal and interest payments of the bonds are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 40,000	\$ 154,387
2023	90,000	122,794
2024	465,000	121,183
2025	475,000	112,859
2026	485,000	104,357
2027-2031	2,550,000	388,877
2032-2036	2,795,000	148,737
Total	<u>\$ 6,900,000</u>	<u>\$ 1,153,194</u>

Changes to the County's long term debt consisted of the following:

	<u>Capital Leases</u>	<u>Note Payable</u>	<u>Bonds Payable</u>	<u>Totals</u>
Principal balance June 30, 2020	\$ 501,601	\$ 1,072,747	\$ -	\$ 1,574,348
New obligations	-	-	6,900,000	6,900,000
Payments	(148,130)	(372,622)	-	(520,752)
Interest included	17,466	11,778	-	29,244
Principal balance June 30, 2021	<u>\$ 370,937</u>	<u>\$ 711,903</u>	<u>\$ 6,900,000</u>	<u>\$ 7,982,840</u>

NOTE 7 – COMPENSATED ABSENCES:

The following is a summary of accumulated unpaid vacation pay transactions of the County for the year ended June 30, 2021:

Balance June 30, 2020	\$ 513,119
Net change in benefits payable	<u>(123,807)</u>
Balance June 30, 2021	<u>\$ 389,312</u>

Compensated absences are typically liquidated by the governmental funds for which the employees who earned the compensated absences were assigned.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 8 -- INTERFUND TRANSACTIONS:

During the course of normal operations, the County has numerous transactions between funds including expenditures and transfers of resources primarily to provide services. The governmental fund financial statements generally reflect such transactions as transfers. In addition, certain funds have been transferred for which repayment is anticipated during the next twelve months. These balances are to cover the funds expenses due to timing differences in revenue reimbursements. Amounts due from and to other funds at June 30, 2021 consisted of the following:

Due To	Due From	Amount
General Fund	FTA Grant Fund	\$ 142,956

The following are the County's interfund transfers for the year ended June 30, 2021. All transfers routinely occur between funds:

Transfer From	Transfer To	Purpose	Amount
General	Fair	For general operations of the Fair Fund	\$ 33,165
General	Computer Equipment	For purchase of computer equipment	20,000
General	Building Res.	For future construction	50,000
General	Programming Res.	For purchase of software	30,000
General	Airport	For general operations of the Airport Fund	43,086
General	Heppner Admin Bldg.	For debt service payments of Heppner Admin Build.	394,000
General	Resiliency	For general operations of the Resiliency Fund	500,000
General	Weed Equip Reserve	For capital purchases of weed equipment	5,000
General Road	Road Equip. Res.	For purchases of equipment	730,000
Finley Buttes Lic.	General Road	For improvements to County Road	1,636,000
Finley Buttes Lic.	General Fund	For general operations of the County	210,000
Fair	Fair Improvement	For capital upgrades to the fairgrounds	5,000
Fair	Fair Roof	For capital upgrades to fair buildings	2,000
Special Transportation	STF Vehicle Reserve	For future purchase of vehicle	15,804
Special Transportation	FTA Grant	For general operations of the FTA Grant Fund	28,948
Video Lottery Econ. Develop.	Rodeo	For general operations of the Rodeo Fund	10,000
Video Lottery Econ. Develop.	General	For general operations of the museum department	11,000
Video Lottery Econ. Develop.	Airport	For general operations of the Airport Fund	30,000
Willow Creek Wind	General	For general operations of the County	33,167
Echo Wind Fees	General	For general operations of the County	35,210
Shepherds Flat Fees	General Road	For general operations & impr. of Co. Roads	785,990
Shepherds Flat Fees	Road Equip. Res.	For purchases of equipment	175,000
Shepherds Flat Fees	Building Res.	For future construction	250,000
Shepherds Flat Fees	General	For general operations of the County	28,000
PGE - CARTY	General Road	For general operations & improv. of Co. Roads	1,824,677
Total			\$ 6,886,047

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 9 - DEFERRED INFLOWS OF RESOURCES:

Deferred revenue at June 30, 2021 consisted of the following:

	Statement Governmental of Funds Net Position
Property taxes	246,204 -
	<u>\$ 246,204</u> <u>\$ -</u>

Property tax deferred revenues are shown as revenues in the government-wide financial statements.

NOTE 10 -- CONTINGENT LIABILITY, GRANTS:

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

NOTE 11 -- DEFERRED COMPENSATION PLAN:

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred, all property and rights purchased, and all income, property, or rights are, until paid or made available to the employee or other beneficiary, held by a third-party administrator for the exclusive benefit of the participants and their beneficiaries. The deferred compensation investments are not included in the County's financial statements.

NOTE 12 -- LITIGATION:

The County is the defendant in various pending claims. These matters have been referred to legal counsel and the County's insurance carriers. The County administration expects any losses to be covered by insurance. County management does not expect uninsured losses and defense costs to materially affect the financial statements.

NOTE 13 -- RISK MANAGEMENT:

The county is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage in the prior year.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 14 -- SUBSEQUENT TAX REVENUES:

The 2021-2022 budget was adopted anticipating property tax revenues at a rate of \$4.1347 per \$1,000 of assessed value for operations. Budgeted property tax revenues, after discount and adjustments, are as follows:

	Budgeted Property tax Revenue
General fund	\$ 11,067,640
County school fund	28,500
Ione school fund	3,200
Fair fund	72,674
	<u>\$ 11,172,014</u>

After an allowance for expected delinquent tax payments, the County expects to collect at least the amount of property taxes budgeted for 2021-2022.

NOTE 15 -- TAXES:

County governmental funds received the following tax revenues:

Property taxes	\$ 10,688,788
Fuel tax apportionment	1,180,495
Payments in lieu of taxes	1,925,373
Other taxes	353,072
	<u>\$ 14,147,728</u>

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 16 -- INTERGOVERNMENTAL REVENUES:

County governmental funds received the following federal and Oregon governmental revenues:

Health department funds	\$ 1,933,927
Oregon Health Authority funds	1,250,409
Park department funds	150,037
Community Corrections funds	565,456
Airport grants	213,238
Sheriff department grants	399,755
Road department funds	432,668
911 Emergency funds	457,613
Federal forest fees and federal mineral lease	93,463
Assessment and taxation funds	202,967
Video lottery apportionment	121,056
Victim/Witness assistance funds	98,228
Other federal and state funds	856,689
	<u>\$ 6,775,506</u>

NOTE 17 -- FINLEY BUTTES LANDFILL:

A private company operates the Finley Buttes Landfill in Morrow County. The County receives licensing fees from the landfill operator. During the year ended June 30, 2021, Morrow County received the following fees from the landfill operator:

Finley Buttes road fund	\$ 478,083
Finley Buttes license fee fund	<u>1,939,567</u>
	<u>\$ 2,417,650</u>

The Finley Buttes License Fee fund portion of the landfill fees are available for general county government.

The Finley Buttes Road fund portion of the fees will be used to maintain the Bombing Range road.

The agency fund portion of landfill fees is dedicated to future landfill closing costs. The landfill operator and the landfill owners are responsible for future landfill closure costs. Morrow County is obligated for future closure costs only to the extent of funds available in the agency fund. At June 30, 2021, the balance of funds in the landfill closure agency fund was \$1,262,382.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 18 -- DEFINED BENEFIT PENSION PLAN:

A. Plan Description:

The County's defined benefit pension plan, Retirement Plan for Employees of Morrow County, Oregon (Plan), provides retirement and disability benefits to employees of the County. The Plan is a single-employer group annuity contract. Morrow County created the Morrow County Trust Fund, the purpose of which is to hold the Plan's assets. The trustees are the Morrow County Court. A copy of the Plan's most recent actuarial report (July 1, 2015) can be obtained from officials at the Morrow County Courthouse in Heppner, Oregon. The plan was established on July 1, 1966, and was last restated effective July 1, 2015.

The Plan covers full time employees as well as part-time employees and elected officials working more than twenty hours per week. The employees contribute 6.0% of their base earnings. For income tax reporting by employees, the County treats the employee contribution as a pre-tax contribution, as allowed by the Internal Revenue Code.

Employees who retire at or after age fifty-five for uniformed employees and sixty for non-uniformed employees with five years of credited service are entitled to a retirement benefit, payable monthly for life, equal to a percentage of their final average salary for each year of credited service on or after July 1, 1973 but prior to the normal retirement date. The percentages are as follows:

- (a) 2.4% for members hired by the County after December 31, 1994 who are not sheriff office employees.
- (b) 3.0% for all other employees.

Final average salary is the employee's highest average monthly salary of three consecutive years during the last ten years of employment. The benefits are adjusted annually for cost of living adjustment under a formula which has a maximum annual increase of two percent. Benefits fully vest on reaching five years of service. Vested employees may retire at or after age fifty-five and receive reduced retirement benefits. The plan also provides death and disability, and post-retirement medical supplement benefits. The plan also provides for an early retirement incentive benefit for eligible employees.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 18 -- DEFINED BENEFIT PENSION PLAN (continued):

The following is a summary of plan participants at July 1, 2020:

Active members:	
Public safety	24
General	84
Total active	<u>108</u>
Inactive participants:	
Vested terminated	25
Non-vested terminated entitled to account balance	52
Retirees and beneficiaries	68
Total inactive	<u>145</u>
Total participants	<u><u>253</u></u>

B. Funding Policy and Net Pension Liability:

County employees are required to contribute 6% of their annual covered salary. The County uses actuarial reports to determine the recommended pension contribution percentages. For the fiscal year ended June 30, 2021, the recommended rate was 24.3% of covered payroll. The County contributed 24.3% of covered payroll for the fiscal year ended June 30, 2021. On July 1, 2021 the recommended rate increased to 25.0% of covered payroll for fiscal year ended June 30, 2022.

The components of the net pension liability of the Plan were as follows:

	<u>June 30, 2019</u>	<u>June 30, 2020</u>
Total pension liability	\$37,244,726	\$39,927,493
Plan fiduciary net position	25,466,923	27,017,501
Net pension liability	<u>\$11,777,803</u>	<u>\$12,909,992</u>
Fiduciary net position as a % of total pension liability	68.38%	67.67%
Covered payroll	\$ 6,392,832	\$ 6,684,360
Net pension liability as a % of covered payroll	184.23%	193.14%

C. Actuarial Methods and Assumptions:

Significant actuarial assumptions used in the valuation include a rate of return on the investment of present and future assets of 7.0%, an annual cost of living increase of 2.0%, and annual salary increase ranging from 7.5% percent in the first year of service, 6.25% in years 2-4, 4.75% in years 5-9, and 3.75% after 9 years of service. Mortality rates were based on the RP2000 blended 25% blue collar/75% white collar, set back 12 months for males.

MORROW COUNTY, OREGON

Notes to Basic Financial Statements
June 30, 2021

NOTE 18 -- DEFINED BENEFIT PENSION PLAN (continued):

F. Pension Expense:

	Fiscal Year Ending June 30, 2021
Service cost	\$ 973,073
Interest on total pension liability	2,626,398
Effect of plan changes	-
Administrative expenses	49,808
Expected investment return net of investment expenses	(1,804,151)
Recognition of deferred (inflows)outflows of resources:	
Recognition of economic/demographic (gains) or losses	531,085
Recognition of assumption changes or inputs	-
Recognition of investment (gains) or losses	520,175
Pension expense	<u>\$ 2,896,388</u>

G. Deferred (Inflows) / Outflows of Resources:

As of June 30, 2021, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 640,217
Changes in assumptions or inputs	-	-
Net difference between projected and actual earnings	-	896,318
Contributions made subsequent to measurement date	-	2,096,328
	<u>\$ -</u>	<u>\$ 3,632,863</u>

Deferred outflows of resources are presented as positive amounts. Deferred inflows or resources are presented as negative amounts. Contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>Annual Recognition</u>
2022	\$ 662,191
2023	382,613
2024	318,348
2025	173,383
	<u>\$ 1,536,535</u>

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 19 -- OTHER POST EMPLOYMENT BENEFIT PLAN:

A. Plan Description:

The County operates a single-employer retiree benefit plan which provides medical benefits insurance for retirees and their dependents under the age of 65. As of July 1, 2020, there were 79 active employees and 4 eligible retired members in the plan. Eligible retirees pay the same premium for the medical benefit insurance as active employees, which results in an implicit subsidy and an OPEB liability. The contribution requirements of plan members are established by and may be amended by the County. The County currently finances the retiree benefit plan on a pay-as-you-go basis. The same monthly premiums apply to retirees.

The County's annual other postemployment benefit (OPEB) liability is determined using the normal actuarial cost allocation method in accordance with the parameters of GASB Statement No. 75. In addition, GASB 75 requires that the allocation of costs for accounting purposes be made as a level percentage of employee's projected pay, including future anticipated pay increases. The following table shows the total OPEB liability as of June 30, 2021, based on the July 1, 2020 valuation date and a June 30, 2020 measurement date. The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

	<u>Year Ended June 30,</u> <u>2020</u>	<u>Year Ended June 30,</u> <u>2021</u>
Total OPEB liability	\$ 403,540	\$ 377,016
Covered payroll	\$ 6,392,832	\$ 6,684,360
Total OPEB liability as a % of covered payroll	6.31%	5.64%
Discount rate	3.50%	2.21%
Other Key Actuarial Assumptions and Methods:		
Valuation date	July 1, 2018	July 1, 2020
Measurement Date	June 30, 2019	June 30, 2020
Inflation	2.50%	2.50%
Salary Increases	3.50%	3.50%
Healthy Mortality	RP-2000 healthy white collar male and female mortality tables, set back one year for males. Mortality is projected on a generational basis using Scale BB for males and females	RP-2000 healthy white collar male and female mortality tables, set back one year for males. Mortality is projected on a generational basis using Scale BB for males and females
Actuarial Cost Method	Entry Age Normal	Entry Age Normal

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 19 -- OTHER POST EMPLOYMENT BENEFIT PLAN (continued):

The following table shows the changes in net OPEB liability from June 30, 2020 to June 30, 2021:

	Increase (Decrease) Total
Balance as of June 30, 2020	\$ 403,540
Changes for the year:	
Service cost	19,883
Interest on total OPEB liability	14,261
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	13,360
Effect of assumptions changes or inputs	(41,827)
Benefit payments	(32,201)
Balance as of June 30, 2021	<u>\$ 377,016</u>

The following presents the total OPEB liability of the Plan, calculated using the discount rate of 2.21%, as well as what the Plan's total OPEB liability would be if it were calculate using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	<u>\$ 392,529</u>	<u>\$ 377,016</u>	<u>\$ 361,705</u>
	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	<u>\$ 352,206</u>	<u>\$ 377,016</u>	<u>\$ 405,262</u>

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 19 -- OTHER POST EMPLOYMENT BENEFIT PLAN (continued):

The annual OPEB expense is an accounting item designed to recognize certain changes to the Total OPEB Liability in the current period income statement. Additionally, changes to the total OPEB Liability not fully recognized in a given year's OPEB expense will be tracked as deferred inflows and outflows, and recognized incrementally in the OPEB expense over time. The following table shows the OPEB expense for the fiscal year ending June 30, 2021.

