

## Request to Add: D.A. Office Temporary Employee; 2nd Item in Tab 2

### MORROW COUNTY BOARD OF COMMISSIONERS MEETING AGENDA

Wednesday, January 23, 2019 at 9:00 a.m.

Bartholomew Building Upper Conference Room

110 N. Court St., Heppner, Oregon

1. **Call to Order and Pledge of Allegiance - 9:00 a.m.**
2. **City/Citizen Comments:** Individuals may address the Board on issues not on the agenda
3. **Open Agenda:** The Board may introduce subjects not already on the agenda
4. **Consent Calendar**
  - a. Accounts Payable dated January 24<sup>th</sup>; Payroll Payables, Monthlies, dated January 4<sup>th</sup>, \$192,919.72; Payroll Payables, Immediates & Electronic 4<sup>th</sup> Quarter SUTA/WBF, dated January 9<sup>th</sup>, \$7,164.46
  - b. Oregon Military Department, Office of Emergency Management, 2018-2019 Emergency Management Performance Grant No. 18-525
5. **Business Items**
  - a. Request by District Attorney to amend Personnel Policy regarding vehicle use (Justin Nelson, D.A./County Counsel); **Temporary Employee Request**
  - b. Independent Financial Audit Report (Barnett & Moro)
  - c. Proposed Budget Calendar (Kate Knop, Finance Director)
  - d. First Reading: ORD-2019-2, Columbia Mill Site Rezone (Carla McLane, Planning Director)
  - e. Re-appoint Road Committee Boardman Area Position (Matt Scrivner, Public Works Director)
  - f. Oregon Health Authority Agreement #154124, Amendment 8, \$9,690 in Additional Public Health Emergency Preparedness funds (Sheree Smith, Public Health Director)
6. **Department Reports**
  - a. Public Health Department Quarterly Update (Sheree Smith)
  - b. Road Department Monthly Report (Matt Scrivner)
  - c. Weed Department Quarterly Report (Dave Pranger, Weed Coordinator/Inspector)
  - d. Clerk Quarterly Report (Bobbi Childers, Clerk)
  - e. Human Resources Quarterly Report (Karmen Carlson, Director)
  - f. Surveyor Quarterly Report (Stephen Haddock, Surveyor)
7. **Correspondence**
8. **Commissioner Reports**
9. **Signing of documents**
10. **Adjournment**

Agendas are available every Friday on our website ([www.co.morrow.or.us/boc](http://www.co.morrow.or.us/boc) under "Upcoming Events"). Meeting Packets can also be found the following Monday.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Roberta Lutchter at (541) 676-5613.

Pursuant to ORS 192.640, this agenda includes a list of the principal subjects anticipated to be considered at the meeting; however, the Board may consider additional subjects as well. This meeting is open to the public and interested citizens are invited to attend. Executive sessions are closed to the public; however, with few exceptions and under specific guidelines, are open to the media. The Board may recess for lunch depending on the anticipated length of the meeting and the topics on the agenda. If you have anything that needs to be on the agenda, please notify the Board office before noon of the preceding Friday. If something urgent comes up after this publication deadline, please notify the office as soon as possible. If you have any questions about items listed on the agenda, please contact Darrell J. Green, Administrator at (541) 676-2529.



**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
 (Page 1 of 2)

(For BOC Use)  
 Item #  
**46**

**Please complete for each agenda item submitted for consideration by the Board of Commissioners**  
 (See notations at bottom of form)

Staff Contact: John A. Bowles Phone Number (Ext): 5102  
 Department: Sheriff's Office/ Emergency Management Requested Agenda Date: 01/09/2018  
 Short Title of Agenda Item: **2018-2019 Emergency Management Performance Grant (EMPG)**  
 (No acronyms please)

**This Item Involves:** (Check all that apply for this meeting.)

- |   |  |
|---|--|
| <input type="checkbox"/> Order or Resolution                              | <input type="checkbox"/> Appointments                |
| <input type="checkbox"/> Ordinance/Public Hearing:                        | <input type="checkbox"/> Update on Project/Committee |
| <input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading | <input type="checkbox"/> Consent Agenda Eligible     |
| <input type="checkbox"/> Public Comment Anticipated:                      | <input type="checkbox"/> Discussion & Action         |
| Estimated Time:   | Estimated Time:                                      |
| <input type="checkbox"/> Document Recording Required                      | <input type="checkbox"/> Purchase Pre-Authorization  |
| <input checked="" type="checkbox"/> Contract/Agreement                    | <input type="checkbox"/> Other                       |

N/A Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity: **Oregon Emergency Management**

Contractor/Entity Address: **PO Box 14370, Salem OR. 97309-5062**

Effective Dates – From: **July 1, 2018** Through: **June 30, 2019**

Total Contract Amount: **\$52,542.00** Budget Line: **101-117-3-30-3163**

Does the contract amount exceed \$5,000?  Yes  No

**Reviewed By:**

<u>John A. Bowles, Undersheriff</u>	<u>12/28/2018</u>	<u>Department Head</u>	Required for all BOC meetings
<u><i>[Signature]</i></u>	<u>1/22/19</u>	<u>Admin. Officer/BOC Office</u>	Required for all BOC meetings
<u>Richard Tovey, Assistant District Attorney</u>	<u>12/28/2018</u>	<u>County Counsel</u>	*Required for all legal documents
<u><i>[Signature]</i></u>	<u>1/22/19</u>	<u>Finance Office</u>	*Required for all contracts; other items as appropriate.
_____	_____	<u>Human Resources</u>	*If appropriate

\* Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

**Note:** All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

I completed the grant and application process, informed the BOC, Finance and County Manager. The county manager signed the application before it was set to the Oregon Emergency Management. When the EMPG application was sent we had no idea if it would be approved or the amount if it was approved. On July 3, 2018 I received notification from OEM that the Morrow County EMPG was approved and officially began on July 1, 2018. The amount, official letter or contract was not available at this time. I was advised to complete the required Morrow County monthly reports starting on July 1, 2018. All reports have been complete and sent monthly as required.

On October 1, 2018 I received an email advising that OEM had received the amount awarded by the state for the EMPG program so they would be working on contracts with the applying counties. In December 2018 I received the contract before you, from OEM.

Again I have completed and sent the monthly and quarterly reports to OEM as required. Starting in July of 2018.

**2. FISCAL IMPACT:**

This is a positive for Morrow County. \$52,542.00 was granted to use for the Emergency Management Program. These funds go to cover salary, equipment, travel and training. The work and reporting, has been and will be completed by the county Emergency Manager.

**3. SUGGESTED ACTION(S)/MOTION(S):**

Move to accept the:

Oregon Military Department, Office of Emergency Management, Emergency Management Performance Grant CFDA#97.042

Morrow County \$52,542.00, Grant No: 18-525

as presented.

Attach additional background documentation as needed.

**OREGON MILITARY DEPARTMENT  
OFFICE OF EMERGENCY MANAGEMENT  
EMERGENCY MANAGEMENT PERFORMANCE GRANT  
CFDA # 97.042  
MORROW COUNTY  
\$52,542  
Grant No: 18-525**

This Agreement is made and entered into by and between the **State of Oregon**, acting by and through the Oregon Military Department, Office of Emergency Management, hereinafter referred to as “OEM,” and **Morrow County**, hereinafter referred to as “Subrecipient,” and collectively referred to as the “Parties.”

1. **Effective Date.** This Agreement shall become effective on the date this Agreement is fully executed and approved as required by applicable law. Reimbursements will be made for Project Costs incurred beginning on **July 1, 2018** and ending, unless otherwise terminated or extended, on **June 30, 2019** (the “Grant Award Period”). No Grant Funds are available for expenditures after the Grant Award Period. OEM’s obligation to disburse Grant Funds under this Agreement is subject to Sections 6 and 10 of this Agreement.
2. **Agreement Documents.** This Agreement consists of this document and the following documents, all of which are attached hereto and incorporated herein by reference:

- Exhibit A: **Project Description and Budget**
- Exhibit B: **Federal Requirements and Certifications**
- Exhibit C: **Subcontractor Insurance**
- Exhibit D: **Information required by 2 CFR 200.331(a)**

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: Exhibit B; this Agreement without Exhibits; Exhibit A; Exhibit C.

3. **Grant Funds; Matching Funds.** In accordance with the terms and conditions of this Agreement, OEM shall provide Subrecipient an amount not to exceed **\$52,542** in Grant Funds for eligible costs described in Section 6 hereof. Grant Funds for this Program will be from the Fiscal Year 2018 Emergency Management Performance Grant (EMPG) Program. Subrecipient shall provide matching funds for all Project Costs as described in Exhibit A.
4. **Project.** The Grant Funds shall be used solely for the Project described in Exhibit A and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless such changes are approved by OEM by amendment pursuant to Section 11.d hereof.
5. **Reports.** Failure of Subrecipient to submit the required program, financial, or audit reports, or to resolve program, financial, or audit issues may result in the suspension of grant payments, termination of this Agreement, or both.