	<u>July 1, 2020 to June 30, 2021</u>
Service cost	\$ 19,883
Interest on total OPEB liability	14,261
Effect of plan changes	-
Recognition of Deferred (Inflows)/Outflows of Resources	
Recognition of economic/demographic (gains) or losses	(2,445)
Recognition of assumptions changes or inputs	(4,871)
Administrative expenses	-
Balance as of June 30, 2020	<u>\$ 26,828</u>

The following shows the total deferred inflows and outflows of resources as of June 30, 2021, along with a schedule showing the amounts that will be recognized in future years.

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of</u>
Difference between expected and actual experience	\$ (14,010)	\$ 10,974
Changes of assumptions or inputs	(39,948)	16,431
Benefit payments	-	37,978
Total as of June 30, 2021	<u>\$ (53,958)</u>	<u>\$ 65,383</u>

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	<u>Annual recognition</u>
2022	\$ (7,316)
2023	(7,316)
2024	(4,850)
2025	(4,019)
2026	(3,052)
Thereafter	-
	<u>\$ (26,553)</u>

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 20 -- RECONCILIATION OF GAAP BASIS REVENUES AND EXPENDITURES TO BUDGETARY BASIS REVENUES AND EXPENDITURES:

The County accounts for budgetary basis revenues and expenditures using a non-GAAP method. Budgetary basis information reconciles to GAAP basis as follows (only funds with differences listed):

<u>Fund:</u>	<u>GAAP Basis Change in Fund Balances</u>	<u>Change in Compensated Absences</u>	<u>Budgetary Basis - Change in Fund Balances</u>
General	\$ 4,094,552	\$ 84,214	\$ 4,178,766
General Road	1,013,062	30,048	1,043,110
911 Emergency Telephone	174,973	5,871	180,844
Fair	30,856	589	31,445
Special Transportation	159,927	(3,708)	156,219
Victim/Witness Assistance	(389)	(410)	(799)
Park	(177,178)	1,031	(176,147)
Community Corrections	(33,873)	6,172	(27,701)

NOTE 21 -- RECONCILIATION OF GAAP BASIS FUND EQUITY TO BUDGETARY BASIS FUND EQUITY:

<u>Fund:</u>	<u>GAAP Basis Fund Balances</u>	<u>Compensated Absences</u>	<u>Budgetary Basis Fund Balances</u>
General Fund	10,835,120	\$ (247,857)	\$ 10,587,263
General Road	2,787,726	(97,300)	2,690,426
911 Emergency Telephone	500,126	(7,632)	492,494
Fair	293,655	(2,049)	291,606
Special Transportation	550,288	(4,500)	545,788
Victim/Witness Assistance	13,540	(1,058)	12,482
Park	226,453	(12,650)	213,803
Community Corrections	402,813	(16,266)	386,547

MORROW COUNTY, OREGON

Notes to Basic Financial Statements

June 30, 2021

NOTE 22 -- TAX ABATEMENT AGREEMENTS:

The County has two programs through which tax abatements are provided:

Enterprise Zone Program: This program is authorized by Oregon Revised Statutes and is intended to attract and retain jobs through abatement of property taxes. Businesses apply to for exemption with the County. Some program agreements have In Lieu of Taxes payments that are required to be paid to the County.

Strategic Investment Program: This program is authorized by Oregon Revised Statutes and is intended to attract large, capital intensive facilities to locate and grown in the County through property tax abatements. The County approves the agreements between businesses after holding public hearings. The property taxes are abated for 15 years. The businesses agree to pay a Community Service Fee that is included in the agreement.

For the year ended June 30, 2021, the County abated taxes as follows:

<u>Tax Abatement Program</u>	<u>Amount Abated (in thousands)</u>		<u>In-Lieu and Community Service Fees Collected (in thousands)</u>	
	<u>Total</u>	<u>County Share</u>	<u>Total</u>	<u>County Share</u>
Enterprise Zone	\$ 44,034	\$ 12,576	\$ 469	\$ -
Strategic Investment Program	\$ 10,334	\$ 3,162	\$ 4,162	\$ 3,206

NOTE 23 -- SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date of this report, which is the date the financial statements were available to be issued.

The County is currently in the planning stages of constructing a new administration building in Irrigon, Oregon. The estimated cost for the new building is between \$6,000,000 and \$8,000,000, with an estimated completion date of Spring 2022. The County has approved \$6,900,000 of credit bonds to finance this project, payable over 15 years.

REQUIRED SUPPLEMENTARY INFORMATION

MORROW COUNTY, OREGON

Schedule of Deferred (Inflows) and Outflows of Resources

	Original Amount	Experience Period	Original Recognition Period	Amount Recognized in Expense 6/30/2021	Balance of Deferred Inflows 6/30/2021	Balance of Deferred Outflows 6/30/2021
Investment	\$ 866,907	2019-2020	5.0	\$ 173,381	\$ -	\$ 693,526
(gains) or losses	507,126	2018-2019	5.0	101,425	-	304,276
	83,078	2017-2018	5.0	16,616	-	33,230
	(673,578)	2016-2017	5.0	(134,716)	(134,714)	-
	(1,817,353)	2015-2016	5.0	363,469	-	-
				<u>\$ 520,175</u>	<u>\$ (134,714)</u>	<u>\$ 1,031,032</u>
Economic/demographic	\$ 478,937	2019-2020	3.3	\$ 145,132	\$ -	\$ 333,805
(gains) or losses	565,425	2018-2019	3.5	161,550	-	242,325
	448,618	2017-2018	3.5	128,177	-	64,087
	577,357	2016-2017	3.6	96,226	-	-
				<u>\$ 531,085</u>	<u>\$ -</u>	<u>\$ 640,217</u>
Assumption	\$ -	2019-2020	3.3	\$ -	\$ -	\$ -
changes or inputs	-	2018-2019	3.5	-	-	-
	-	2017-2018	3.6	-	-	-
	-	2016-2017	3.5	-	-	-
				<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Changes in Total Pension Liability, Fiduciary Net Position and Related Ratios

	Fiscal Year Ending June 30,					
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Total Pension Liability						
Service cost	\$ 564,657	\$ 670,931	\$ 768,358	\$ 851,065	\$ 917,396	\$ 973,073
Interest on total pension liability	1,894,605	2,049,096	2,143,810	2,297,651	2,450,738	2,626,398
Effect of plan changes	-	-	-	-	-	-
Effect of economic/demographic (gains) or losses	1,362,260	201,509	577,357	448,618	565,425	478,937
Effect of assumptions changes or inputs	1,567,973	-	-	-	-	-
Benefit payments	(1,030,803)	(2,021,216)	(1,416,721)	(1,443,225)	(1,627,635)	(1,464,644)
Member contributions	34,322	48,953	57,180	53,759	63,676	69,003
Net change in total pension liability	4,393,014	949,273	2,129,984	2,207,868	2,369,600	2,682,767
Total pension liability, beginning	25,194,987	29,588,001	30,537,274	32,667,258	34,875,126	37,244,726
Total pension liability, ending	<u>\$ 29,588,001</u>	<u>\$ 30,537,274</u>	<u>\$ 32,667,258</u>	<u>\$ 34,875,126</u>	<u>\$ 37,244,726</u>	<u>\$ 39,927,493</u>
Fiduciary Net Position						
Employer contributions	\$ 1,225,021	\$ 1,350,209	\$ 1,769,758	\$ 2,811,558	\$ 1,968,992	\$ 2,058,783
Member contributions	34,322	48,953	57,180	53,759	63,676	69,003
Investment income net of investment expenses	271,052	(447,095)	2,001,161	1,445,686	1,181,999	937,244
Benefit payments	(1,030,803)	(2,021,216)	(1,416,721)	(1,443,225)	(1,627,635)	(1,464,644)
Administrative expenses	(13,825)	(67,539)	(45,738)	(40,865)	(95,888)	(49,808)
Net change in plan fiduciary net position	485,767	(1,136,688)	2,365,640	2,826,913	1,491,144	1,550,578
Fiduciary net position, beginning	19,434,147	19,919,914	18,783,226	21,148,866	23,975,779	25,466,923
Fiduciary net position, ending	<u>\$ 19,919,914</u>	<u>\$ 18,783,226</u>	<u>\$ 21,148,866</u>	<u>\$ 23,975,779</u>	<u>\$ 25,466,923</u>	<u>\$ 27,017,501</u>
Net pension liability, ending	\$ 9,668,087	\$ 11,754,048	\$ 11,518,392	\$ 10,899,347	\$ 11,777,803	\$ 12,909,992
Fiduciary net position as a % of total pension liability	67.32%	61.51%	64.74%	68.75%	68.38%	67.67%
Covered payroll	\$ 4,959,599	\$ 5,315,783	\$ 5,802,486	\$ 5,881,681	\$ 6,392,832	\$ 6,684,360
Net pension liability as a % of covered payroll	194.94%	221.12%	198.51%	185.31%	184.23%	193.14%

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Employer Contributions

Fiscal Year Ending June 30,
(Dollar Amounts in Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 1,979	\$ 1,956	\$ 1,812	\$ 1,770	\$ 1,350	\$ 1,225	\$ 1,110	\$ 1,005	\$ 1,133	\$ 1,123
Actual employer contribution	2,059	1,969	2,812	1,770	1,350	1,225	1,075	909	896	1,089
Contribution deficiency (Excess)	80	13	1,000	-	-	-	(35)	(96)	(237)	(34)
Covered payroll	6,684	6,393	5,881	5,802	5,315	4,960	4,800	4,748	4,837	4,813
Contribution as a % of covered payroll	30.80%	30.80%	47.81%	30.51%	25.40%	24.70%	22.40%	19.14%	18.52%	22.63%
Valuation Date	7/1/2019	7/1/2018	7/1/2017	7/1/2016	7/1/2015	7/1/2014	7/1/2013	7/1/2012	7/1/2011	7/1/2010
Investment Rate of Return Assumption	7.00%	7.00%	7.00%	7.00%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Money -Weighted Rate of Return

Fiscal Year Ending June 30, 2020

The money-weighted rate of return is the internal rate of return on plan assets based on the amounts and timing of actual cash flows. External cash flows (contributions, benefit payments and administrative expenses) are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

	<u>Net External Cash Flows</u>	<u>Periods Invested</u>	<u>Period Weight</u>	<u>Net External Cash Flows With Interest</u>
Beginning Value - July 1, 2019	\$ 25,466,923	12.00	1.00	\$ 23,393,956
Monthly net external cash flows:				
July	49,552	11.00	0.96	51,279
August	(54,189)	10.00	0.88	(55,912)
September	163,346	9.00	0.79	168,035
October	125,327	8.00	0.71	128,542
November	(68,599)	7.00	0.63	(70,149)
December	81,874	6.00	0.54	83,475
January	(65,382)	5.00	0.46	(66,463)
February	25,827	4.00	0.38	26,176
March	237,647	3.00	0.29	240,138
April	37,611	2.00	0.21	37,893
May	30,307	1.00	0.13	30,443
June	50,014	0.00	0.04	50,089
Ending Value - June 30, 2020	27,017,501			
Money - Weighted Rate of Return	3.64%			

Schedule of Investment Returns

Fiscal Year Ending June 30,	Money-Weighted Rate of Return Net of Investment Expenses
2020	3.64%
2019	4.94%
2018	6.67%
2017	10.51%
2016	(2.27)%
2015	1.39%

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Changes in Total OPEB Liability and Related Ratios

	Fiscal Year Ending June 30,		
	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>
Total Pension Liability			
Service cost	\$ 18,301	\$ 17,900	\$ 19,883
Interest on total OPEB liability	13,889	15,207	14,261
Effect of plan changes	-	-	-
Effect of economic/demographic (gains) or losses	(28,503)	-	13,360
Effect of assumptions changes or inputs	24,058	6,969	(41,827)
Benefit payments	(21,810)	(22,936)	(32,201)
Net change in total pension liability	<u>5,935</u>	<u>17,140</u>	<u>(26,524)</u>
Total pension liability, beginning	380,465	386,400	403,540
Total pension liability, ending	<u>\$ 386,400</u>	<u>\$ 403,540</u>	<u>\$ 377,016</u>
Covered payroll	\$ 5,881,681	\$ 6,392,832	\$ 6,684,360
Net pension liability as a % of covered payroll	6.57%	6.31%	5.64%

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Notes to Required Supplementary Information

June 30, 2021

CHANGE IN BENEFIT TERMS:

GASB 68 and 75 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension or OPEB Liability, along with an estimate of resulting change, if available.

We are not aware of any changes that meet this disclosure requirement.

OTHER SUPPLEMENTARY INFORMATION

MORROW COUNTY, OREGON

Non-Major Governmental Funds

June 30, 2021

Special Revenue Funds:

- Heritage Fund
- Finley Buttes Road Fund
- Commission on Children and Families Fund
- Airport Fund
- Law Library Fund
- 911 Emergency Telephone Fund
- Surveyor Preservation Fund
- Finley Buttes License Fund
- County School Fund
- Ione School Fund
- Fair Fund
- Special Transportation Fund
- Alcohol Enforcement Fund
- Video Lottery Economic Development Fund
- Victim/Witness Assistance Fund
- Willow Creek Wind Fund
- CAMI Grant Fund
- Safety Committee Fund
- Rodeo Fund
- Justice Court Bail and Fine Fund
- Clerks Records Fund
- DUII Impact Fund
- Building Permit Fees Fund
- Parks Fund
- Equity Fund
- Liquor Control Fund
- Water Planning Fund
- Forest Service
- Court Security Fund
- Echo Wind Fees Fund
- Shepherds Flat Fees Fund
- FTA Grant Fund
- Community Corrections Fund
- PGE - Carty
- Sheriff Reserve Fund
- Resiliency Fund

Capital Projects Funds:

- Road Equipment Reserve Fund
- Computer Equipment Reserve Fund
- Programming Reserve Fund
- Weed Equipment Reserve Fund
- STF Vehicle Reserve Fund
- Fair Roof Reserve
- Capital Improvements Project Fun
- Bleacher Reserve Fund
- Fair Improvement Reserve Fund
- Building Reserve Fund

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2021

	<u>Total Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS:</u>			
Cash	\$ 7,177,019	\$ 1,746,609	\$ 8,923,628
Property taxes receivable	4,423	-	4,423
Other receivables	852,207	2,025	854,232
Total assets	<u>\$ 8,033,649</u>	<u>\$ 1,748,634</u>	<u>\$ 9,782,283</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>			
<u>LIABILITIES:</u>			
Accounts payable	\$ 356,338	\$ 3,866	\$ 360,204
Accrued payroll and payroll taxes payable	39,479	-	39,479
Due to other funds	170,381	-	170,381
Total liabilities	<u>566,198</u>	<u>3,866</u>	<u>570,064</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred property taxes	3,478	-	3,478
Total deferred inflows of resources	<u>3,478</u>	<u>-</u>	<u>3,478</u>
<u>FUND BALANCES:</u>			
Restricted	2,793,577	-	2,793,577
Committed	4,670,396	1,744,768	6,415,164
Unassigned	-	-	-
Total fund balances	<u>7,463,973</u>	<u>1,744,768</u>	<u>9,208,741</u>
Total fund balances and liabilities	<u>\$ 8,033,649</u>	<u>\$ 1,748,634</u>	<u>\$ 9,782,283</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Nonmajor Governmental Funds

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

Year Ended June 30, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>REVENUES:</u>			
Taxes	\$ 468,569	\$ -	\$ 468,569
Intergovernmental	3,152,407	-	3,152,407
Fees, fines and charges for services	7,913,641	-	7,913,641
Interest	58,857	15,169	74,026
Miscellaneous	54,212	100,369	154,581
Total revenues	<u>11,647,686</u>	<u>115,538</u>	<u>11,763,224</u>
<u>EXPENDITURES:</u>			
General government	3,184,992	-	3,184,992
Public safety	1,549,027	-	1,549,027
Highways and streets	-	-	-
Culture and recreation	667,392	-	667,392
Education	262,137	-	262,137
Capital outlay	541,686	1,533,610	2,075,296
Debt service	-	148,130	148,130
Total expenditures	<u>6,205,234</u>	<u>1,681,740</u>	<u>7,886,974</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>5,442,452</u>	<u>(1,566,202)</u>	<u>3,876,250</u>
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	645,199	1,282,804	1,928,003
Operating transfers out	(5,080,796)	-	(5,080,796)
Total other financing sources (uses)	<u>(4,435,597)</u>	<u>1,282,804</u>	<u>(3,152,793)</u>
<u>NET CHANGE IN FUND BALANCES</u>	1,006,855	(283,398)	723,457
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>6,457,118</u>	<u>2,028,166</u>	<u>8,485,284</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 7,463,973</u>	<u>\$ 1,744,768</u>	<u>\$ 9,208,741</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Non-Major Special Revenue Funds

June 30, 2021

These funds account for revenue derived from specific taxes or other earmarked revenue sources which are legally restricted or committed to finance particular functions or activities. Funds included are:

- **Heritage Fund** - accounts for revenue and expenditures for upkeep of county trails.
- **Finley Buttes Road Fund** - accounts for revenues collected in landfill fees that are designated to maintain the Bombing Range road section associated with landfill traffic.
- **Commission on Children and Families Fund** - accounts for grant revenue and expenditure dedicated to County services provided to children and families residing in the County.
- **Airport Fund** - accounts for revenues and expenditures for upkeep and management of County airports.
- **Law Library Fund** - accounts for revenues collected from the courts that are designated to help support the law library located in the County.
- **911 Emergency Telephone Fund** - accounts for 911 taxes and expenditures for the operation of the County's 911 emergency telephone system.
- **Surveyor Preservation Fund** - accounts for the revenues and expenditures associated surveyor preservation.
- **Finley Buttes License Fund** - accounts for license fees generated by the Finley Buttes landfill and the corresponding expenditures.
- **County School Fund** - accounts for revenues designated specifically for the school districts located in the County.
- **Ione School Fund** - accounts for revenues designated specifically for the Ione school district located in the County.
- **Fair Fund** - accounts for revenues and expenditures associated with the annual County fair.
- **Special Transportation Fund** - accounts for revenues and expenditures associated with providing the certain County residents with transportation throughout the County.
- **Alcohol Enforcement Fund** - accounts for fines specifically designated to fund the County's alcohol enforcement programs.
- **Video Lottery Economic Development Fund** - accounts for video lottery funds received from the State of Oregon.
- **Victim/Witness Assistance Fund** - accounts for grant revenues and expenditures associated with the County's victim and witness programs.
- **Willow Creek Wind Fund** - accounts for revenues and expenditures associated with the Willow Creek wind project.
- **CAMI Grant Fund** - accounts for revenue received from the State of Oregon's 'Child Abuse Multidisciplinary Intervention' (CAMI) program.

MORROW COUNTY, OREGON

Non-Major Special Revenue Funds (Continued)

June 30, 2021

These funds account for revenue derived from specific taxes or other earmarked revenue sources which are legally restricted or committed to finance particular functions or activities. Funds included are:

- **Safety Committee Fund** - accounts for SAIF dividends and the associated safety expenditures.
- **Rodeo Fund** - accounts for revenues and expenditures associated with the County's annual Oregon Trail Pro Rodeo.
- **Justice Court Bail and Fine Fund** - accounts for fines received by the County and the associated turnover to other governmental agencies.
- **Clerks Records Fund** - accounts for revenues and expenditures associated with the clerks records.
- **DUII Impact Fund** - accounts for court ordered fees specifically designated to help fund the County's DUII enforcement programs.
- **Building Permit Fees Fund** - accounts for building permit fees received by the County.
- **Park Fund** accounts for revenues and expenditures associated with the operation and maintenance of the County's parks.
- **Equity Fund** - accounts for revenues received specifically designated to fund the County's small business development programs.
- **Liquor Control Fund** - accounts for revenues for designated to fund the County's liquor control activities.
- **Water Planning Fund** - accounts for revenues received from State water resources.
- **Forest Service** - accounts for forest fees received and the expenditures associated with the County's federal forest land.
- **Court Security Fund** - accounts for revenues specifically designated to fund the County's court security programs.
- **Echo Wind Fees Fund** - accounts for revenues and expenditures associated with the Echo wind project.
- **Shepherd Flat Fees Fund** - accounts for revenues and expenditures associated with the Shepherd Flat wind project.
- **FTA Grant Fund** - accounts for revenues and expenditures associated with the FTA Grant.
- **Community Corrections Fund** - accounts for revenues and expenditures associated with the parole and probation of the County.
- **PGE- Carty** - accounts for revenues and expenditures associated with the PGE Carty project.
- **Sheriff Reserve** - accounts for revenues and expenditures associated with Sheriff donations.
- **Resiliency Fund** - accounts for revenues and expenditures associated with small business Covid relief grants.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Balance Sheet

June 30, 2021

	<u>Heritage</u>	<u>Finley Buttes Road</u>	<u>Commission on Children and Families</u>	<u>Airport</u>	<u>Law Library</u>	<u>911 Emergency Telephone</u>
<u>ASSETS:</u>						
Cash	\$ 17,242	\$ 1,423,563	\$ 66,158	\$ 146,416	\$ 31,690	\$ 378,704
Property taxes receivable	-	-	-	-	-	-
Other receivables	-	40,465	-	-	-	132,114
Total assets	<u>\$ 17,242</u>	<u>\$ 1,464,028</u>	<u>\$ 66,158</u>	<u>\$ 146,416</u>	<u>\$ 31,690</u>	<u>\$ 510,818</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>						
<u>LIABILITIES:</u>						
Accounts payable	\$ -	\$ -	\$ -	\$ 3,474	\$ 440	\$ 4,944
Accrued payroll and payroll taxes payable	-	-	-	-	-	5,748
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,474</u>	<u>440</u>	<u>10,692</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>						
Deferred property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>						
Restricted	-	1,464,028	66,158	-	-	500,126
Committed	17,242	-	-	142,942	31,250	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>17,242</u>	<u>1,464,028</u>	<u>66,158</u>	<u>142,942</u>	<u>31,250</u>	<u>500,126</u>
	<u>\$ 17,242</u>	<u>\$ 1,464,028</u>	<u>\$ 66,158</u>	<u>\$ 146,416</u>	<u>\$ 31,690</u>	<u>\$ 510,818</u>

See accompanying independent
auditor's report.

Continued on next page.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021

Continued from previous page.

	Surveyor Preserve- tion	Finley Buttes Lic. Fees	County School	Ione School	Fair	Special Trans- portation
<u>ASSETS:</u>						
Cash	\$ 259,286	\$ 983,141	\$ 124	\$ 13	\$ 302,984	\$ 584,174
Property taxes receivable	-	-	1,159	113	3,151	-
Other receivables	-	162,547	-	-	-	-
Total assets	<u>\$ 259,286</u>	<u>\$ 1,145,688</u>	<u>\$ 1,283</u>	<u>\$ 126</u>	<u>\$ 306,135</u>	<u>\$ 584,174</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>						
<u>LIABILITIES:</u>						
Accounts payable	\$ -	\$ 3,223	\$ -	\$ -	\$ 8,967	\$ 28,614
Accrued payroll and payroll taxes payable	-	-	-	-	1,035	5,272
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>3,223</u>	<u>-</u>	<u>-</u>	<u>10,002</u>	<u>33,886</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>						
Deferred property taxes	-	-	911	89	2,478	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>911</u>	<u>89</u>	<u>2,478</u>	<u>-</u>
<u>FUND BALANCES:</u>						
Restricted	-	-	372	37	-	-
Committed	259,286	1,142,465	-	-	293,655	550,288
Unassigned	-	-	-	-	-	-
Total fund balances	<u>259,286</u>	<u>1,142,465</u>	<u>372</u>	<u>37</u>	<u>293,655</u>	<u>550,288</u>
	<u>\$ 259,286</u>	<u>\$ 1,145,688</u>	<u>\$ 1,283</u>	<u>\$ 126</u>	<u>\$ 306,135</u>	<u>\$ 584,174</u>

See accompanying independent
auditor's report.

Continued on next page.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021

Continued from previous page.

	<u>Alcohol Enforcement</u>	<u>Video Lottery Economic Development</u>	<u>Victim/ Witness Assistance</u>	<u>Willow Creek Wind</u>	<u>CAMI Grant</u>	<u>Safety Committee</u>
<u>ASSETS:</u>						
Cash	\$ 22,003	\$ 41,130	\$ 22,640	\$ 45,954	\$ 47,296	\$ 12,058
Property taxes receivable	-	-	-	-	-	-
Other receivables	-	-	22,011	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 22,003</u>	<u>\$ 41,130</u>	<u>\$ 44,651</u>	<u>\$ 45,954</u>	<u>\$ 47,296</u>	<u>\$ 12,058</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>						
<u>LIABILITIES:</u>						
Accounts payable	\$ 218	\$ -	\$ 1,739	\$ -	\$ 80	\$ 1,816
Accrued payroll and payroll taxes payable	-	-	1,947	-	-	-
Due to other funds	-	-	27,425	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>218</u>	<u>-</u>	<u>31,111</u>	<u>-</u>	<u>80</u>	<u>1,816</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>						
Deferred property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES:</u>						
Restricted	21,785	41,130	-	-	47,216	-
Committed	-	-	13,540	45,954	-	10,242
Unassigned	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>21,785</u>	<u>41,130</u>	<u>13,540</u>	<u>45,954</u>	<u>47,216</u>	<u>10,242</u>
	<u>\$ 22,003</u>	<u>\$ 41,130</u>	<u>\$ 44,651</u>	<u>\$ 45,954</u>	<u>\$ 47,296</u>	<u>\$ 12,058</u>

See accompanying independent
auditor's report.

Continued on next page.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021

Continued from previous page.

	<u>Rodeo</u>	<u>Justice Court Bail and Fine</u>	<u>Clerks Records</u>	<u>DUII Impact</u>	<u>Building Permit Fees</u>	<u>Parks</u>
<u>ASSETS:</u>						
Cash	\$ 10,000	\$ 67,608	\$ 21,778	\$ 29,651	\$ 1,096,730	\$ 233,831
Property taxes receivable	-	-	-	-	-	-
Other receivables	-	-	-	-	-	39,726
Total assets	<u>\$ 10,000</u>	<u>\$ 67,608</u>	<u>\$ 21,778</u>	<u>\$ 29,651</u>	<u>\$ 1,096,730</u>	<u>\$ 273,557</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>						
<u>LIABILITIES:</u>						
Accounts payable	\$ -	\$ 48,284	\$ -	\$ -	\$ -	\$ 37,873
Accrued payroll and payroll taxes payable	-	-	-	-	-	9,231
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>48,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,104</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>						
Deferred property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>						
Restricted	-	19,324	-	29,651	-	-
Committed	10,000	-	21,778	-	1,096,730	226,453
Unassigned	-	-	-	-	-	-
Total fund balances	<u>10,000</u>	<u>19,324</u>	<u>21,778</u>	<u>29,651</u>	<u>1,096,730</u>	<u>226,453</u>
	<u>\$ 10,000</u>	<u>\$ 67,608</u>	<u>\$ 21,778</u>	<u>\$ 29,651</u>	<u>\$ 1,096,730</u>	<u>\$ 273,557</u>

See accompanying independent
auditor's report.