**a. Performance Reports.**

- i. Subrecipient agrees to submit performance reports, using a form provided by OEM, on its progress in meeting each of its agreed upon goals and objectives. The narrative reports will address specific information regarding the activities carried out under the FY 2018 Emergency Management Performance Grant Program and how they address identified work plan elements.
- ii. Reports are due to OEM on or before the 30th day of the month following each subsequent calendar quarter (ending on March 31, June 30, September 30, and December 31).
- iii. Subrecipient may request from OEM prior written approval to extend a performance report requirement past its due date. OEM, in its sole discretion, may approve or reject the request.

**b. Financial Reimbursement Reports.**

- i. To receive reimbursement, Subrecipient must submit a signed Request for Reimbursement (RFR), using a form provided by OEM, that includes supporting documentation for all grant and, if applicable, match expenditures. RFRs must be submitted monthly during the term of this Agreement. RFRs must be submitted on or before 30 days following each subsequent calendar month, and a final RFR must be submitted no later than 30 days following the end of the grant period.
- ii. Reimbursements for expenses will be withheld if performance reports are not submitted by the specified dates or are incomplete.
- iii. Reimbursement rates for travel expenses shall not exceed those allowed by the State of Oregon. Requests for reimbursement for travel must be supported with a detailed statement identifying the person who traveled, the purpose of the travel, the dates, times, and places of travel, and the actual expenses or authorized rates incurred.
- iv. Reimbursements will only be made for actual expenses incurred during the Grant Award Period. Subrecipient agrees that no grant or, if applicable, match funds may be used for expenses incurred before or after the Grant Award Period.

**6. Disbursement and Recovery of Grant Funds.**

- a. **Disbursement Generally.** OEM shall reimburse eligible costs incurred in carrying out the Project, up to the Grant Fund amount provided in Section 3. Reimbursements shall be made by OEM upon approval by OEM of an RFR. Eligible costs are the reasonable and necessary costs incurred by Subrecipient for the Project, in accordance with the Emergency Management Performance Grants guidance and application materials, including without limitation the United States Department of Homeland Security Notice of Funding Opportunity Announcement (NOFO), that are not excluded from reimbursement by OEM, either by this Agreement or by exclusion as a result of financial review or audit. The guidance, application materials and NOFO are available at <http://www.oregon.gov/OEM/emresources/Grants/Pages/EMPG.aspx>
- b. **Conditions Precedent to Disbursement.** OEM's obligation to disburse Grant Funds to Subrecipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:
  - i. OEM has received funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow OEM, in the exercise of its reasonable administrative discretion, to make the disbursement.

- ii. Subrecipient is in compliance with the terms of this Agreement including, without limitation, Exhibit B and the requirements incorporated by reference in Exhibit B.
  - iii. Subrecipient's representations and warranties set forth in Section 7 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
  - iv. Subrecipient has provided to OEM a RFR in accordance with Section 5.b of this Agreement.
- c. Recovery of Grant Funds.** Any funds disbursed to Subrecipient under this Agreement that are expended in violation or contravention of one or more of the provisions of this Agreement ("Misexpended Funds") or that remain unexpended on the earlier of termination or expiration of this Agreement ("Unexpended Funds") must be returned to OEM. Subrecipient shall return all Misexpended Funds to OEM promptly after OEM's written demand and no later than 15 days after OEM's written demand. Subrecipient shall return all Unexpended Funds to OEM within 14 days after the earlier of expiration or termination of this Agreement.
- 7. Representations and Warranties of Subrecipient.** Subrecipient represents and warrants to OEM as follows:
- a. Organization and Authority.** Subrecipient is a political subdivision of the State of Oregon and is eligible to receive the Grant Funds. Subrecipient has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Subrecipient of this Agreement (1) have been duly authorized by all necessary action of Subrecipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Subrecipient is a party or by which Subrecipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Subrecipient of this Agreement.
  - b. Binding Obligation.** This Agreement has been duly executed and delivered by Subrecipient and constitutes a legal, valid and binding obligation of Subrecipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
  - c. No Solicitation.** Subrecipient's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.
  - d. NIMS Compliance.** By accepting FY 2018 funds, Subrecipient certifies that it has met National Incident Management System (NIMS) compliance activities outlined in the Oregon NIMS Requirements located through the OEM at [http://www.oregon.gov/OEM/emresources/Plans\\_Assessments/Pages/NIMS.aspx](http://www.oregon.gov/OEM/emresources/Plans_Assessments/Pages/NIMS.aspx)

The warranties set forth in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

## **8. Records Maintenance and Access; Audit.**

- a. Records, Access to Records and Facilities.** Subrecipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards and state minimum standards for audits of municipal corporations. Subrecipient acknowledges and agrees, and Subrecipient will require its contractors, subcontractors, sub-recipients (collectively hereafter “contractors”), successors, transferees, and assignees to acknowledge and agree, to provide OEM, Oregon Secretary of State (Secretary), Office of Inspector General (OIG), Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), or any of their authorized representatives, access to records, accounts, documents, information, facilities, and staff. Subrecipient and its contractors must cooperate with any compliance review or complaint investigation by any of the above listed agencies, providing them access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary. The right of access is not limited to the required retention period but shall last as long as the records are retained.
- b. Retention of Records.** Subrecipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, the Grant Funds or the Project for until the latest of (a) six years following termination, completion or expiration of this Agreement, (b) upon resolution of any litigation or other disputes related to this Agreement, or (c) as required by 2 CFR 200.333. It is the responsibility of Subrecipient to obtain a copy of 2 CFR Part 200, and to apprise itself of all rules and regulations set forth.
- c. Audits.**

  - i. If Subrecipient expends \$750,000 or more in Federal funds (from all sources) in its fiscal year, Subrecipient shall have a single organization-wide audit conducted in accordance with the provisions of 2 CFR 200 Subpart F. Copies of all audits must be submitted to OEM within 30 days of completion. If Subrecipient expends less than \$750,000 in its fiscal year in Federal funds, Subrecipient is exempt from Federal audit requirements for that year. Records must be available for review or audit by appropriate officials as provided in Section 8.a. herein.
  - ii. Audit costs for audits not required in accordance with 2 CFR 200 Subpart F are unallowable. If Subrecipient did not expend \$750,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit, costs for performance of that audit shall not be charged to the grant.
  - iii. Subrecipient shall save, protect and hold harmless the OEM from the cost of any audits or special investigations performed by the Secretary or any federal agency with respect to the funds expended under this Agreement. Subrecipient acknowledges and agrees that any audit costs incurred by Subrecipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Subrecipient and the State of Oregon.

## **9. Subrecipient Procurements; Property and Equipment Management and Records; Subcontractor Indemnity and Insurance**

- a. Subagreements.** Subrecipient may enter into agreements (hereafter “subagreements”) for performance of the Project. Subrecipient shall use its own procurement procedures and regulations, provided that the procurement conforms to applicable Federal and State law



(including without limitation ORS chapters 279A, 279B, 279C, and that for contracts for more than \$150,000, the contract shall address administrative, contractual or legal remedies for violation or breach of contract terms and provide for sanctions and penalties as appropriate, and for contracts for more than \$10,000 address termination for cause or for convenience including the manner in which termination will be effected and the basis for settlement).

- i. Subrecipient shall provide to OEM copies of all Requests for Proposals or other solicitations for procurements anticipated to be for \$100,000 or more and to provide to OEM, upon request by OEM, such documents for procurements for less than \$100,000. Subrecipient shall include with its RFR a list of all procurements issued during the period covered by the report.
  - ii. All subagreements, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner that encourages fair and open competition to the maximum practical extent possible. All sole-source procurements in excess of \$100,000 must receive prior written approval from OEM in addition to any other approvals required by law applicable to Subrecipient. Justification for sole-source procurement in excess of \$100,000 should include a description of the program and what is being contracted for, an explanation of why it is necessary to contract noncompetitively, time constraints and any other pertinent information. Interagency agreements between units of government are excluded from this provision.
  - iii. Subrecipient shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or draft specifications, requirements, statements of work, or Requests for Proposals (RFP) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement. Any request for exemption must be submitted in writing to OEM.
  - iv. Subrecipient agrees that, to the extent it uses contractors, such contractors shall use small, minority, women-owned or disadvantaged business concerns and contractors or subcontractors to the extent practicable.
- b. Purchases and Management of Property and Equipment; Records.** Subrecipient agrees to comply with all applicable federal requirements referenced in Exhibit B, Section II.C.1 to this Agreement and procedures for managing and maintaining records of all purchases of property and equipment will, at a minimum, meet the following requirements:
- i. All property and equipment purchased under this agreement, whether by Subrecipient or a contractor, will be conducted in a manner providing full and open competition and in accordance with all applicable procurement requirements, including without limitation ORS chapters 279A, 279B, 279C, and purchases shall be recorded and maintained in Subrecipient's property or equipment inventory system.
  - ii. Subrecipient's property and equipment records shall include: a description of the property or equipment; the manufacturer's serial number, model number, or other identification number; the source of the property or equipment, including the Catalog of Federal Domestic Assistance (CFDA) number; name of person or entity holding title to the property or equipment; the acquisition date; cost and percentage of Federal participation in the cost; the location, use and condition of the property or equipment; and any ultimate disposition data including the date of disposal and sale price of the property or equipment.
  - iii. A physical inventory of the property and equipment must be taken and the results reconciled with the property and equipment records at least once every two years.

- iv. Subrecipient must develop a control system to ensure adequate safeguards to prevent loss, damage, or theft of the property and equipment. Subrecipient shall investigate any loss, damage, or theft and shall provide the results of the investigation to OEM upon request.
  - v. Subrecipient must develop, or require its contractors to develop, adequate maintenance procedures to keep the property and equipment in good condition.
  - vi. If Subrecipient is authorized to sell the property or equipment, proper sales procedures must be established to ensure the highest possible return.
  - vii. Subrecipient agrees to comply with 2 CFR 200.313 pertaining to use and disposal of equipment purchased with Grant Funds, including when original or replacement equipment acquired with Grant Funds is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency.
  - viii. Subrecipient shall require its contractors to use property and equipment management requirements that meet or exceed the requirements provided herein applicable to all property and equipment purchased with Grant Funds.
  - ix. Subrecipient shall, and shall require its contractors to, retain, the records described in this Section 9.b. for a period of six years from the date of the disposition or replacement or transfer at the discretion of OEM. Title to all property and equipment purchased with Grant Funds shall vest in Subrecipient if Subrecipient provides written certification to OEM that it will use the property and equipment for purposes consistent with the Emergency Management Performance Grant Program.
- c. Subagreement indemnity; insurance.** Subrecipient's subagreement(s) shall require the other party to such subagreements(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless OEM and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260, caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the other party to Subrecipient's subagreement or any of such party's officers, agents, employees or subcontractors ("Claims"). It is the specific intention of the Parties that OEM shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of OEM, be indemnified by the other party to Subrecipient's subagreement(s) from and against any and all Claims.

Any such indemnification shall also provide that neither Subrecipient's contractor(s) nor any attorney engaged by Subrecipient's contractor(s) shall defend any claim in the name of OEM or any agency of the State of Oregon (collectively "State"), nor purport to act as legal representative of the State or any of its agencies, without the prior written consent of the Oregon Attorney General. The State may, at any time at its election, assume its own defense and settlement in the event that it determines that Subrecipient's contractor is prohibited from defending State or that Subrecipient's contractor is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to pursue claims it may have against Subrecipient's contractor if State elects to assume its own defense.

Subrecipient shall require the other party, or parties, to each of its subagreements that are not units of local government as defined in ORS 190.003 to obtain and maintain insurance of the types and in the amounts provided in Exhibit C to this Agreement.

## 10. Termination

- a. Termination by OEM.** OEM may terminate this Agreement effective upon delivery of written notice of termination to Subrecipient, or at such later date as may be established by OEM in such written notice, if:
- i. Subrecipient fails to perform the Project within the time specified herein or any extension thereof or commencement, continuation or timely completion of the Project by Subrecipient is, for any reason, rendered improbable, impossible, or illegal; or
  - ii. OEM fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow OEM, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement; or
  - iii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement; or
  - iv. The Project would not produce results commensurate with the further expenditure of funds; or
  - v. Subrecipient takes any action pertaining to this Agreement without the approval of OEM and which under the provisions of this Agreement would have required the approval of OEM.
  - vi. OEM determines there is a material misrepresentation, error or inaccuracy in Subrecipient's application.
- b. Termination by Subrecipient.** Subrecipient may terminate this Agreement effective upon delivery of written notice of termination to OEM, or at such later date as may be established by Subrecipient in such written notice, if:
- i. The requisite local funding to continue the Project becomes unavailable to Subrecipient; or
  - ii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement.
- c. Termination by Either Party.** Either Party may terminate this Agreement upon at least ten days notice to the other Party and failure of the other Party to cure within the period provided in the notice, if the other Party fails to comply with any of the terms of this Agreement.
- d. Settlement upon Termination.** Immediately upon termination under Sections 10.a.i., v. or vi., no Grant Funds shall be disbursed by OEM, and Subrecipient shall return to OEM Grant Funds previously disbursed to Subrecipient by OEM in accordance with Section 6.c and the terminating party may pursue additional remedies in law or equity. Upon termination pursuant to any other provision in this Section 10, no further Grant Funds shall be disbursed by OEM and Subrecipient shall return funds to OEM in accordance with Section 6.c, except that Subrecipient may pay, and OEM shall disburse, funds for obligations incurred and approved by OEM up to the day that the non-terminating party receives the notice of termination. Termination of this Agreement does not relieve Subrecipient of any other term of this Agreement that may survive termination, including without limitation Sections 11.a and c.

## 11. GENERAL PROVISIONS

- a. Indemnity.** To the extent authorized by law, Recipient shall defend (subject to ORS chapter 180), indemnify, save and hold harmless OEM and its officers, employees and agents from and

against any and all claims, suits, actions, proceedings, losses, damages, liability and court awards including costs, expenses, and attorneys' fees incurred related to any actual or alleged act or omission by Recipient, or its employees, agents or contractors. This Section shall survive expiration or termination of this Agreement.

- b. **Dispute Resolution.** The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation. Each party shall bear its own costs incurred under this Section 11.b.
- c. **Responsibility for Grant Funds.** Any recipient of Grant Funds, pursuant to this Agreement with OEM, shall assume sole liability for that recipient's breach of the conditions of this Agreement, and shall, upon such recipient's breach of conditions that requires OEM to return funds to the FEMA, hold harmless and indemnify OEM for an amount equal to the funds received under this Agreement; or if legal limitations apply to the indemnification ability of the recipient of Grant Funds, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this Agreement.
- d. **Amendments.** This Agreement may be amended or extended only by a written instrument signed by both Parties and approved as required by applicable law.
- e. **Duplicate Payment.** Subrecipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.
- f. **No Third Party Beneficiaries.** OEM and Subrecipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

Subrecipient acknowledges and agrees that the Federal Government, absent express written consent by the Federal Government, is not a party to this Agreement and shall not be subject to any obligations or liabilities to Subrecipient, contractor or any other party (whether or not a party to the Agreement) pertaining to any matter resulting from the this Agreement.

- g. **Notices.** Except as otherwise expressly provided in this Section, any communications between the parties hereto or notice to be given hereunder shall be given in writing by personal delivery, facsimile, email or mailing the same by registered or certified mail, postage prepaid to Subrecipient or OEM at the appropriate address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either party may hereafter indicate pursuant to this Section. Any communication or notice so addressed and sent by registered or certified mail shall be deemed delivered upon receipt or refusal of receipt. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. Any communication or notice by personal delivery shall be deemed to be given when actually delivered. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. The parties also may communicate by telephone, regular mail or other means, but such communications shall not be

deemed Notices under this Section unless receipt by the other party is expressly acknowledged in writing by the receiving party.

- h. Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by, construed in accordance with, and enforced under the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between OEM (or any other agency or department of the State of Oregon) and Subrecipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. Each party hereby consents to the exclusive jurisdiction of the Circuit Court of Marion County in the State of Oregon, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.
- i. Compliance with Law.** Subrecipient shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to the implementation of the Project, including without limitation as described in Exhibit B. Without limiting the generality of the foregoing, Subrecipient expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
- j. Insurance; Workers' Compensation.** All employers, including Subrecipient, that employ subject workers who provide services in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. Employer's liability insurance with coverage limits of not less than \$500,000 must be included. Subrecipient shall ensure that each of its subrecipient(s), contractor(s), and subcontractor(s) complies with these requirements.
- k. Independent Contractor.** Subrecipient shall perform the Project as an independent contractor and not as an agent or employee of OEM. Subrecipient has no right or authority to incur or create any obligation for or legally bind OEM in any way. OEM cannot and will not control the means or manner by which Subrecipient performs the Project, except as specifically set forth in this Agreement. Subrecipient is responsible for determining the appropriate means and manner of performing the Project. Subrecipient acknowledges and agrees that Subrecipient is not an "officer", "employee", or "agent" of OEM, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.
- l. Severability.** If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- m. Counterparts.** This Agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.