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MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Balance Sheet

June 30, 2021

Continued from previous page.

	<u>Equity</u>	<u>Liquor Control</u>	<u>Water Planning</u>	<u>Forest Service</u>	<u>Court Security</u>	<u>Echo Wind Fees</u>
<u>ASSETS:</u>						
Cash	\$ 305,331	\$ 874	\$ 258	\$ 81,820	\$ 91,277	\$ 17,711
Property taxes receivable	-	-	-	-	-	-
Other receivables	320,056	-	-	-	825	-
Total assets	<u>\$ 625,387</u>	<u>\$ 874</u>	<u>\$ 258</u>	<u>\$ 81,820</u>	<u>\$ 92,102</u>	<u>\$ 17,711</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>						
<u>LIABILITIES:</u>						
Accounts payable	\$ 5,093	\$ -	\$ -	\$ -	\$ 10,909	\$ -
Accrued payroll and payroll taxes payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>5,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,909</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>						
Deferred property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>						
Restricted	-	874	-	81,820	81,193	-
Committed	620,294	-	258	-	-	17,711
Unassigned	-	-	-	-	-	-
Total fund balances	<u>620,294</u>	<u>874</u>	<u>258</u>	<u>81,820</u>	<u>81,193</u>	<u>17,711</u>
	<u>\$ 625,387</u>	<u>\$ 874</u>	<u>\$ 258</u>	<u>\$ 81,820</u>	<u>\$ 92,102</u>	<u>\$ 17,711</u>

See accompanying independent
auditor's report.

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MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

Combining Balance Sheet

June 30, 2021

Continued from previous page.

	Shepherds Flat Fees	FTA Grant	Comm. Corrections Fund	PGE Carty	Sheriff Reserve	Resiliency	Totals
<u>ASSETS:</u>							
Cash	\$ 183,371	\$ 173,087	\$ 320,179	\$ 51,941	\$ 14,988	\$ 92,008	\$ 7,177,019
Property taxes receivable	-	-	-	-	-	-	4,423
Other receivables	-	13,499	120,964	-	-	-	852,207
Total assets	<u>\$ 183,371</u>	<u>\$ 186,586</u>	<u>\$ 441,143</u>	<u>\$ 51,941</u>	<u>\$ 14,988</u>	<u>\$ 92,008</u>	<u>\$ 8,033,649</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>							
<u>LIABILITIES:</u>							
Accounts payable	\$ 172,000	\$ 5,377	\$ 23,287	\$ -	\$ -	\$ -	\$ 356,338
Accrued payroll and payroll taxes payable	-	1,203	15,043	-	-	-	39,479
Due to other funds	-	142,956	-	-	-	-	170,381
Total liabilities	<u>172,000</u>	<u>149,536</u>	<u>38,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>566,198</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>							
Deferred property taxes	-	-	-	-	-	-	3,478
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,478</u>
<u>FUND BALANCES:</u>							
Restricted	-	37,050	402,813	-	-	-	2,793,577
Committed	11,371	-	-	51,941	14,988	92,008	4,670,396
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>11,371</u>	<u>37,050</u>	<u>402,813</u>	<u>51,941</u>	<u>14,988</u>	<u>92,008</u>	<u>7,463,973</u>
	<u>\$ 183,371</u>	<u>\$ 186,586</u>	<u>\$ 441,143</u>	<u>\$ 51,941</u>	<u>\$ 14,988</u>	<u>\$ 92,008</u>	<u>\$ 8,033,649</u>

See accompanying independent
auditor's report.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

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

Year Ended June 30, 2021

	<u>Heritage</u>	<u>Finley Buttes Road</u>	<u>Commission on Children/ Families</u>	<u>Airport</u>	<u>Law Library</u>	<u>911 Emergency Telephone</u>
<u>REVENUES:</u>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	213,238	-	457,613
Fees, fines, and charges for services	-	478,083	-	63,132	4,478	-
Interest	141	8,942	-	490	256	2,486
Miscellaneous	-	-	-	200	-	149
Total revenues	<u>141</u>	<u>487,025</u>	<u>-</u>	<u>277,060</u>	<u>4,734</u>	<u>460,248</u>
<u>EXPENDITURES:</u>						
General government	-	-	-	72,344	-	-
Public safety	-	-	-	-	-	265,346
Highways and streets	-	-	-	-	-	-
Culture and recreation	765	-	-	-	-	-
Education	-	-	-	-	3,737	-
Capital outlay	-	-	-	164,357	-	19,929
Total expenditures	<u>765</u>	<u>-</u>	<u>-</u>	<u>236,701</u>	<u>3,737</u>	<u>285,275</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(624)</u>	<u>487,025</u>	<u>-</u>	<u>40,359</u>	<u>997</u>	<u>174,973</u>
<u>OTHER FINANCING SOURCES (USES):</u>						
Operating transfers in	-	-	-	73,086	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,086</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES:</u>	<u>(624)</u>	<u>487,025</u>	<u>-</u>	<u>113,445</u>	<u>997</u>	<u>174,973</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>17,866</u>	<u>977,003</u>	<u>66,158</u>	<u>29,497</u>	<u>30,253</u>	<u>325,153</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 17,242</u>	<u>\$ 1,464,028</u>	<u>\$ 66,158</u>	<u>\$ 142,942</u>	<u>\$ 31,250</u>	<u>\$ 500,126</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

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

Year Ended June 30, 2021

	<u>Surveyor Preserva- tion</u>	<u>Finley Buttes Lic. Fees</u>	<u>County School</u>	<u>Ione School</u>	<u>Fair</u>	<u>Special Trans- portation</u>
<u>REVENUES:</u>						
Taxes	\$ -	\$ -	\$ 209,479	\$ 17,739	\$ 73,452	\$ -
Intergovernmental	-	-	28,594	2,297	53,166	421,559
Fees, fines, and charges for services	19,475	1,939,567	-	-	6,490	11,599
Interest	1,974	8,050	169	14	2,353	4,210
Miscellaneous	-	-	-	-	751	979
Total revenues	<u>21,449</u>	<u>1,947,617</u>	<u>238,242</u>	<u>20,050</u>	<u>136,212</u>	<u>438,347</u>
<u>EXPENDITURES:</u>						
General government	-	30,380	-	-	-	233,668
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	4,550	-	-	-	98,288	-
Education	-	-	238,341	20,059	-	-
Capital outlay	-	-	-	-	33,233	-
Total expenditures	<u>4,550</u>	<u>30,380</u>	<u>238,341</u>	<u>20,059</u>	<u>131,521</u>	<u>233,668</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>16,899</u>	<u>1,917,237</u>	<u>(99)</u>	<u>(9)</u>	<u>4,691</u>	<u>204,679</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	-	-	-	-	33,165	-
Operating transfers out	-	(1,846,000)	-	-	(7,000)	(44,752)
Total other financing sources (uses)	<u>-</u>	<u>(1,846,000)</u>	<u>-</u>	<u>-</u>	<u>26,165</u>	<u>(44,752)</u>
<u>NET CHANGE IN FUND BALANCES:</u>	16,899	71,237	(99)	(9)	30,856	159,927
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>242,387</u>	<u>1,071,228</u>	<u>471</u>	<u>46</u>	<u>262,799</u>	<u>390,361</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 259,286</u>	<u>\$ 1,142,465</u>	<u>\$ 372</u>	<u>\$ 37</u>	<u>\$ 293,655</u>	<u>\$ 550,288</u>

See accompanying independent auditor's report.

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MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

Continued from previous page.

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

Year Ended June 30, 2021

	<u>Alcohol Enforce- ment</u>	<u>Video Lottery Econ. Devel.</u>	<u>Victim/ Witness Assistance</u>	<u>Willow Creek Wind</u>	<u>CAMI Grant</u>	<u>Safety Committee</u>
<u>REVENUES:</u>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	121,056	98,228	-	21,871	-
Fees, fines, and charges for services	-	-	-	107,302	-	-
Interest	183	368	-	424	302	114
Miscellaneous	-	-	384	-	-	33,979
Total revenues	<u>183</u>	<u>121,424</u>	<u>98,612</u>	<u>107,726</u>	<u>22,173</u>	<u>34,093</u>
<u>EXPENDITURES:</u>						
General government	-	63,893	-	76,315	18,397	40,803
Public safety	2,290	-	99,001	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>2,290</u>	<u>63,893</u>	<u>99,001</u>	<u>76,315</u>	<u>18,397</u>	<u>40,803</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(2,107)</u>	<u>57,531</u>	<u>(389)</u>	<u>31,411</u>	<u>3,776</u>	<u>(6,710)</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	(51,000)	-	(33,167)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(51,000)</u>	<u>-</u>	<u>(33,167)</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES:</u>	<u>(2,107)</u>	<u>6,531</u>	<u>(389)</u>	<u>(1,756)</u>	<u>3,776</u>	<u>(6,710)</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>23,892</u>	<u>34,599</u>	<u>13,929</u>	<u>47,710</u>	<u>43,440</u>	<u>16,952</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 21,785</u>	<u>\$ 41,130</u>	<u>\$ 13,540</u>	<u>\$ 45,954</u>	<u>\$ 47,216</u>	<u>\$ 10,242</u>

See accompanying independent auditor's report.

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MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

Continued from previous page.

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

Year Ended June 30, 2021

	<u>Rodeo</u>	<u>Justice Court Bail and Fine</u>	<u>Clerks Records</u>	<u>DUII Impact</u>	<u>Building Permit Fees</u>	<u>Parks</u>
<u>REVENUES:</u>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,899
Intergovernmental	-	-	-	-	-	150,037
Fees, fines, and charges for services	-	546,401	2,210	-	175,843	298,552
Interest	-	-	153	232	7,855	2,042
Miscellaneous	-	-	-	-	-	17,570
Total revenues	<u>-</u>	<u>546,401</u>	<u>2,363</u>	<u>232</u>	<u>183,698</u>	<u>636,100</u>
<u>EXPENDITURES:</u>						
General government	-	-	2,717	-	1,526	-
Public safety	-	556,574	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	557,789
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	255,489
Total expenditures	<u>-</u>	<u>556,574</u>	<u>2,717</u>	<u>-</u>	<u>1,526</u>	<u>813,278</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>-</u>	<u>(10,173)</u>	<u>(354)</u>	<u>232</u>	<u>182,172</u>	<u>(177,178)</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	10,000	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES:</u>	10,000	(10,173)	(354)	232	182,172	(177,178)
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>-</u>	<u>29,497</u>	<u>22,132</u>	<u>29,419</u>	<u>914,558</u>	<u>403,631</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 10,000</u>	<u>\$ 19,324</u>	<u>\$ 21,778</u>	<u>\$ 29,651</u>	<u>\$ 1,096,730</u>	<u>\$ 226,453</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

Continued from previous page.

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

Year Ended June 30, 2021

	<u>Equity</u>	<u>Liquor Control</u>	<u>Water Planning</u>	<u>Forest Service</u>	<u>Court Security</u>	<u>Echo Wind Fees</u>
<u>REVENUES:</u>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	4,361	-	-
Fees, fines, and charges for services	-	-	-	-	11,524	86,771
Interest	6,903	7	-	613	758	136
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>6,903</u>	<u>7</u>	<u>-</u>	<u>4,974</u>	<u>12,282</u>	<u>86,907</u>
<u>EXPENDITURES:</u>						
General government	5,092	-	-	-	-	41,123
Public safety	-	-	-	-	25,580	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	6,000	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>5,092</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>25,580</u>	<u>41,123</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>1,811</u>	<u>7</u>	<u>(6,000)</u>	<u>4,974</u>	<u>(13,298)</u>	<u>45,784</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	(35,210)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(35,210)</u>
<u>NET CHANGE IN FUND BALANCES:</u>	1,811	7	(6,000)	4,974	(13,298)	10,574
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>618,483</u>	<u>867</u>	<u>6,258</u>	<u>76,846</u>	<u>94,491</u>	<u>7,137</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 620,294</u>	<u>\$ 874</u>	<u>\$ 258</u>	<u>\$ 81,820</u>	<u>\$ 81,193</u>	<u>\$ 17,711</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Nonmajor Special Revenue Funds

Continued from previous page.