**n. Integration and Waiver.** This Agreement, including all Exhibits and referenced documents, constitutes the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The delay or failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by that Party of that or any other provision. Subrecipient, by the signature below of its authorized representative, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

**THE PARTIES**, by execution of this Agreement, hereby acknowledge that each Party has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

SIGNATURE PAGE TO FOLLOW

**MORROW COUNTY**

By \_\_\_\_\_

Name \_\_\_\_\_  
(printed)

Date \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY**  
(If required for Subrecipient)

By \_\_\_\_\_  
Subrecipient's Legal Counsel

Date \_\_\_\_\_

**Subrecipient Program Contact:**

John A Bowles  
Emergency Manager  
Morrow County Emergency Management  
325 Willow View Dr  
PO Box 159  
Heppner, OR 97836  
541-676-5317  
jbowles@co.morrow.or.us

**Subrecipient Fiscal Contact:**

Katherine Knop  
Finance Director  
Morrow County  
PO Box 867  
Heppner, OR 97836  
541-676-5615  
kknop@co.morrow.or.us

**STATE OF OREGON**, acting by through its Oregon  
Military Department, Office of Emergency Management

By \_\_\_\_\_

Clint Fella  
Mitigation and Recovery Services Section Manager, OEM

Date \_\_\_\_\_

**APPROVED AS TO FORM**

By Samuel B. Zeigler via email  
Senior Assistant Attorney General

Date November 15, 2018

**OEM Program Contact:**

Jim Jungling  
Program Coordinator, OEM  
Oregon Military Department  
Office of Emergency Management  
PO Box 14370  
Salem, OR 97309-5062  
503-378-3552  
jim.jungling@state.or.us

**OEM Fiscal Contact:**

Jim Jungling  
Program Coordinator, OEM  
Oregon Military Department  
Office of Emergency Management  
PO Box 14370  
Salem, OR 97309-5062  
503-378-3552  
jim.jungling@state.or.us

## EXHIBIT A

### Project Description and Budget

#### I. Project Description

The FY2018 EMPG Program focuses on the development and sustainment of core capabilities as outlined in the National Preparedness Strategy. Particular emphasis is placed on building and sustaining capabilities that address high consequence events that pose the greatest risk to the security and resilience of the United States. Capabilities are the means to accomplish a mission, function, or objective based on the performance of related tasks, under specified conditions, to target levels of performance. The FY2018 EMPG Work Plan identifies the specific tasks to be performed towards the development and sustainment of core capabilities in Subrecipient's jurisdiction. The funds from this agreement are meant to supplement a portion of Subrecipient's day-to-day operational costs for Emergency Management, as outlined in Subrecipient's approved Work Plan. The Work Plan may be updated upon approval by OEM.

#### II. Budget

Personnel Services - John Bowles	\$ 70,084
General Office Supplies	\$ -
Other Supplies	\$ 9,000
Rent	\$ -
Phone	\$ 3,000
Other Utilities	\$ -
Contractual/Professional Services - Specify	\$ -
Maintenance Costs - Specify	\$ 10,000
Travel/Vehicle Expenses/Mileage	\$ 2,000
Training/Workshops/Conferences	\$ 11,000
Cost Allocations/De Minimis	\$ -
Other - Specify	\$ -
<b>Total</b>	<b>\$ 105,084</b>



## EXHIBIT B

### Federal Requirements and Certifications

**I. General.** Subrecipient agrees to comply with all federal requirements applicable to this Agreement. Those federal requirements include, without limitation, financial management and procurement requirements; requirements for maintaining accounting and financial records in accordance with Generally Accepted Accounting Principles (GAAP); and all other financial, administrative, and audit requirements as set forth in the most recent versions of the Code of Federal Regulations (CFR), Department of Homeland Security (DHS) program legislation, and DHS/Federal Emergency Management Agency (FEMA) regulations.

### II. Specific Requirements and Certifications

- A. Debarment, Suspension, Ineligibility and Voluntary Exclusion.** Subrecipient certifies by accepting funds under this Agreement that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, nor voluntarily excluded from participation in this transaction by any Federal department or agency (2 CFR 200.213).
- B. Standard Assurances and Certifications Regarding Lobbying.** Subrecipient is required to comply with 2 CFR 200.450 and the authorities cited therein, including 31 USC § 1352 and *New Restrictions on Lobbying* published at 55 Federal Register 6736 (February 26, 1990.)
- C. Compliance with Applicable Law.** Subrecipient agrees to comply with all applicable laws, regulations, program guidance, and guidelines of the State of Oregon, the Federal Government and OEM in the performance of this Agreement, including but not limited to:
1. Administrative Requirements set forth in 2 CFR Part 200, including without limitation:
    - a. Using Grant Funds only in accordance with applicable cost principles described in 2 CFR Subpart E, including that costs allocable to this Grant may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by federal statutes, regulations or the terms of federal awards or other reasons;
    - b. Subrecipient must establish a Conflict of Interest policy applicable to any procurement contract or subawards made under this Agreement in accordance with 2 CFR 200.112. Conflicts of Interest must be disclosed in writing to the OEM within 5 calendar days of discovery including any information regarding measures to eliminate, neutralize, mitigate or otherwise resolve the conflict of interest.
  2. USA Patriot Act of 2001, which amends 18 USC §§ 175-175c.
  3. Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 USC 2225(a).
  4. 31 USC 3729, prohibiting recipients of federal payments from submitting a false claim for payment. *See* 38 USC 3801-3812 detailing administrative remedies for false claims and statements made.
  5. 10 USC §§ 2409 and 2324 and 41 USC §§ 4712, 4304 and 4310 requiring compliance with whistleblower protections, as applicable.
  6. No supplanting. Grant Funds under this Agreement shall not replace funds that have been budgeted for the same purposes through non-Federal sources. Subrecipient may be required to

demonstrate and document that a reduction in non-Federal resources occurred for reasons other than receipt or expected receipt of Federal funds.

**D. Non-discrimination and Civil Rights Compliance, Equal Employment Opportunity Program, and Services to Limited English Proficient (LEP) Persons.**

- 1. Non-discrimination and Civil Rights Compliance.** Subrecipient, and all its contractors and subcontractors, assures compliance with all applicable nondiscrimination laws, including but not limited to:
  - a. Title VI of the Civil Rights Act of 1964, 42 USC § 2000d et seq., as amended, and related nondiscrimination regulations in 6 CFR Part 21 and 44 CFR Part 7.
  - b. Title VIII of the Civil Rights Act of 1968, 42 USC § 3601, as amended, and implementing regulations at 6 CFR Part 21 and 44 CFR Part 7.
  - c. Titles I, II, and III of the Americans with Disabilities Act of 1990, as amended, 42 USC §§ 12101 – 12213.
  - d. Age Discrimination Act of 1975, 42 USC § 6101 et seq.
  - e. Title IX of the Education Amendments of 1972, as amended, 20 USC § 1681 et seq.
  - f. Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC § 794, as amended.
  - g. If, during the past three years, Subrecipient has been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, Subrecipient must provide a letter certifying that all documentation of such proceedings, pending or completed, including outcome and copies of settlement agreements will be made available to OEM upon request. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against Subrecipient, or Subrecipient settles a case or matter alleging such discrimination, Subrecipient must forward a letter to OEM summarizing the finding and making a copy of the complaint and findings available to OEM.
- 2. Equal Employment Opportunity Program.** Subrecipient, and any of its contractors and subcontractors, certifies that an equal employment opportunity program will be in effect on or before the effective date of this Agreement. Subrecipient must maintain a current copy on file.
- 3. Services to Limited English Proficient (LEP) Persons.** Subrecipient, and any of its contractors and subcontractors agrees to comply with the requirements Title VI of the Civil Rights Act of 1964 and Executive Order 13166, improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin and resulting agency guidance, national origin discrimination includes discrimination on the basis of LEP. To ensure compliance with Title VI, Subrecipient must take reasonable steps to ensure that LEP persons have meaningful access to your programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. Subrecipient is encouraged to consider the need for language services for LEP persons served or encountered both in developing budgets and in conducting programs and activities. For assistance additional information regarding LEP obligations, please see <http://www.lep.gov>.

**E. Environmental and Historic Preservation.**

1. Subrecipient shall comply with all applicable Federal, State, and local environmental and historic preservation (EHP) requirements and shall provide any information requested by FEMA to ensure compliance with applicable environmental and historic preservation laws including but not limited to:
  - a. National Environmental Policy Act of 1969, as amended, 42 USC § 4321, and related FEMA regulations, 44 CFR Part 10.
  - b. National Historic Preservation Act, 16 USC § 470 et seq.
  - c. Endangered Species Act, 16 USC § 1531 et seq.
  - d. Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898).

Failure of Subrecipient to meet Federal, State, and local EHP requirements and obtain applicable permits may jeopardize Federal funding.

2. Subrecipient shall not undertake any project without prior EHP approval by FEMA, including but not limited to communications towers, physical security enhancements, new construction, and modifications to buildings, structures, and objects that are 50 years old or greater. Subrecipient must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, Subrecipient must ensure monitoring of ground disturbance and if any potential archeological resources are discovered, Subrecipient will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Any construction activities that have been initiated without the necessary EHP review and approval will result in a non-compliance finding and will not be eligible for FEMA funding.
3. For any of Subrecipient's or its contractors' or subcontractors' existing programs or activities that will be funded by these grant funds, Subrecipient, upon specific request from the U.S. DHS, agrees to cooperate with the U.S. DHS in any preparation by the U.S. DHS of a national or program environmental assessment of that funded program or activity.

**F. PROCUREMENT OF RECOVERED MATERIALS.** Subrecipient must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Recovery and Conservation Act and in accordance with Environmental Protection Agency guidelines at 40 CFR Part 247.

**G. SAFECOM.** If the Grant Funds are for emergency communication equipment and related activities, Subrecipient must comply with SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

**H. Drug Free Workplace Requirements.** Subrecipient agrees to comply with the requirements of the Drug-Free Workplace Act of 1988, 41 USC § 701 et seq., as amended, and implementing regulations at 2 CFR Part 3001 which require that all organizations receiving grants (or subgrants) from any Federal agency agree to maintain a drug-free workplace. Subrecipient must notify this office if an employee of Subrecipient is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment.

- I. Human Trafficking (2 CFR Part 175).** Subrecipient must comply with requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, 22 USC § 7104, as amended and 2 CFR § 175.15.
- J. Fly America Act of 1974.** Subrecipient agrees to comply with the requirements of the Preference for U.S. Flag Air Carriers: (air carriers holding certificates under 49 USC § 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, as amended, (49 USC § 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to the Comptroller General Decision B138942.
- K. Activities Conducted Abroad.** Subrecipient agrees to comply with the requirements that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.
- L. Acknowledgement of Federal Funding from DHS.** Subrecipient agrees to comply with requirements to acknowledge Federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds.
- M. Copyright.** Subrecipient shall affix the applicable copyright notices of 17 USC § 401 or 402 and an acknowledgement of Government sponsorship (including Subgrant number) to any work first produced under an award unless the work includes any information that is otherwise controlled by the Government (e.g., classified information or other information subject to national security or export control laws or regulations). For any scientific, technical, or other copyright work based on or containing data first produced under this Agreement, including those works published in academic, technical or professional journals, symposia proceedings, or similar works, Subrecipient grants the Government a royalty-free, nonexclusive and irrevocable license to reproduce, display, distribute copies, perform, disseminate, or prepare derivative works, and to authorize others to do so, for Government purposes in all such copyrighted works.
- N. Patents and Intellectual Property Rights.** Unless otherwise provided by law, Subrecipient is subject the Bayh-Dole Act, 35 USC § 200 et seq., as amended, including requirements governing the development, reporting and disposition of rights to inventions and patents resulting from financial assistance awards, 37 CFR Part 401, and the standard patent rights clause in 37 CFR § 401.14.
- O. Use of DHS Seal, Logo and Flags.** Subrecipient agrees to obtain DHS's approval prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.
- P. Personally Identifiable Information (PII).** Subrecipient, if it collects PII, is required to have a publically available privacy policy that described what PII they collect, how they use it, whether they share it with third parties and how individuals may have their PII corrected where appropriate.

**Q. Federal Debt Status.** Subrecipient shall be non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, benefit overpayments and any amounts due under Section 11.c of this Agreement. See OMB Circular A-129 for additional information and guidance.

**R. Construction Contracts.**

1. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
2. When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141–3144, and 3146–3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”).
3. Contracts awarded by Grantee in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).
4. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387).

**S. Funding Agreements.** If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and Grantee wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” Grantee must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

**T. Terrorist Financing.** Subrecipient must comply with US Executive Order 13224 and US law that prohibits transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of Subrecipients to ensure compliance with the EO and laws.

**U. Federal Leadership on Reducing Text Messaging while Driving.** Subrecipient is encouraged to adopt and enforce policies that ban text messaging while driving as described in E.O. 13513, including conducting initiatives described in Section 3(a) of the Order when on official government business or when performing any work for or on behalf of the federal government.

**V. Energy Policy and Conservation Act.** Subrecipient must comply with the requirements of 42 USC § 6201 which contains policies relating to energy efficiency that are defined in the state energy conservation plan issues in compliance with the Act.

**W. DHS Specific Acknowledgements and Assurances.** All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

1. Recipients must cooperate with any compliance reviews or compliance investigations conducted by DHS.

2. Recipients must give DHS access to, and the right to examine and copy, records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance.

3. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.

4. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

5. If, during the past three years, recipients have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency (LEP)), sex, age, disability, religion, or familial status, recipients must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements to the DHS FAO and the DHS Office of Civil Rights and Civil Liberties (CRCL) by e-mail at [crcl@hq.dhs.gov](mailto:crcl@hq.dhs.gov) or by mail at U.S. Department of Homeland Security Office for Civil Rights and Civil Liberties Building 410, Mail Stop #0190 Washington, D.C. 20528.

6. In the event courts or administrative agencies make a finding of discrimination on grounds of race, color, national origin (including LEP), sex, age, disability, religion, or familial status against the recipient, or recipients settle a case or matter alleging such discrimination, recipients must forward a copy of the complaint and findings to the DHS FAO and the CRCL office by e-mail or mail at the addresses listed above.

The United States has the right to seek judicial enforcement of these obligations.

**X. Nondiscrimination in Matters Pertaining to Faith-Based Organizations.** It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Subrecipient must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

## EXHIBIT C

### Subagreement Insurance Requirements

#### GENERAL.

Subrecipient shall require in its first tier subagreements with entities that are not units of local government as defined in ORS 190.003, if any, to: i) obtain insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the subagreement commences, and ii) maintain the insurance in full force throughout the duration of the subagreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to OEM. Subrecipient shall not authorize work to begin under subagreements until the insurance is in full force. Thereafter, Subrecipient shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Subrecipient shall incorporate appropriate provisions in the subagreement permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Subrecipient permit work under a subagreement when Subrecipient is aware that the contractor is not in compliance with the insurance requirements. As used in this section, "first tier" means a subagreement in which Subrecipient is a Party.

#### TYPES AND AMOUNTS.

i. WORKERS COMPENSATION. Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers' compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

ii. COMMERCIAL GENERAL LIABILITY.

Commercial General Liability Insurance covering bodily injury, death, and property damage in a form and with coverages that are satisfactory to State. This insurance shall include personal injury liability, products and completed operations. Coverage shall be written on an occurrence form basis, with not less than the following amounts as determined by OEM:

Bodily Injury, Death and Property Damage:

\$500,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. AUTOMOBILE Liability Insurance: Automobile Liability.

Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Automobile Liability Insurance must be in not less than the following amounts as determined by OEM:

Bodily Injury, Death and Property Damage:

\$500,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

ADDITIONAL INSURED. The Commercial General Liability Insurance and Automobile Liability insurance must include OEM, its officers, employees and agents as Additional Insureds but only with respect to the contractor's activities to be performed under the Subcontract. Coverage must be primary and non-contributory with any other insurance and self-insurance.

"TAIL" COVERAGE. If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, the contractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the Subcontract, for a minimum of 24 months following the later of : (i) the contractor's completion and Subrecipient's acceptance of all Services required under the Subcontract or, (ii) the expiration of all warranty periods provided under the Subcontract. Notwithstanding the foregoing 24-month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then the contractor may request and OEM may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If OEM approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

NOTICE OF CANCELLATION OR CHANGE. The contractor or its insurer must provide 30 days' written notice to Subrecipient before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

CERTIFICATE(S) OF INSURANCE. Subrecipient shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the Subcontract. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

INSURANCE REQUIREMENT REVIEW. Recipient agrees to periodic review of insurance requirements by OEM under this Agreement and to provide updated requirements as mutually agreed upon by OEM and Recipient.

OEM ACCEPTANCE. All insurance providers are subject to OEM acceptance. If requested by OEM, Recipient shall provide complete copies of its Contractors' insurance policies, endorsements, self-insurance documents and related insurance documents to OEM's representatives responsible for verification of the insurance coverages required under this Exhibit C.



## Exhibit D

### Information required by 2 CFR 200.331(a)

1. Federal Award Identification:
  - (i) Sub-recipient name (which must match registered name in DUNS): Morrow County
  - (ii) Sub-recipient's DUNS number: 010741189
  - (iii) Federal Award Identification Number (FAIN): EMS-2018-EP-00005-S01
  - (iv) Federal Award Date: October 1, 2017
  - (v) Sub-award Period of Performance Start and End Date: From July 1, 2018 to June 30, 2019
  - (vi) Amount of Federal Funds Obligated by this Agreement: \$52,542
  - (vii) Total Amount of Federal Funds Obligated to the Subrecipient by the pass-through entity including this Agreement: \* \$52,542
  - (viii) Total Amount of Federal Award committed to the subrecipient by the pass-through entity: \$52,542
  - (ix) Federal award project description: Emergency Management Performance Grant (EMPG) Program provides resources to assist state, local, tribal, and territorial governments in preparing for all hazards, as authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (42 U.S.C. 5121 et seq.).
  - (x)
    - (a) Name of Federal awarding agency: U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA)
    - (b) Name of pass-through entity: Oregon Military Department, Office of Emergency Management
    - (c) Contact information for awarding official of the pass-through entity: Andrew Phelps, Director, PO Box 14370, Salem, OR 97309-5062
  - (xi) CFDA Number and Name: 97.042, Emergency Management Performance Grants  
Amount: \$5,265,835
  - (xii) Is Award R&D? No
  - (xiii) Indirect cost rate for the Federal award: 11%
2. Subrecipient's indirect cost rate: 0%

\*The Total amount of Federal Funds Obligated to the Subrecipient by the pass-through entity is the Total Amount of Federal Funds Obligated to the Subrecipient by the pass-through entity during the current Federal fiscal year.