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

Year Ended June 30, 2021

	Shepherds Flat Fees	FTA Grant	Comm. Corrections Fund	PGE Carty	Sheriff Reserve	Resiliency	Totals
<u>REVENUES:</u>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 468,569
Intergovernmental	-	81,118	565,456	-	-	933,813	3,152,407
Fees, fines, and charges for services	1,702,262	-	35,128	2,419,503	5,321	-	7,913,641
Interest	2,716	380	2,763	3,694	129	-	58,857
Miscellaneous	-	-	-	-	200	-	54,212
Total revenues	<u>1,704,978</u>	<u>81,498</u>	<u>603,347</u>	<u>2,423,197</u>	<u>5,650</u>	<u>933,813</u>	<u>11,647,686</u>
<u>EXPENDITURES:</u>							
General government	573,897	70,406	-	612,626	-	1,341,805	3,184,992
Public safety	-	-	594,740	-	5,496	-	1,549,027
Highways and streets	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	667,392
Education	-	-	-	-	-	-	262,137
Capital outlay	-	26,198	42,480	-	-	-	541,686
Total expenditures	<u>573,897</u>	<u>96,604</u>	<u>637,220</u>	<u>612,626</u>	<u>5,496</u>	<u>1,341,805</u>	<u>6,205,234</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>1,131,081</u>	<u>(15,106)</u>	<u>(33,873)</u>	<u>1,810,571</u>	<u>154</u>	<u>(407,992)</u>	<u>5,442,452</u>
<u>OTHER FINANCING SOURCES (USES)</u>							
Operating transfers in	-	28,948	-	-	-	500,000	645,199
Operating transfers out	<u>(1,238,990)</u>	<u>-</u>	<u>-</u>	<u>(1,824,677)</u>	<u>-</u>	<u>-</u>	<u>(5,080,796)</u>
Total other financing sources (uses)	<u>(1,238,990)</u>	<u>28,948</u>	<u>-</u>	<u>(1,824,677)</u>	<u>-</u>	<u>500,000</u>	<u>(4,435,597)</u>
<u>NET CHANGE IN FUND BALANCES:</u>	<u>(107,909)</u>	<u>13,842</u>	<u>(33,873)</u>	<u>(14,106)</u>	<u>154</u>	<u>92,008</u>	<u>1,006,855</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>119,280</u>	<u>23,208</u>	<u>436,686</u>	<u>66,047</u>	<u>14,834</u>	<u>-</u>	<u>6,457,118</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 11,371</u>	<u>\$ 37,050</u>	<u>\$ 402,813</u>	<u>\$ 51,941</u>	<u>\$ 14,988</u>	<u>\$ 92,008</u>	<u>\$ 7,463,973</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Heritage Trail Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 300	\$ 300	\$ 141	\$ (159)
<u>EXPENDITURES:</u>				
Materials and services	<u>18,095</u>	<u>18,095</u>	<u>765</u>	<u>17,330</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(17,795)	(17,795)	(624)	17,171
<u>FUND BALANCES, BEGINNING</u>	<u>17,795</u>	<u>17,795</u>	<u>17,866</u>	<u>71</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,242</u>	<u>\$ 17,242</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Finley Buttes Road Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget (Non-GAAP Budgetary Basis) to Actual

Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Landfill fees	\$ 340,000	\$ 340,000	\$ 478,083	\$ 138,083
Interest	11,000	11,000	8,942	(2,058)
Total revenues	<u>351,000</u>	<u>351,000</u>	<u>487,025</u>	<u>136,025</u>
<u>EXPENDITURES:</u>				
Contractual services	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>251,000</u>	<u>251,000</u>	<u>487,025</u>	<u>236,025</u>
<u>FUND BALANCES, BEGINNING</u>	<u>922,337</u>	<u>922,337</u>	<u>977,003</u>	<u>54,666</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 1,173,337</u>	<u>\$ 1,173,337</u>	<u>\$ 1,464,028</u>	<u>\$ 290,691</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Commission on Children and Families Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Total expenditures	-	-	-	-
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	-	-	-	-
<u>FUND BALANCES, BEGINNING</u>	-	-	66,158	66,158
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,158</u>	<u>\$ 66,158</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Airport Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Grants and other	\$ 1,007,111	\$ 1,007,111	\$ 213,238	\$ (793,873)
Rental and leases	19,400	19,400	17,235	(2,165)
Charges for services	15,900	15,900	45,897	29,997
Interest	100	100	490	390
Miscellaneous revenue	2,400	2,400	200	(2,200)
Total revenues	<u>1,044,911</u>	<u>1,044,911</u>	<u>277,060</u>	<u>(767,851)</u>
<u>EXPENDITURES:</u>				
Materials and services	62,700	90,467	72,344	18,123
Capital outlay	1,092,283	1,081,516	164,357	917,159
Contingency	21,691	4,691	-	4,691
Total expenditures	<u>1,176,674</u>	<u>1,176,674</u>	<u>236,701</u>	<u>939,973</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(131,763)	(131,763)	40,359	172,122
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	116,172	116,172	73,086	(43,086)
<u>NET CHANGE IN FUND BALANCES</u>				
	(15,591)	(15,591)	113,445	129,036
<u>FUND BALANCES, BEGINNING</u>				
	26,763	26,763	29,497	2,734
<u>FUND BALANCES, ENDING</u>				
	<u>\$ 11,172</u>	<u>\$ 11,172</u>	<u>\$ 142,942</u>	<u>\$ 131,770</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Law Library Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
State court, clerk fees	\$ 7,000	\$ 7,000	\$ 4,478	\$ (2,522)
Interest	800	800	256	(544)
Total revenues	<u>7,800</u>	<u>7,800</u>	<u>4,734</u>	<u>(3,066)</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>41,565</u>	<u>41,565</u>	<u>3,737</u>	<u>37,828</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(33,765)	(33,765)	997	34,762
<u>FUND BALANCES, BEGINNING</u>				
	<u>33,765</u>	<u>33,765</u>	<u>30,253</u>	<u>(3,512)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,250</u>	<u>\$ 31,250</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

911 Emergency Telephone Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
State 911 apportionment	\$ 407,978	\$ 407,978	\$ 457,613	\$ 49,635
Interest	4,000	4,000	2,486	(1,514)
Other	-	-	149	149
Total revenues	<u>411,978</u>	<u>411,978</u>	<u>460,248</u>	<u>48,270</u>
<u>EXPENDITURES:</u>				
Personnel services	282,720	282,720	227,304	55,416
Materials and services	61,700	61,700	32,171	29,529
Capital outlay	100,000	100,000	19,929	80,071
Contingency	224,804	224,804	-	224,804
Total expenditures	<u>669,224</u>	<u>669,224</u>	<u>279,404</u>	<u>389,820</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(257,246)	(257,246)	180,844	438,090
<u>FUND BALANCES, BEGINNING</u>	<u>457,246</u>	<u>457,246</u>	<u>311,650</u>	<u>(145,596)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 492,494</u>	<u>\$ 292,494</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Surveyor Preservation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Charges for services	\$ 11,000	\$ 11,000	\$ 19,475	\$ 8,475
Interest	4,000	4,000	1,974	(2,026)
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>21,449</u>	<u>6,449</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>253,876</u>	<u>253,876</u>	<u>4,550</u>	<u>249,326</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(238,876)	(238,876)	16,899	255,775
<u>FUND BALANCES, BEGINNING</u>				
	<u>238,876</u>	<u>238,876</u>	<u>242,387</u>	<u>3,511</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,286</u>	<u>\$ 259,286</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Finley Buttes License Fee Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES:</u>				
Landfill license fees	\$ 1,370,000	\$ 1,370,000	\$ 1,939,567	\$ 569,567
Interest	5,000	5,000	8,050	3,050
Total revenues	<u>1,375,000</u>	<u>1,375,000</u>	<u>1,947,617</u>	<u>572,617</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>58,478</u>	<u>58,478</u>	<u>30,380</u>	<u>28,098</u>
<u>EXCESS OF REVENUES</u>				
<u>OVER EXPENDITURES</u>				
	1,316,522	1,316,522	1,917,237	600,715
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(1,846,000)</u>	<u>(1,846,000)</u>	<u>(1,846,000)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	(529,478)	(529,478)	71,237	600,715
<u>FUND BALANCES, BEGINNING</u>	<u>529,478</u>	<u>529,478</u>	<u>1,071,228</u>	<u>541,750</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,142,465</u>	<u>\$ 1,142,465</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

County School Fund (ORS 328.005)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Property taxes	\$ 28,700	\$ 28,700	\$ 28,771	\$ 71
Federal forest rentals (25%)	9,000	28,590	28,594	4
In lieu of taxes	163,000	183,700	180,708	(2,992)
Interest	300	300	169	(131)
Total revenues	<u>201,000</u>	<u>241,290</u>	<u>238,242</u>	<u>(3,048)</u>
<u>EXPENDITURES:</u>				
Tax turnovers	<u>201,060</u>	<u>241,350</u>	<u>238,341</u>	<u>3,009</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	(60)	(60)	(99)	(39)
<u>FUND BALANCES, BEGINNING</u>				
	<u>60</u>	<u>60</u>	<u>471</u>	<u>411</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 372</u>	<u>\$ 372</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Ione School Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES:</u>				
Property taxes	\$ 3,200	\$ 3,200	\$ 3,222	\$ 22
Federal forest rentals	500	2,290	2,297	7
In lieu of taxes	16,500	16,500	14,517	(1,983)
Interest	30	30	14	(16)
Total revenues	<u>20,230</u>	<u>22,020</u>	<u>20,050</u>	<u>(1,970)</u>
<u>EXPENDITURES:</u>				
Tax turnovers	<u>20,240</u>	<u>22,030</u>	<u>20,059</u>	<u>1,971</u>
<u>EXCESS OF REVENUES</u>				
<u>OVER EXPENDITURES</u>				
	(10)	(10)	(9)	1
<u>FUND BALANCES, BEGINNING</u>				
	<u>10</u>	<u>10</u>	<u>46</u>	<u>36</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 37</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Fair Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Gate admissions	\$ 10,500	\$ 10,500	\$ -	\$ (10,500)
Concessions	1,000	1,000	-	(1,000)
Rental of facilities	2,150	2,150	1,990	(160)
Donations	100	100	-	(100)
Sponsors and premium book advertising	12,400	12,400	4,500	(7,900)
Other	3,600	3,600	751	(2,849)
Intergovernmental (Oregon State)	53,166	53,166	53,166	-
Property taxes	73,674	73,674	73,452	(222)
Interest	2,000	2,000	2,353	353
Total revenues	<u>158,590</u>	<u>158,590</u>	<u>136,212</u>	<u>(22,378)</u>
<u>EXPENDITURES:</u>				
Administrative and non-departmental	68,273	101,438	87,298	14,140
Fair	87,959	92,281	41,498	50,783
Queen and court	2,550	2,550	-	2,550
Multipurpose buildings	2,450	2,450	2,136	314
St. Pats event	2,260	2,260	-	2,260
Operating contingency	238,898	234,576	-	234,576
Total expenditures	<u>402,390</u>	<u>435,555</u>	<u>130,932</u>	<u>304,623</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	<u>(243,800)</u>	<u>(276,965)</u>	<u>5,280</u>	<u>282,245</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	5,000	38,165	33,165	(5,000)
Transfers out	<u>(7,000)</u>	<u>(7,000)</u>	<u>(7,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,000)</u>	<u>31,165</u>	<u>26,165</u>	<u>(5,000)</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	<u>(245,800)</u>	<u>(245,800)</u>	<u>31,445</u>	<u>277,245</u>
<u>FUND BALANCES, BEGINNING</u>				
	<u>245,800</u>	<u>245,800</u>	<u>260,161</u>	<u>14,361</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 291,606</u>	<u>\$ 291,606</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Special Transportation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Grants	\$ 45,000	\$ 45,000	\$ 8,089	\$ (36,911)
State apportionment	805,036	805,036	413,470	(391,566)
Bus receipts and other	500	500	11,599	11,099
Interest	3,000	3,000	4,210	1,210
Other	-	-	979	979
Total revenues	<u>853,536</u>	<u>853,536</u>	<u>438,347</u>	<u>(415,189)</u>
<u>EXPENDITURES:</u>				
Personnel services	364,544	364,544	139,630	224,914
Materials and services	320,100	280,470	97,746	182,724
Contingency	<u>1,437,134</u>	<u>1,437,134</u>	-	<u>1,437,134</u>
Total expenditures	<u>2,121,778</u>	<u>2,082,148</u>	<u>237,376</u>	<u>1,844,772</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	<u>(1,268,242)</u>	<u>(1,228,612)</u>	<u>200,971</u>	<u>1,429,583</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(6,282)</u>	<u>(45,912)</u>	<u>(44,752)</u>	<u>1,160</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	<u>(1,274,524)</u>	<u>(1,274,524)</u>	<u>156,219</u>	<u>1,430,743</u>
<u>FUND BALANCES, BEGINNING</u>				
	<u>1,274,524</u>	<u>1,274,524</u>	<u>389,569</u>	<u>(884,955)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 545,788</u>	<u>\$ 545,788</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Alcohol Enforcement Fund (ORS 471.670)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Fines and forfeits	\$ -	\$ -	\$ -	\$ -
Interest	500	500	183	(317)
Total revenues	<u>500</u>	<u>500</u>	<u>183</u>	<u>(317)</u>
<u>EXPENDITURES:</u>				
Materials and services	19,403	19,403	2,290	17,113
Capital outlay	5,000	5,000	-	5,000
Total expenditures	<u>24,403</u>	<u>24,403</u>	<u>2,290</u>	<u>22,113</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(23,903)	(23,903)	(2,107)	21,796
<u>FUND BALANCES, BEGINNING</u>				
	<u>23,903</u>	<u>23,903</u>	<u>23,892</u>	<u>(11)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,785</u>	<u>\$ 21,785</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Video Lottery Economic Development
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Video lottery	\$ 87,000	\$ 87,000	\$ 121,056	\$ 34,056
Interest	900	900	368	(532)
Total revenues	<u>87,900</u>	<u>87,900</u>	<u>121,424</u>	<u>33,524</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>90,893</u>	<u>90,893</u>	<u>63,893</u>	<u>27,000</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	(2,993)	(2,993)	57,531	60,524
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(51,000)</u>	<u>(51,000)</u>	<u>(51,000)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	(53,993)	(53,993)	6,531	60,524
<u>FUND BALANCES, BEGINNING</u>	<u>53,993</u>	<u>53,993</u>	<u>34,599</u>	<u>(19,394)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,130</u>	<u>\$ 41,130</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Victim-Witness Assistance Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
State apportionment	\$ 105,969	\$ 105,969	\$ 98,228	\$ (7,741)
Other	-	-	384	384
Total revenues	<u>105,969</u>	<u>105,969</u>	<u>98,612</u>	<u>(7,357)</u>
<u>EXPENDITURES:</u>				
Personal services	89,349	89,349	88,255	1,094
Materials and services	<u>19,527</u>	<u>19,527</u>	<u>11,156</u>	<u>8,371</u>
Total expenditures	<u>108,876</u>	<u>108,876</u>	<u>99,411</u>	<u>9,465</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(2,907)	(2,907)	(799)	2,108
<u>FUND BALANCES, BEGINNING</u>	<u>2,907</u>	<u>2,907</u>	<u>13,281</u>	<u>10,374</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,482</u>	<u>\$ 12,482</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Willow Creek Wind
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Wind fees	\$ 90,000	\$ 90,000	\$ 107,302	\$ 17,302
Interest	1,000	1,000	424	(576)
Total revenues	<u>91,000</u>	<u>91,000</u>	<u>107,726</u>	<u>16,726</u>
<u>EXPENDITURES:</u>				
Willow Creek Fee Distribution	<u>90,000</u>	<u>90,000</u>	<u>76,315</u>	<u>13,685</u>
Total expenditures	<u>90,000</u>	<u>90,000</u>	<u>76,315</u>	<u>13,685</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	1,000	1,000	31,411	30,411
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(33,167)</u>	<u>(33,167)</u>	<u>(33,167)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	(32,167)	(32,167)	(1,756)	30,411
<u>FUND BALANCES, BEGINNING</u>				
	<u>32,167</u>	<u>32,167</u>	<u>47,710</u>	<u>15,543</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,954</u>	<u>\$ 45,954</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