**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
 (Page 1 of 2)

(For BOC Use)  
 Item #  
5a

Please complete for each agenda item submitted for consideration by the Board of Commissioners  
 (See notations at bottom of form)

Staff Contact: Justin Nelson Phone Number (Ext): 5626  
 Department: District Attorney Requested Agenda Date: 1/23/2019  
 Short Title of Agenda Item: **District Attorney Vehicle Policy Change**  
 (No acronyms please)

**This Item Involves:** (Check all that apply for this meeting.)

<input checked="" type="checkbox"/> Order or Resolution	<input type="checkbox"/> Appointments
<input type="checkbox"/> Ordinance/Public Hearing:	<input type="checkbox"/> Update on Project/Committee
<input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading	<input type="checkbox"/> Consent Agenda Eligible
<input type="checkbox"/> Public Comment Anticipated:	<input type="checkbox"/> Discussion & Action
Estimated Time:	Estimated Time:
<input type="checkbox"/> Document Recording Required	<input type="checkbox"/> Purchase Pre-Authorization
<input type="checkbox"/> Contract/Agreement	<input type="checkbox"/> Other

N/A      Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity:  
 Contractor/Entity Address:  
 Effective Dates – From:      Through:  
 Total Contract Amount:      Budget Line:  
 Does the contract amount exceed \$5,000?     Yes     No

Reviewed By:

_____	Department Head	Required for all BOC meetings
<u>David A. Nelson</u>	DATE	
_____	Admin. Officer/BOC Office	Required for all BOC meetings
<u>1/22/19</u>	DATE	
_____	County Counsel	*Required for all legal documents
_____	DATE	
_____	Finance Office	*Required for all contracts; other items as appropriate.
_____	DATE	
_____	Human Resources	*If appropriate
_____	DATE	

\* Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

**Note:** All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

In late November and early December 2018 I proposed a vehicle policy change and purchase of a replacement District Attorney Office vehicle as part additional duties for CREZ duties as assigned by the Morrow County Board of Commissioners.

During the Board of Commissioner meeting to discuss County Counsel reviewing CREZ duties, Commissioner Doherty and Commissioner Russell stated that they did not have a objection to the vehicle policy change. Commissioner Russell had concerns having a policy change and replacement vehicle purchase tied to additional CREZ work, and ultimately CREZ decided to continue with outside counsel.

Based upon the comments from Commissioners during the Board of Commissioner meeting, I am requesting the policy change as a separate item. I will propose the replacement vehicle during the budget meetings.

**2. FISCAL IMPACT:**

**3. SUGGESTED ACTION(S)/MOTION(S):**

1. Move to approve Resolution R-2019-2

Attach additional background documentation as needed.

**BEFORE THE BOARD OF COMMISSIONERS FOR MORROW COUNTY,  
OREGON**

IN THE MATTER OF AMENDING THE )  
MORROW COUNTY PERSONNEL )  
POLICIES WITH RESPECT TO VEHICLE ) RESOLUTION NO. R-2019-2  
USE )  
)

**THE MORROW COUNTY BOARD OF COMMISSIONERS FINDS:**

WHEREAS, the Morrow County Board of Commissioners has reviewed the Morrow County Personnel Policies and determined that amendments are needed.

**THE MORROW COUNTY BOARD OF COMMISSIONERS RESOLVES:**

The Morrow County Personnel Policies shall be amended as depicted on Attachment A.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019.

**MORROW COUNTY BOARD OF COMMISSIONERS  
MORROW COUNTY, OREGON**

\_\_\_\_\_  
Jim Doherty, Chair

\_\_\_\_\_  
Don Russell, Commissioner

\_\_\_\_\_  
Melissa Lindsay, Commissioner

## ATTACHMENT A

### SECTION 3.7 VEHICLE USE

- A. No Personal Use of County Vehicles - Morrow County provides vehicles, either owned or leased by Morrow County, to employees for County business use except as authorized below:
1. When the vehicles are not being used, they must be kept on the employer's premises, except when they are temporarily located elsewhere, such as for repairs, or assigned to a Commissioner under Section 3.5(B), above.
  2. Employees may not use the vehicles for personal purposes except for de minimis use.
- B. No Personal Use of County Vehicles Required to be Used for Commuting - The Morrow County Board of Commissioners hereby requires all of the employees listed below to commute to and from work in the following County vehicles assigned to them:
1. Marked police vehicles assigned to sheriff deputies.
  2. Unmarked law enforcement vehicles assigned to the sheriff, undersheriff, detectives, district attorney, and deputy district attorney (when acting as on-call counsel).
  3. Marked, specially equipped pickups assigned to the public works director and the assistant public works director.
  4. Marked, specially equipped pickup assigned to the general maintenance supervisor when, due to inclement weather, the sanding or snow plow equipment is attached.

This policy hereby prohibits the employees listed above from any personal use other than commuting or de minimis personal use.



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Staff Contact: Justin Nelson
Department: District Attorney

Phone Number (Ext): 5626
Requested Agenda Date: 1/23/2019

Short Title of Agenda Item: Temporary Employee
(No acronyms please)

This Item Involves: (Check all that apply for this meeting.)
Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other Hire Temporary Employee

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Department Head Required for all BOC meetings
Admin. Officer/BOC Office Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate

\* Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

The Morrow County District Attorney Office needs to hire a temporary employee to assist with office coverage. A current employee will be taking significant medical leave, and we believe a temporary employee is needed to cover that workload.

Request: 6 month hire of temporary employee- either through temp agency or county hire.

3 days a week- Tuesday, Wednesday, Thursday.  
8-5 each day (with normal lunch from 12-1).

**2. FISCAL IMPACT:**

**3. SUGGESTED ACTION(S)/MOTION(S):**

1. Move to approve hire of temporary employee for District Attorney Office, for 3 days a week, for up to 6 months.

Attach additional background documentation as needed.

**Morrow County District Attorney  
Office Secretary  
Temporary Employee Job Description**

**Date Prepared:** January, 2019

**Position Title:** Temporary District Attorney Legal Secretary

**Department:** District Attorney's Office

**Supervisor:** District Attorney and Deputy District Attorney

**Position Overview:** Under the direct supervision of the District Attorney, the Temporary Legal Secretary provides secretarial services for the District Attorney Office. Assists the District Attorney and the Deputy District Attorney, with managing schedules, coordinating meetings and travel, answering phones, and communicating with clients. Providing assistance to legal staff in the office, including the use of office systems, Administrator of new case management system, and docket procedures.

**Working Environment:** Work is performed in the District Attorney's office in the Morrow County Courthouse.

**Qualifications:**

1. Education – None required
2. Experience - Prefer experience in office and secretarial work.
3. Equipment Used - Copy machine, paper shredder, typewriter, multi-line telephone, FAX machine, computer and printer.
4. Ability to learn and implement the procedures and practices of the District Attorney's office.
5. A thorough knowledge of secretarial techniques and procedures and the ability to implement them.
6. Ability to effectively use oral and written communication in the performance of duties and responsibilities.
7. Ability to learn and implement county procedures, regulations and requirements with respect to procurement, budget, safety, operations and organization.

**Essential Job Functions**

**Physical:**

1. Ability to lift 40 pounds (box of paper).
2. Ability to sit for extended periods of time.

**Mental:**

1. Ability to read, write and comprehend English.
2. Ability to deal calmly with clients who may be violent or agitated.

**Job Duty Outline:**

DA – Temporary Legal Secretary



- Maintain an effective filing system.
- Handle the office functions and procedures of the District Attorney's office.
  - Provide administrative support for the District Attorney.
- Track all intake.
- Maintain a current case log.
- Compile statistical information as requested.
- Assist with trial preparation as requested.
- Create and maintain reminders for subpoenas, motion deadlines and all other time sensitive processes.
  - Respond to informational inquiries from the public, agencies and organizations.
  - Distribute mail.
- Answer main phone line.
  - Respond to the public, in person, on the phone and in writing in a professional, courteous and helpful manner.
- Create and maintain files for all violations, misdemeanors and felony cases.
- Prepare, type and file legal documents and files with appropriate Courts.
- Collect reports from police departments and the Sheriff's Department.
- Prepare documents relating to charges, sentencing, show cause, warrants and subpoenas.
- Create and maintain all dockets.
- Schedule and facilitate the logistical aspects of the Grand Jury.
  - Summon individuals chosen by the Circuit Court Clerk who are to be seated on the Grand Jury.
  - Generate schedule of cases to be heard by the Grand Jury.
  - Prepare indictments for the signature of the Grand Jury Foreman and District Attorney.
  - Process pay applications for expenses and fees for expert witnesses and other individuals involved by subpoena.
- Department Organization
  - Communicate with other department employees to effectively and efficiently coordinate work programs.
  - Communicate with employees from other departments and agencies in order to coordinate and implement the work program.
  - Communicate with members of the general public in order to coordinate work programs and provide appropriate information about county activities.



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #
5b

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Staff Contact: Kate Knop
Department: Finance

Phone Number (Ext): 5302
Requested Agenda Date: 1/23/2019

Short Title of Agenda Item: (No acronyms please)
Morrow County Financial Statements & Independent Auditors' Report for
Fiscal Year ended June 30, 2018

This Item Involves: (Check all that apply for this meeting.)

- Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Department Head Required for all BOC meetings
Admin. Officer/BOC Office Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate
\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

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**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

Attached are the Morrow County Financial Statements and Independent Auditors' Report for the fiscal year ended June 30, 2018. The reports were finalized on January 4, 2019 and reflect an unmodified opinion. However, a significant deficiency was identified that is not considered to be a material weakness. The Auditor's will address in greater detail.

The report also includes the Management's Discussion and Analysis (MD&A) which provides a narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2018.

The Financial Statement s& Independent Auditors' Report will be posted to the Morrow County website.

**2. FISCAL IMPACT:**

**3. SUGGESTED ACTION(S)/MOTION(S):**

☒ Attach additional background documentation as needed.

**MORROW COUNTY, OREGON**

**Financial Statements and  
Independent Auditors' Report**

**June 30, 2018**

**MORROW COUNTY, OREGON**

**List of Officials**  
**June 30, 2018**

**COMMISSIONERS:**

Don Russell, Chair

Jim Doherty, Vice- Chair

Melissa Lindsay

**TITLE:**

Commissioner

Commissioner

Commissioner

**OTHER ELECTED OFFICIALS:**

Michael Gorman

Bobbi Childers

Ken Matlack

Gayle Gutierrez

Ann Spicer

Stephen K. Haddock

Assessor & Tax Collector

Clerk

Sheriff

Treasurer

Justice of the Peace

Surveyor

**FINANCE DEPARTMENT:**

Katherine Knop

Finance Director

**ADDRESS:**

Courthouse

P. O. Box 867

Heppner, OR 97836

Telephone: 541-676-9061

**MORROW COUNTY, OREGON**

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MORROW COUNTY, OREGON

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**BARNETT & MORO, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

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REBECCA K. RAMOS BAUTISTA, C.P.A.  
MITCHELL L. BOYLAN, C.P.A.  
-----  
GERALD J. MORO, C.P.A. EMERITUS

**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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2018, and the respective changes in financial position, and the respective budgetary comparison for the General Fund, General Road Fund, and Airport 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 9-19 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.

County Commissioners  
Morrow County  
Page three

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 January 3, 2019, 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 January 3, 2019, 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  
January 3, 2019

**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, 2018. 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, 2018, by \$82,034,524 (Net Position). Of this amount, \$1,076,948 may be used to meet the County's ongoing obligations to citizens and creditors.
- The total net position decreased by \$1,801,466 for fiscal year ended June 30, 2018. Of this amount \$1,801,466 was due to the decrease in governmental activities net position. The County had no business-type activities in fiscal year 2018 due to the dissolution of business-type activities in fiscal year 2008.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$11,883,037, a decrease of \$604,600 in comparison to the prior year. Approximately \$6,671,947 is restricted or committed for purposes designated by special revenue or capital outlay funds, and \$5,211,090 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 \$5,211,090 or 39 % 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 21 and 22 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 45 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, and General Road 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 21 through 25 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 2018. 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 31 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 32 through 57 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented as Supplemental Information beginning on page 65 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 \$81.9 million at June 30, 2018.

Capital assets, which consist of the county's land, buildings, improvements, machinery and equipment, and infrastructure, less any related debt to acquire those assets that is still outstanding, represent about 85.01 percent 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 (13.86) percent), pension obligations (72.30 percent), capital leases payable (11.45 percent), and Other post-employment benefits (2.39 percent). Current liabilities, not including current portions of long-term debts, represents about 13.86 percent 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)		
	June 30, 2018	June 30, 2017
Current assets	\$ 13,999	\$ 13,631
Capital assets	79,375	80,838
Total assets	93,374	94,469
 Deferred outflows of resources	4,596	4,926
Current liabilities	2,211	1,414
Long-term debt	13,724	14,145
Total liabilities	15,935	15,559
 Deferred inflows of resources	-	-
 Net position:		
Net investment in capital assets	77,550	78,446
Restricted	3,408	2,210
Unrestricted	1,077	3,180
	\$ 82,035	\$ 83,836

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 decreased by \$1,615,387. This was due to the decrease in net position from Governmental activities. The primary decrease to assets was \$2,401,934 in other capital assets. As of June 30, 2018, the total bank balances were \$1,052,406. Of these deposits, \$500,000, was covered by federal depository insurance. The net result of the transaction regarding capital assets resulted in decreasing net position by \$1,615,387. The County saw a decrease in long term debt for the 17-18 fiscal year. The net result of the County's debt transactions was a decrease in long term debt of \$566,678. The County entered into a note payable with Community Bank for the construction of the Administration Building in Heppner, Oregon. The balance of the note on June 30, 2018 is \$1,777,823. Other transactions contributing to the decrease in net position included accruing the County's other post-employment benefits during the fiscal year ended June 30, 2018 of \$380,465. The net result of these transactions resulted in a \$1,615,387 net decrease in the county's net position.