CAMI Grant Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Grants	\$ 29,160	\$ 29,160	\$ 21,871	\$ (7,289)
Interest	-	-	302	302
Other	-	-	-	-
Total revenues	<u>29,160</u>	<u>29,160</u>	<u>22,173</u>	<u>(6,987)</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>36,920</u>	<u>36,920</u>	<u>18,397</u>	<u>18,523</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(7,760)	(7,760)	3,776	11,536
<u>FUND BALANCES, BEGINNING</u>				
	<u>7,760</u>	<u>7,760</u>	<u>43,440</u>	<u>35,680</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,216</u>	<u>\$ 47,216</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Safety Committee Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
SAIF dividend	\$ 3,000	\$ 3,000	\$ 3,465	\$ 465
Interest	100	100	114	14
Reimbursements	-	21,363	30,514	9,151
Total revenues	<u>3,100</u>	<u>24,463</u>	<u>34,093</u>	<u>9,630</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>22,356</u>	<u>43,719</u>	<u>40,803</u>	<u>2,916</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(19,256)	(19,256)	(6,710)	12,546
<u>FUND BALANCES, BEGINNING</u>				
	<u>19,256</u>	<u>19,256</u>	<u>16,952</u>	<u>(2,304)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,242</u>	<u>\$ 10,242</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Rodeo Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Materials and services	10,000	10,000	-	10,000
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(10,000)	(10,000)	-	10,000
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	10,000	10,000	10,000	-
<u>NET CHANGE IN FUND BALANCES</u>	-	-	10,000	10,000
<u>FUND BALANCES, BEGINNING</u>	-	-	-	-
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Justice Court Bail and Fine Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES:</u>				
Fines	\$ 525,000	\$ 574,613	\$ 546,401	\$ (28,212)
<u>EXPENDITURES:</u>				
Fine turnover	<u>593,253</u>	<u>642,866</u>	<u>556,574</u>	<u>86,292</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER (UNDER) EXPENDITURES</u>	(68,253)	(68,253)	(10,173)	58,080
<u>FUND BALANCES, BEGINNING</u>	<u>68,253</u>	<u>68,253</u>	<u>29,497</u>	<u>(38,756)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,324</u>	<u>\$ 19,324</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Clerks Records Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Records fees	\$ 1,500	\$ 1,500	\$ 2,210	\$ 710
Interest	200	200	153	(47)
Total revenues	<u>1,700</u>	<u>1,700</u>	<u>2,363</u>	<u>663</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>23,357</u>	<u>23,357</u>	<u>2,717</u>	<u>20,640</u>
Total expenditures	<u>23,357</u>	<u>23,357</u>	<u>2,717</u>	<u>20,640</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(21,657)	(21,657)	(354)	21,303
<u>FUND BALANCES, BEGINNING</u>				
	<u>21,657</u>	<u>21,657</u>	<u>22,132</u>	<u>475</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,778</u>	<u>\$ 21,778</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

DUII Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Court ordered fees	\$ -	\$ -	\$ -	\$ -
Interest	400	400	232	(168)
Total revenues	<u>400</u>	<u>400</u>	<u>232</u>	<u>(168)</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>30,174</u>	<u>30,174</u>	<u>-</u>	<u>30,174</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(29,774)	(29,774)	232	30,006
<u>FUND BALANCES, BEGINNING</u>				
	<u>29,774</u>	<u>29,774</u>	<u>29,419</u>	<u>(355)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,651</u>	<u>\$ 29,651</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Building Permit Fees Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Building permit fees	\$ 100,000	\$ 100,000	\$ 175,843	\$ 75,843
Interest	12,000	12,000	7,855	(4,145)
Total revenues	<u>112,000</u>	<u>112,000</u>	<u>183,698</u>	<u>71,698</u>
<u>EXPENDITURES:</u>				
Materials & Service	252,000	252,000	1,526	250,474
Capital outlay	28,000	28,000	-	28,000
Total Expenditures	<u>280,000</u>	<u>280,000</u>	<u>1,526</u>	<u>278,474</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(168,000)	(168,000)	182,172	350,172
<u>FUND BALANCES, BEGINNING</u>				
	<u>877,499</u>	<u>877,499</u>	<u>914,558</u>	<u>37,059</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ 709,499</u>	<u>\$ 709,499</u>	<u>\$ 1,096,730</u>	<u>\$ 387,231</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Park Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Grants	\$ 484,500	\$ 484,500	\$ 150,037	\$ (334,463)
Camping fees and other charges for services	162,250	162,250	298,552	136,302
State apportionment	147,000	147,000	167,899	20,899
Interest	2,000	2,000	2,042	42
Other	6,700	6,700	17,570	10,870
Total revenues	<u>802,450</u>	<u>802,450</u>	<u>636,100</u>	<u>(166,350)</u>
<u>EXPENDITURES:</u>				
Cutsforth park	88,230	90,350	80,776	9,574
Anson Wright park	60,755	66,353	60,895	5,458
OHV park	741,635	741,167	666,334	74,833
Fair park	1,941	1,941	4,242	(2,301)
Contingency	174,881	167,631	-	167,631
Total expenditures	<u>1,067,442</u>	<u>1,067,442</u>	<u>812,247</u>	<u>255,195</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(264,992)	(264,992)	(176,147)	88,845
<u>FUND BALANCES, BEGINNING</u>				
	<u>264,992</u>	<u>264,992</u>	<u>389,950</u>	<u>124,958</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,803</u>	<u>\$ 213,803</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Equity Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest-Loans	\$ 9,000	\$ 9,000	\$ 4,574	\$ (4,426)
Interest	4,000	4,000	2,329	(1,671)
Total revenues	<u>13,000</u>	<u>13,000</u>	<u>6,903</u>	<u>(6,097)</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>523,000</u>	<u>23,000</u>	<u>5,092</u>	<u>17,908</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(510,000)	(10,000)	1,811	11,811
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	(10,000)	(10,000)	1,811	11,811
<u>FUND BALANCES, BEGINNING</u>	<u>10,000</u>	<u>10,000</u>	<u>618,483</u>	<u>608,483</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 620,294</u>	<u>\$ 620,294</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Liquor Control Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 15	\$ 15	\$ 7	\$ (8)
Total Revenues	<u>15</u>	<u>15</u>	<u>7</u>	<u>(8)</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>883</u>	<u>883</u>	<u>-</u>	<u>883</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(868)	(868)	7	875
<u>FUND BALANCES, BEGINNING</u>	<u>868</u>	<u>868</u>	<u>867</u>	<u>(1)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 874</u>	<u>\$ 874</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Water Planning Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Grant revenue	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES:</u>				
Materials and services	6,258	6,258	6,000	258
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(6,258)	(6,258)	(6,000)	258
<u>FUND BALANCES, BEGINNING</u>	6,258	6,258	6,258	-
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 258</u>	<u>\$ 258</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Forest Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental revenue	\$ -	\$ -	\$ 4,361	\$ 4,361
Interest	1,200	1,200	613	(587)
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>4,974</u>	<u>3,774</u>
<u>EXPENDITURES:</u>				
Materials and services	<u>71,237</u>	<u>71,237</u>	<u>-</u>	<u>71,237</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	<u>(70,037)</u>	<u>(70,037)</u>	<u>4,974</u>	<u>75,011</u>
<u>FUND BALANCES, BEGINNING</u>				
	<u>70,037</u>	<u>70,037</u>	<u>76,846</u>	<u>6,809</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,820</u>	<u>\$ 81,820</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Court Security Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Court security	\$ 11,000	\$ 11,000	\$ 11,524	\$ 524
Interest	3,000	3,000	758	(2,242)
Total revenues	<u>14,000</u>	<u>14,000</u>	<u>12,282</u>	<u>(1,718)</u>
<u>EXPENDITURES:</u>				
Materials and services	58,500	58,500	25,580	32,920
Capital outlay	35,000	35,000	-	35,000
Total expenditures	<u>93,500</u>	<u>93,500</u>	<u>25,580</u>	<u>67,920</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(79,500)	(79,500)	(13,298)	66,202
<u>FUND BALANCES, BEGINNING</u>				
	<u>113,682</u>	<u>113,682</u>	<u>94,491</u>	<u>(19,191)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ 34,182</u>	<u>\$ 34,182</u>	<u>\$ 81,193</u>	<u>\$ 47,011</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Echo Wind Fees
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Wind fees	\$ 90,100	\$ 90,100	\$ 86,771	\$ (3,329)
Interest	100	100	136	36
Total revenues	<u>90,200</u>	<u>90,200</u>	<u>86,907</u>	<u>(3,293)</u>
<u>EXPENDITURES:</u>				
Other requirements	<u>62,100</u>	<u>62,100</u>	<u>41,123</u>	<u>20,977</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	28,100	28,100	45,784	17,684
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(35,210)</u>	<u>(35,210)</u>	<u>(35,210)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	(7,110)	(7,110)	10,574	17,684
<u>FUND BALANCES, BEGINNING</u>	<u>7,110</u>	<u>7,110</u>	<u>7,137</u>	<u>27</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,711</u>	<u>\$ 17,711</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Shepherds Flat Fees
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Wind fees	\$ 1,790,000	\$ 1,790,000	\$ 1,702,262	\$ (87,738)
Interest	1,000	1,000	2,716	1,716
Total revenues	<u>1,791,000</u>	<u>1,791,000</u>	<u>1,704,978</u>	<u>(86,022)</u>
<u>EXPENDITURES:</u>				
Materials and services	172,000	172,000	172,000	-
Other requirements	381,382	381,382	401,897	(20,515)
Total expenditures	<u>553,382</u>	<u>553,382</u>	<u>573,897</u>	<u>(20,515)</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	1,237,618	1,237,618	1,131,081	(106,537)
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(1,269,108)</u>	<u>(1,269,108)</u>	<u>(1,238,990)</u>	<u>30,118</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	(31,490)	(31,490)	(107,909)	(76,419)
<u>FUND BALANCES, BEGINNING</u>				
	<u>31,490</u>	<u>31,490</u>	<u>119,280</u>	<u>87,790</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,371</u>	<u>\$ 11,371</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

FTA Grant Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Grants	\$ 68,172	\$ 224,628	\$ 81,118	\$ (143,510)
Interest	1,000	1,000	380	(620)
Total revenues	<u>69,172</u>	<u>225,628</u>	<u>81,498</u>	<u>(144,130)</u>
<u>EXPENDITURES:</u>				
Personal services	41,020	42,366	42,452	(86)
Materials and services	42,340	108,340	27,154	81,186
Capital outlay	-	103,956	26,998	76,958
Contingency	33,396	42,376	-	42,376
Total expenditures	<u>116,756</u>	<u>297,038</u>	<u>96,604</u>	<u>200,434</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(47,584)	(71,410)	(15,106)	56,304
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	6,282	30,108	28,948	(1,160)
<u>NET CHANGE IN FUND BALANCES</u>				
	(41,302)	(41,302)	13,842	55,144
<u>FUND BALANCES, BEGINNING</u>				
	41,302	41,302	23,208	(18,094)
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,050</u>	<u>\$ 37,050</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Community Corrections Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
State P&P revenue	\$ 578,918	\$ 578,918	\$ 565,456	\$ (13,462)
Charges for services and other	57,500	57,500	35,128	(22,372)
Interest	6,000	6,000	2,763	(3,237)
Total revenues	<u>642,418</u>	<u>642,418</u>	<u>603,347</u>	<u>(39,071)</u>
<u>EXPENDITURES:</u>				
Personal services	451,021	466,916	444,043	22,873
Materials and services	191,060	191,060	144,525	46,535
Capital outlay	45,000	45,000	42,480	2,520
Contingency	100,000	84,105	-	84,105
Total expenditures	<u>787,081</u>	<u>787,081</u>	<u>631,048</u>	<u>156,033</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(144,663)	(144,663)	(27,701)	116,962
<u>FUND BALANCES, BEGINNING</u>				
	<u>415,190</u>	<u>415,190</u>	<u>414,248</u>	<u>(942)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ 270,527</u>	<u>\$ 270,527</u>	<u>\$ 386,547</u>	<u>\$ 116,020</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

PGE - Carty
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
PGE - Carty Comm Serv	\$ 2,306,877	\$ 2,419,503	\$ 2,419,503	\$ -
Interest	2,000	2,000	3,694	1,694
Total revenues	<u>2,308,877</u>	<u>2,421,503</u>	<u>2,423,197</u>	<u>1,694</u>
<u>EXPENDITURES:</u>				
Other requirements	<u>550,000</u>	<u>662,626</u>	<u>612,626</u>	<u>50,000</u>
Total expenditures	<u>550,000</u>	<u>662,626</u>	<u>612,626</u>	<u>50,000</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	1,758,877	1,758,877	1,810,571	51,694
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(1,824,677)</u>	<u>(1,824,677)</u>	<u>(1,824,677)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	(65,800)	(65,800)	(14,106)	51,694
<u>FUND BALANCES, BEGINNING</u>	<u>65,800</u>	<u>65,800</u>	<u>66,047</u>	<u>247</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,941</u>	<u>\$ 51,941</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Sheriff Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Donations	\$ 7,000	\$ 7,000	\$ 200	\$ (6,800)
Reserve fees	6,000	6,000	5,321	(679)
Interest	-	-	129	129
Total revenues	<u>13,000</u>	<u>13,000</u>	<u>5,650</u>	<u>(7,350)</u>
<u>EXPENDITURES:</u>				
Materials and services	10,200	15,200	5,496	9,704
Contingency	17,400	12,400	-	12,400
Total expenditures	<u>27,600</u>	<u>27,600</u>	<u>5,496</u>	<u>22,104</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(14,600)	(14,600)	154	14,754
<u>FUND BALANCES, BEGINNING</u>				
	<u>14,600</u>	<u>14,600</u>	<u>14,834</u>	<u>234</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,988</u>	<u>\$ 14,988</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Resiliency Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Grants	\$ -	\$ 1,015,840	\$ 933,813	\$ (82,027)
<u>EXPENDITURES:</u>				
Materials and services	-	1,515,840	1,341,805	174,035
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	-	(500,000)	(407,992)	92,008
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	-	500,000	500,000	-
<u>NET CHANGE IN BALANCES</u>	-	-	92,008	92,008
<u>FUND BALANCES, BEGINNING</u>	-	-	-	-
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,008</u>	<u>\$ 92,008</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Non-Major Capital Projects Funds

June 30, 2021

These funds account for the purchase and construction of the capital assets of the County. The majority of the funds used to purchase capital assets are transfers from other funds. Funds included are:

- **Road Equipment Reserve Fund** - accounts for the acquisition of road equipment.
- **Computer Equipment Reserve Fund** - accounts for the acquisition of the County's computer assets.
- **Programming Reserve Fund** - accounts for the acquisition of the County's various software assets.
- **Weed Equipment Reserve Fund** - accounts for the acquisition of the County's weed fund equipment.
- **STF Vehicle Reserve Fund** - accounts for the acquisition of the special transportation bus.
- **Fair Roof Reserve Fund** - accounts for the improvements made to buildings located at the fairgrounds.
- **Bleacher Reserve Fund** - accounts for the acquisition of bleachers at the County's fairgrounds.
- **Fair Improvement Reserve** - accounts for the acquisition and payment of new dorms and showers at the County's fairgrounds.
- **Building Reserve Fund** - accounts for the construction and acquisition of the County's buildings.

MORROW COUNTY, OREGON

Nonmajor Capital Project Funds

Combining Balance Sheet

June 30, 2021

	<u>Road Equipment Reserve</u>	<u>Computer Equipment Reserve</u>	<u>Program- ming Reserve</u>	<u>Weed Equipment Reserve</u>	<u>STF Vehicle Reserve</u>	<u>Fair Roof Reserve</u>	<u>Bleacher Reserve</u>	<u>Fair Improve. Reserve</u>	<u>Building Reserve</u>	<u>Totals</u>
<u>ASSETS:</u>										
Cash	\$ 341,073	\$ 66,704	\$ 31,116	\$ 20,789	\$ 115,609	\$ 24,901	\$ 25,823	\$ 21,200	\$ 1,099,394	\$ 1,746,609
Receivables	-	-	-	-	2,025	-	-	-	-	2,025
Total assets	<u>\$ 341,073</u>	<u>\$ 66,704</u>	<u>\$ 31,116</u>	<u>\$ 20,789</u>	<u>\$ 117,634</u>	<u>\$ 24,901</u>	<u>\$ 25,823</u>	<u>\$ 21,200</u>	<u>\$ 1,099,394</u>	<u>\$ 1,748,634</u>
<u>LIABILITIES AND FUND BALANCES</u>										
<u>LIABILITIES:</u>										
Accounts payable	\$ 3,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,866
<u>FUND BALANCES:</u>										
Committed	337,207	66,704	31,116	20,789	117,634	24,901	25,823	21,200	1,099,394	1,744,768
Total liabilities and fund balances	<u>\$ 341,073</u>	<u>\$ 66,704</u>	<u>\$ 31,116</u>	<u>\$ 20,789</u>	<u>\$ 117,634</u>	<u>\$ 24,901</u>	<u>\$ 25,823</u>	<u>\$ 21,200</u>	<u>\$ 1,099,394</u>	<u>\$ 1,748,634</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2021

	Road Equip. Reserve	Computer Equipment Reserve	Program- ming Reserve	Weed Equip. Reserve	STF Vehicle Reserve	Fair Roof Reserve	Bleacher Reserve	Fair Improve. Reserve	Building Reserve	Totals
<u>REVENUES:</u>										
Miscellaneous	\$ 92,769	\$ -	\$ -	\$ -	\$ 7,600	\$ -	\$ -	\$ -	\$ -	\$ 100,369
Interest	6,514	430	105	140	656	186	202	143	6,793	15,169
Total revenues	99,283	430	105	140	8,256	186	202	143	6,793	115,538
<u>EXPENDITURES</u>										
General government	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Capital outlay	1,533,610	-	-	-	-	-	-	-	-	1,533,610
Debt service	148,130	-	-	-	-	-	-	-	-	148,130
Total expenditures	1,681,740	-	-	-	-	-	-	-	-	1,681,740
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>										
	(1,582,457)	430	105	140	8,256	186	202	143	6,793	(1,566,202)
<u>OTHER FINANCING SOURCES:</u>										
Capital lease proceeds	-	-	-	-	-	-	-	-	-	-
Transfers in	905,000	20,000	30,000	5,000	15,804	2,000	-	5,000	300,000	1,282,804
Total other financing sources	905,000	20,000	30,000	5,000	15,804	2,000	-	5,000	300,000	1,282,804
<u>NET CHANGE IN FUND BALANCES</u>										
	(677,457)	20,430	30,105	5,140	24,060	2,186	202	5,143	306,793	(283,398)
<u>FUND BALANCES, BEGIN.</u>										
	1,014,664	46,274	1,011	15,649	93,574	22,715	25,621	16,057	792,601	2,028,166
<u>FUND BALANCES, ENDING</u>										
	\$ 337,207	\$ 66,704	\$ 31,116	\$ 20,789	\$ 117,634	\$ 24,901	\$ 25,823	\$ 21,200	\$ 1,099,394	\$ 1,744,768

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Road Equipment Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Sale of assets	\$ 25,000	\$ 25,000	\$ 92,769	67,769
Interest	6,000	6,000	6,514	514
Total revenues	<u>31,000</u>	<u>31,000</u>	<u>99,283</u>	<u>68,283</u>
<u>EXPENDITURES:</u>				
Capital outlay	<u>1,332,841</u>	<u>1,970,664</u>	<u>1,681,740</u>	<u>288,924</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(1,301,841)	(1,939,664)	(1,582,457)	357,207
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	<u>925,000</u>	<u>925,000</u>	<u>905,000</u>	<u>(20,000)</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	(376,841)	(1,014,664)	(677,457)	337,207
<u>FUND BALANCES, BEGINNING</u>				
	<u>376,841</u>	<u>1,014,664</u>	<u>1,014,664</u>	<u>-</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 337,207</u>	<u>\$ 337,207</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Computer Equipment Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 800	\$ 800	\$ 430	\$ (370)
<u>EXPENDITURES:</u>				
Capital outlay	67,071	67,071	-	67,071
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(66,271)	(66,271)	430	66,701
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	20,000	20,000	20,000	-
<u>NET CHANGE IN FUND BALANCES</u>	(46,271)	(46,271)	20,430	66,701
<u>FUND BALANCES, BEGINNING</u>	46,271	46,271	46,274	3
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,704</u>	<u>\$ 66,704</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Programming Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	<u>\$ 1,400</u>	<u>\$ 1,400</u>	<u>\$ 105</u>	<u>\$ (1,295)</u>
<u>EXPENDITURES:</u>				
Capital outlay	<u>92,773</u>	<u>92,773</u>	<u>-</u>	<u>92,773</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(91,373)</u>	<u>(91,373)</u>	<u>105</u>	<u>91,478</u>
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(61,373)</u>	<u>(61,373)</u>	<u>30,105</u>	<u>91,478</u>
<u>FUND BALANCES, BEGINNING</u>	<u>61,373</u>	<u>61,373</u>	<u>1,011</u>	<u>(60,362)</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,116</u>	<u>\$ 31,116</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Weed Equipment Reserve
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 50	\$ 50	\$ 140	\$ 90
<u>EXPENDITURES:</u>				
Capital outlay	20,640	20,640	-	20,640
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	(20,590)	(20,590)	140	20,730
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	5,000	5,000	5,000	-
<u>NET CHANGE IN FUND BALANCES</u>	(15,590)	(15,590)	5,140	20,730
<u>FUND BALANCES, BEGINNING</u>	15,590	15,590	15,649	59
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,789</u>	<u>\$ 20,789</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

STF Vehicle Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Sale of equipment	\$ -	\$ -	\$ 7,600	\$ 7,600
Interest	2,000	2,000	656	(1,344)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>8,256</u>	<u>6,256</u>
<u>EXPENDITURES:</u>				
Capital outlay	<u>146,250</u>	<u>162,054</u>	<u>-</u>	<u>162,054</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(144,250)	(160,054)	8,256	168,310
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	<u>-</u>	<u>15,804</u>	<u>15,804</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>				
	(144,250)	(144,250)	24,060	168,310
<u>FUND BALANCES, BEGINNING</u>				
	<u>144,250</u>	<u>144,250</u>	<u>93,574</u>	<u>(50,676)</u>
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 117,634</u>	<u>\$ 117,634</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Fair Roof Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget (Non-GAAP Budgetary Basis) to Actual

Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES:</u>				
Interest	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 186</u>	<u>\$ (14)</u>
<u>EXPENDITURES:</u>				
Capital outlay	<u>22,335</u>	<u>22,335</u>	<u>-</u>	<u>22,335</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>	<u>(22,135)</u>	<u>(22,135)</u>	<u>186</u>	<u>22,321</u>
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(20,135)</u>	<u>(20,135)</u>	<u>2,186</u>	<u>22,321</u>
<u>FUND BALANCES, BEGINNING</u>	<u>20,135</u>	<u>20,135</u>	<u>22,715</u>	<u>2,580</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,901</u>	<u>\$ 24,901</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Bleacher Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget (Non-GAAP Budgetary Basis) to Actual

Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 202</u>	<u>\$ 2</u>
<u>EXPENDITURES:</u>				
Capital outlay	<u>25,724</u>	<u>25,724</u>	<u>-</u>	<u>25,724</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(25,524)</u>	<u>(25,524)</u>	<u>202</u>	<u>25,726</u>
<u>FUND BALANCES, BEGINNING</u>	<u>25,524</u>	<u>25,524</u>	<u>25,621</u>	<u>97</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,823</u>	<u>\$ 25,823</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON
Fair Improvement Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Interest	\$ 100	\$ 100	\$ 143	\$ 43
<u>EXPENDITURES:</u>				
Capital outlay	21,097	21,097	-	21,097
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>				
	(20,997)	(20,997)	143	21,140
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	5,000	5,000	5,000	-
<u>NET CHANGE IN FUND BALANCES</u>				
	(15,997)	(15,997)	5,143	21,140
<u>FUND BALANCES, BEGINNING</u>				
	15,997	15,997	16,057	60
<u>FUND BALANCES, ENDING</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,200</u>	<u>\$ 21,200</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Building Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) to Actual
Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES:</u>				
Interest	\$ 1,000	\$ 1,000	\$ 6,793	\$ 5,793
<u>EXPENDITURES</u>				
Capital outlay	500,000	500,000		500,000
Contingency	300,000	300,000	-	300,000
Total expenditures	<u>800,000</u>	<u>800,000</u>	<u>-</u>	<u>800,000</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER (UNDER) EXPENDITURES</u>	(799,000)	(799,000)	6,793	(794,207)
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	<u>330,119</u>	<u>330,119</u>	<u>300,000</u>	<u>(30,119)</u>
<u>NET CHANGE IN FUND BALANCES</u>	(468,881)	(468,881)	306,793	(824,326)
<u>FUND BALANCES, BEGINNING</u>	<u>739,699</u>	<u>739,699</u>	<u>792,601</u>	<u>52,902</u>
<u>FUND BALANCES, ENDING</u>	<u>\$ 270,818</u>	<u>\$ 270,818</u>	<u>\$ 1,099,394</u>	<u>\$ (771,424)</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Other Schedules
June 30, 2021

Agency Funds:

- Combining Statement of Assets and Liabilities
- Combining Statement of Receipts, Expenditures, and Changes in Cash (Arising from Cash Transactions)

Schedule of Accountabilities:

- County Treasurer
- Other Elected Officials

Schedule of Cash and Investments

Property taxes:

- Schedule of Property Tax Transactions and Outstanding Balances
- Schedule of Property Taxes Receivable -- By Fund

MORROW COUNTY, OREGON

Agency Funds
Combining Statement of Assets and Liabilities
(Arising from Cash Transactions)
June 30, 2021

	ASSETS			LIABILITIES AND FUND EQUITY		
	Cash and Investments	Taxes Receivable	Total	Payable to Other Agencies	Fund Balance	Total
<u>AGENCY FUNDS:</u>						
Property taxes	\$ -	\$ 901,715	\$ 901,715	\$ 901,715	\$ -	\$ 901,715
Assessments and taxation	23,290	-	23,290	23,290	-	23,290
Treasurer's account	1,160	-	1,160	1,160	-	1,160
Morrow Co. medical fund	9,745	-	9,745	9,745	-	9,745
Other districts, general	14,054	-	14,054	14,054	-	14,054
Other districts, debt service	24,349	-	24,349	24,349	-	24,349
Fire districts, general	1,012,458	-	1,012,458	1,012,458	-	1,012,458
Cemetery districts	819	-	819	819	-	819
Park districts	6,728	-	6,728	6,728	-	6,728
Water control districts	48	-	48	48	-	48
School districts, general	56,227	-	56,227	56,227	-	56,227
School districts, debt service	192,198	-	192,198	192,198	-	192,198
Morrow County Unified Recreation	579,396	-	579,396	579,396	-	579,396
North Morrow vector control	2,283	-	2,283	2,283	-	2,283
Ione-Lex Perpetual	-	-	-	-	-	-
Finley buttes landfill	1,272,354	-	1,272,354	1,272,354	-	1,272,354
Tax appeals	381,253	-	381,253	381,253	-	381,253
Library district	112,633	-	112,633	112,633	-	112,633
Other	61,814	-	61,814	61,814	-	61,814
Mobile home ombudsman	26	-	26	26	-	26
Total	\$ 3,750,835	\$ 901,715	\$ 4,652,550	\$ 4,652,550	\$ -	\$ 4,652,550

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Agency Funds

Combining Statement of Receipts, Expenditures, and Changes in Cash

(Arising from Cash Transactions)

Year Ended June 30, 2021

	Cash and Investments June 30, 2020	Additions	Deductions	Cash and Investments June 30, 2021
<u>AGENCY FUNDS:</u>				
Property taxes	\$ -	\$ 43,496,427	\$ 43,496,427	\$ -
Assessments and taxation	25,242	1,703,875	1,705,827	\$ 23,290
Treasurer's account	1,151	5,760	5,751	\$ 1,160
Morrow Co. Health District	15,771	2,533,232	2,539,258	\$ 9,745
Other districts, general	22,757	3,303,254	3,311,957	\$ 14,054
Other districts, debt service	24,952	641,423	642,026	\$ 24,349
Fire districts, general	880,095	2,510,801	2,378,438	\$ 1,012,458
Cemetery districts	130,917	231,512	361,610	\$ 819
Library districts	93,495	667,499	648,361	\$ 112,633
Park districts	10,890	1,652,293	1,656,455	\$ 6,728
Water control districts	77	11,353	11,382	\$ 48
School districts, general	91,410	13,545,978	13,581,161	\$ 56,227
School districts, debt service	38,697	3,046,241	2,892,740	\$ 192,198
Morrow County Unified Recreation	493,142	1,332,093	1,245,839	\$ 579,396
North Morrow vector control	3,747	588,193	589,657	\$ 2,283
Ione-Lex Perpetual	26,159	-	26,159	\$ -
Finley buttes landfill	1,262,382	10,750	778	\$ 1,272,354
Tax appeals	-	1,284,750	903,497	\$ 381,253
Other	40,919	1,782,959	1,762,064	\$ 61,814
Mobile home ombudsman	43	5,913	5,930	\$ 26
Total	<u>\$ 3,161,846</u>	<u>\$ 78,354,306</u>	<u>\$ 77,765,317</u>	<u>\$ 3,750,835</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Accountability -- County Treasurer

Cash Transactions

Year Ended June 30, 2021

<u>COUNTY FUNDS:</u>	Cash Balance <u>June 30, 2020</u>	Receipts	Disbursements	Cash Balance <u>June 30, 2021</u>
General	\$ 7,025,233	\$ 27,404,788	\$ 23,805,519	\$ 10,624,502
Heritage	17,866	141	765	17,242
Road Fund Equipment	1,014,664	1,734,283	2,407,874	341,073
General Road	2,443,791	12,918,429	10,607,788	4,754,432
Finley Buttes Road	940,550	483,013	-	1,423,563
Juvenile Services Commission	66,158	-	-	66,158
Airport	31,192	350,269	235,045	146,416
Law Library	30,801	4,734	3,845	31,690
911 Emergency Telephone	255,195	436,998	313,489	378,704
Surveyor Preservation	242,273	21,953	4,940	259,286
Finley Buttes license fee	930,745	2,342,791	2,290,395	983,141
County School	217	238,248	238,341	124
Ione School	21	20,051	20,059	13
Fair	265,345	170,501	133,012	302,834
Computer Equipment Reserve	46,274	20,471	41	66,704
Special Transportation	393,925	468,741	278,492	584,174
Programming Reserve	1,011	30,124	19	31,116
Alcohol Enforcement	23,892	197	2,086	22,003
Video Lottery	37,599	121,445	117,914	41,130
Victim/Witness Assistance	25,878	95,108	98,346	22,640
Willow Creek Wind	47,710	213,771	215,527	45,954
CAMI Grant	21,149	44,539	18,392	47,296
Weed Equipment Reserve	15,649	5,153	13	20,789
STF Vehicle Reserve	93,574	22,096	61	115,609
Roof Reserve	22,715	2,201	15	24,901
Heppner Admin Building	37,755	7,301,909	3,342,569	3,997,095
Safety committee	17,266	37,518	42,726	12,058
Bleacher Reserve	25,621	218	16	25,823
Rodeo	-	10,000	-	10,000
Justice Court	61,093	563,587	557,072	67,608
Clerks Records	22,119	2,431	2,772	21,778
DUII Impact	30,048	251	648	29,651
Fair Improvement Reserve	16,057	5,156	13	21,200
Building Permit Fees	914,558	184,340	2,168	1,096,730
Park	117,418	922,801	806,981	233,238
Equity	252,036	67,217	13,922	305,331
Building Reserve	792,601	307,312	519	1,099,394
Liquor Control	867	7	-	874
Water Planning	6,258	-	6,000	258
Forest Service	76,846	5,021	47	81,820
Court Security	113,231	18,417	40,371	91,277
Echo Wind Fees	7,137	86,918	76,344	17,711
Shepherds Flat Fees	119,280	2,691,995	2,627,904	183,371
FTA Grant	(24,483)	294,324	96,754	173,087
Community Corrections	354,409	603,439	637,669	320,179
PGE - Carty	66,047	2,423,787	2,437,893	51,941
Sheriff Reserve	14,834	5,663	5,509	14,988
Resiliency	-	1,445,345	1,353,337	92,008
Total County Funds	<u>17,014,425</u>	<u>64,127,701</u>	<u>52,843,212</u>	<u>28,298,914</u>
<u>AGENCY FUNDS</u>	<u>3,161,846</u>	<u>78,354,306</u>	<u>77,765,317</u>	<u>3,750,835</u>
County Treasurer Totals	<u>\$ 20,176,271</u>	<u>\$ 142,482,007</u>	<u>\$ 130,608,529</u>	<u>\$ 32,049,749</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Cash and Investments
June 30, 2021

County Treasurer	\$ 32,049,749
Cash on hand, various funds	<u>2,016</u>
Total cash and investments	<u>\$ 32,051,765</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Property Tax Transactions and Outstanding Balances
Year Ended June 30, 2021

<u>Fiscal Year</u>	<u>Property Taxes Receivable July 1, 2020</u>	<u>Current Levy as Extended by Assessor</u>	<u>Discounts Allowed</u>	<u>Corrections and Adjustments</u>	<u>Cash Collections</u>	<u>Property Taxes Receivable June 30, 2021</u>
2020-21	\$ -	\$ 41,582,571	\$ (1,168,471)	\$ (70,058)	\$ (39,885,834)	\$ 458,208
2019-20	507,273	-	-	(53,421)	(163,887)	289,965
2018-19	293,419	-	-	(6,715)	(70,409)	216,295
2017-18	343,211	-	-	(6,239)	(117,793)	219,179
2016-17	130,486	-	-	(5,074)	(108,880)	16,532
2015-16	14,253	-	-	(875)	(3,502)	9,876
2014-15	6,640	-	-	(860)	(2,983)	2,797
Prior years	4,612	-	-	(88)	(2,593)	1,931
	<u>\$ 1,299,894</u>	<u>\$ 41,582,571</u>	<u>\$ (1,168,471)</u>	<u>\$ (143,330)</u>	<u>\$ (40,355,881)</u>	<u>\$ 1,214,783</u>

County Summary:

County Operations	\$ 365,545	\$ 10,983,044	\$ (308,624)	\$ (38,109)	\$ (10,688,788)	\$ 313,068
Agency Funds	934,349	30,599,527	(859,847)	(105,221)	(29,667,093)	901,715
	<u>\$ 1,299,894</u>	<u>\$ 41,582,571</u>	<u>\$ (1,168,471)</u>	<u>\$ (143,330)</u>	<u>\$ (40,355,881)</u>	<u>\$ 1,214,783</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Property Taxes Receivable -- By Fund
June 30, 2021

General fund	\$ 308,645
County school fund	1,159
Ione school fund	113
Fair fund	<u>3,151</u>
Sub-total	313,068
Agency funds	<u>901,715</u>
Total	<u><u>\$ 1,214,783</u></u>

See accompanying independent auditor's report.

AUDIT REPORTS, COMMENTS AND DISCLOSURES
REQUIRED BY GOVERNMENT AUDITING STANDARDS
AND STATE REGULATIONS

Barnett & Moro, P.C.

Certified Public Accountants

DENNIS L. BARNETT, C.P.A.
KRISTIE L. SHASTEEN, C.P.A.
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Hermiston, OR 97838
(541) 567-5215
www.barnettandmoro.com

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CRYSTAL R. CHASE, C.P.A.

**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**

County Commissioners
Morrow County, Oregon

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, each major fund, and the aggregate remaining fund information of Morrow County, Oregon, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Morrow County, Oregon's basic financial statements and have issued our report thereon dated June 3, 2022.

Internal Control Over Financial Reporting

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

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

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

County Commissioners
Morrow County
Page two

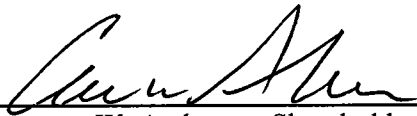
Compliance and Other Matters

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

Purpose of this Report

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

Barnett & Moro, P.C.

By  _____
Cameron W. Anderson, Shareholder
Hermiston, Oregon
June 3, 2022

AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 162-10-000 through 162-10-330 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures as set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.

Barnett & Moro, P.C.

Certified Public Accountants

DENNIS L. BARNETT, C.P.A.
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INDEPENDENT AUDITOR'S REPORT **REQUIRED BY OREGON STATE REGULATIONS**

County Commissioners
Morrow County
Heppner, Oregon

We have audited the basic financial statements of Morrow County, Oregon as of and for the year ended June 30, 2021, and have issued our report thereon dated April 5, 2022. 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.

Compliance

As part of obtaining reasonable assurance about whether Morrow County, Oregon'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).

County Commissioners
Morrow County
Page two

In connection with our testing nothing came to our attention that caused us to believe the Morrow County, Oregon 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 the budget overexpenditures listed in Note 2 to the financial statements.

OAR 162-10-0230 Internal Control

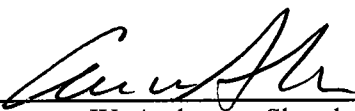
In planning and performing our audit, we considered Morrow County, Oregon's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness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

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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

Barnett & Moro, P.C.

By: 
Cameron W. Anderson, Shareholder
Hermiston, Oregon
June 3, 2022

SINGLE AUDIT SECTION

MORROW COUNTY, OREGON

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Grantor/Program Name:</u>	<u>Federal CFDA Number</u>	<u>Major Programs (X)</u>	<u>Amount</u>
<u>U.S. DEPARTMENT OF AGRICULTURE:</u>			
Schools and roads - grants to states	10.665		\$ 127,924
<u>U.S. DEPARTMENT OF JUSTICE:</u>			
Crime victim assistance	16.575		\$ 98,228
Justice reinvestment initiative	16.827		94,100
			<u>\$ 192,328</u>
<u>U.S. DEPARTMENT OF ENERGY:</u>			
Environmental remediation and waste processing and disposal	81.104		\$ 13,600
<u>U.S. DEPARTMENT OF VETERAN AFFAIRS</u>			
Veterans transportation program	64.035		\$ 48,057
<u>U.S. DEPARTMENT OF TREASURY</u>			
Coronavirus Relief Fund	21.019	X	\$ 1,824,672
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>			
Oregon Health Authority:			
Public health emergency preparedness	93.069		\$ 68,055
Immunization cooperative agreements	93.268		140,959
Medical assistance program	93.778		12,046
Opioid STR	93.788		30,000
Block grants for community mental health services	93.958		59,249
Block grants for prevention and treatment of substance abuse	93.959		30,232
Maternal and child health services block grants to the states	93.994		20,133
			<u>360,674</u>
Oregon Department of Justice:			
Child support enforcement	93.563		67,919
			<u>\$ 428,593</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>			
Airport Improvement Program	20.106		\$ 175,860
Enhanced mobility of seniors and individuals with disabilities	20.513		27,651
Metropolitan Transportation Planning and State and Non-Metropolitan	20.505		13,499
			<u>\$ 217,010</u>
<u>U.S. DEPARTMENT OF THE INTERIOR:</u>			
Bureau of Land Management, Mineral Land Leasing	15.214		\$ 791
Payment in Lieu of Taxes	15.226		280,068
Distributions of Receipts to State & Local Governments	15.227		51
			<u>\$ 280,910</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY:</u>			
Emergency management performance grants	97.042		\$ 64,558
			<u>\$ 3,197,652</u>

Total expenditures of federal awards

See notes to schedule of
expenditures of federal awards.

MORROW COUNTY, OREGON

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

NOTE A - BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Morrow County, Oregon and is presented on the modified accrual basis of accounting as described in note 1 to the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Morrow County, Oregon, it is not intended to and does not present the financial position, changes in net position, or cash flows of Morrow County. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the on the Schedule are reported on the basis of accounting described in Note 1 to the financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The County has not elected to use the 10% percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Barnett & Moro, P.C.

Certified Public Accountants

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

County Commissioners
Morrow County
Heppner, Oregon

Report on Compliance for Each Major Federal Program

We have audited Morrow County, Oregon's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Morrow County, Oregon's major federal programs for the year ended June 30, 2021. Morrow County, Oregon's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Morrow County, Oregon, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance


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

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

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

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

Barnett & Moro, P.C.

By: 
Cameron W. Anderson, Shareholder
Hermiston, Oregon
June 3, 2022

MORROW COUNTY, OREGON

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Section I-Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified opinion

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified
that are not considered to be material weaknesses? yes X none reported
- Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified
that are not considered to be material weakness(es)? yes X no

Type of auditor's report issued on compliance for major program: unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

Section II-Financial Statement Findings

There are no financial statement findings for the year ended June 30, 2021.

Section III-Federal Award Findings and Questioned Costs

There are no federal award findings or questioned costs for the year ended June 30, 2021.

MORROW COUNTY, OREGON

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS

Year Ended June 30, 2021

QUESTIONED COSTS:

There were no questioned costs for the year ended June 30, 2020.

FINDINGS:

There were no findings for the year ended June 30, 2020.