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

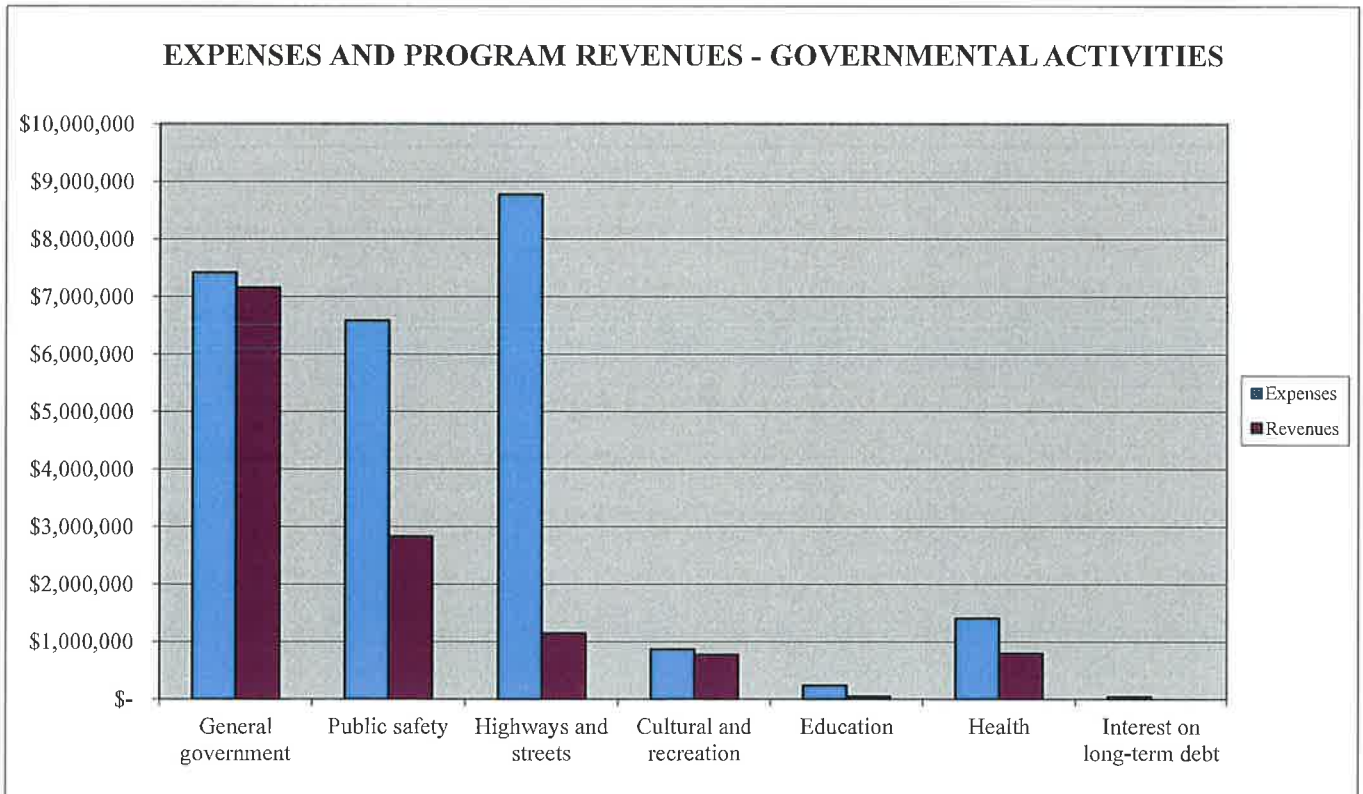
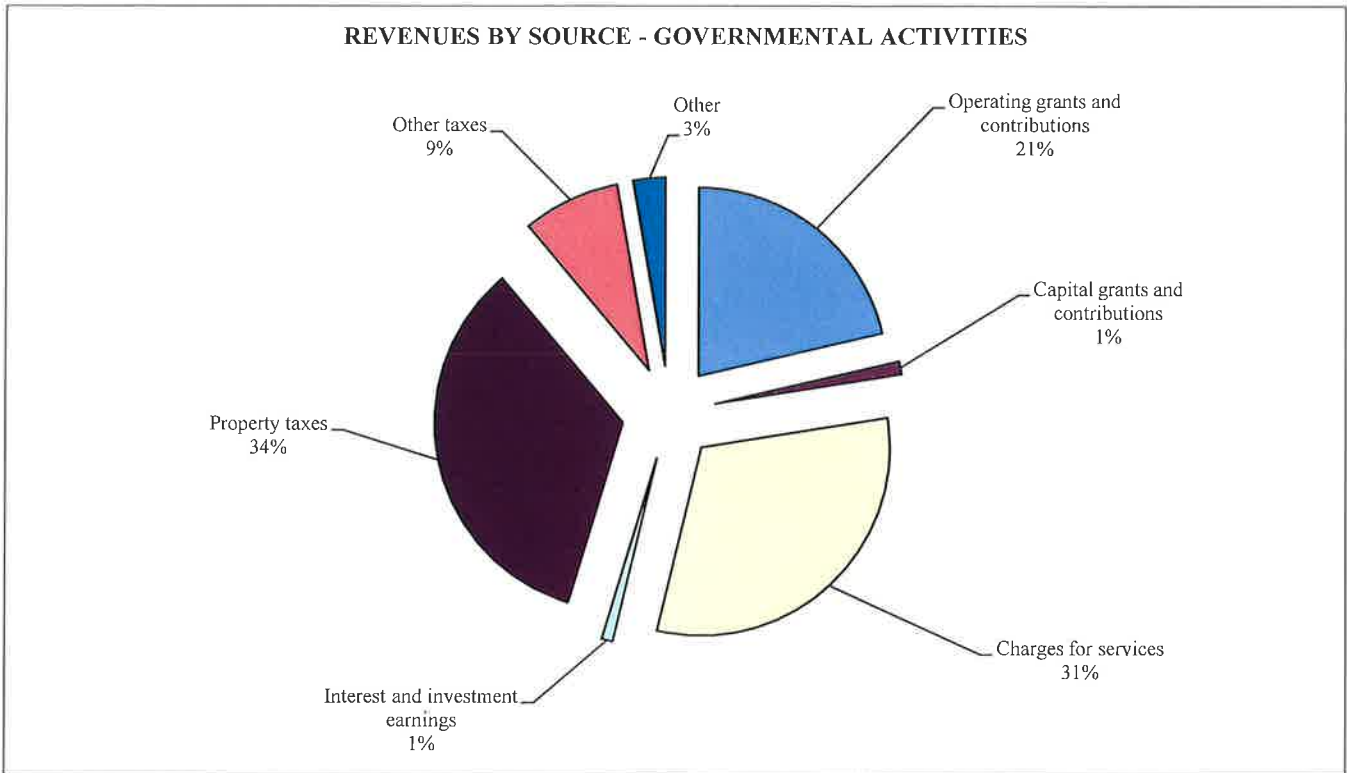
**Governmental Activities.** During the current fiscal year, the County's net position decreased by \$1,653,068 compared to a \$3,804,271 decrease in the prior year.

**Morrow County Changes in Net Position-Governmental Activities**

	2017-2018	2016-2017
<b>Revenues</b>		
Program revenues		
Charges for services	\$7,307,152	\$ 5,458,921
Operating grants and contributions	5,168,216	4,243,324
Capital grants and contributions	266,037	-
General revenues		
Property taxes	8,100,960	8,782,495
Payments in lieu of taxes	862,984	1,563,904
State shared taxes	1,122,177	1,146,496
Interest and investment earnings	225,366	139,813
Other revenues, net	655,579	540,546
Contribution of capital assets	-	-
Gain (Loss) on disposal	-	-
Total revenues	<u>23,708,471</u>	<u>21,875,499</u>
<b>Expenses</b>		
General government	7,420,091	7,130,729
Public safety	6,585,861	5,965,975
Highways and streets	8,774,709	9,823,849
Cultural and recreation	864,548	1,106,859
Education	235,606	189,617
Health	1,402,375	1,407,915
Interest on long-term debt	<u>40,668</u>	<u>54,826</u>
Total expenses	<u>25,323,858</u>	<u>25,679,770</u>
Decrease in net assets before transfer	(1,615,387)	(3,804,271)
Transfers	-	-
Change in net position	<u>(1,615,387)</u>	<u>(3,804,271)</u>
Beginning net position	83,835,990	87,640,261
Prior period adjustment	<u>(186,079)</u>	<u>-</u>
Beginning net position, as restated	<u>83,649,911</u>	<u>87,640,261</u>
Ending net position	<u>\$82,034,524</u>	<u>\$ 83,835,990</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 \$11,883,037, a decrease of \$604,600 in comparison with the prior year. Approximately 43.85% or \$5,211,090 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. \$6,671,947 or 56.15% 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 \$5,211,090, all of which was unassigned. This indicates a high degree of liquidity of the General Fund.

The fund balance of the County's General Fund decreased by \$1,691,832 during the fiscal year ended June 30, 2018. The primary factor in this decrease was a \$1,000,000 contribution towards the defined benefit pension plan liability.

**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.

MORROW COUNTY, OREGON  
MANAGEMENT'S DISCUSSION AND ANALYSIS

The budget increases resulted in increasing appropriations in the following areas:

- The General Fund budget for the Veteran's Department was increased by \$40,421 from the receipt of additional grant revenue.
- The General Fund budget for the Sheriff's Department was increased by \$50,000 from the receipt of additional charges for services, due to the passage of the Morrow County and Ione School District's agreements to supplement funding for the addition of a Special Resource Officer in the South Morrow schools.
- The Victim Witness Fund budget increase of \$67,249 for the VOCA/CFA Non-Competitive Grant revenue. The additional revenue Personnel Services and Materials & Services.
- The General Fund budget increased \$1,000,000 in appropriations, due to a larger than budgeted beginning fund balance. The increase in appropriations was allocated to multiple departments, based on eligible retirement members, towards the personnel retirement benefit contribution. The retirement payment was used to pay down the retirement pension plan liability.
- The General Fund budget for Public Works General Maintenance was increased by \$20,000 from the receipt of additional property tax revenues. The increase in appropriations was used to purchase a pickup and equipment.
- The Park Fund budget was increased by \$38,350 due to a higher than budgeted beginning fund balance. The increase in appropriations included Cutsforth Park (\$12,400), Anson Wright Park (\$6,800), and the ATV Park (\$19,150).
- The Park Fund budget was increased by an additional \$60,000, due to a higher than budgeted beginning fund balance. The increase in ATV Park (\$60,000) capital outlay was used to purchase 10 cabins that resided on the parks property.
- The General Fund Non Department Special Payments budget increased by \$407,000 as a result of funds received from the Oregon Health Authority passed thru to Community Counseling Solutions for the Intergovernmental Agreement financing the Community Addictions and Mental Health. The IGA #153133 is for the 2017-2019 Biennium.
- The General Fund Sheriff's Department increased by \$55,000 in Grant Revenue for the purchases of a State Marine Patrol boat. The Capital Outlay appropriations increased by \$55,00 for a total of \$386,495/
- The General Fund Health Department increased \$60,000 in Grant Revenue for MAC – Medicaid (\$40,000); the Transformation Grant (\$15,000); and the LCAC grant (\$5,000). The Materials & Services were increased to reflect an increase in operating expenditures.
- The General Fund budget for the Transfer Station-North was increased by \$12,000 due to the receipt of additional fees/charges for services.
- The General Fund budget for the Transfer Station-South was increased by \$18,000 due to the receipt of additional fees/charges for services.
- The County School Fund and the Ione School Fund budgets were increased by \$40,000, and \$7,000, respectively, due to the receipt of additional revenue.
- The Justice Court Bails & Fines Fund budget was increased by \$80,000 due to the receipt of additional fees/charges for services.

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, 2018, amounts to \$79,374,582 (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, Weed Equipment Reserve Fund, Park Fund, and STF Operating Fund which included the following:

- General – Sheriff's Equipment \$374,752
- General – Public Works General Maintenance \$41,958
- General – Non Departmental \$161,419
- Road Equipment Reserve - \$400,051
- Road Fund - \$348,381
- Computer Equipment Reserve – \$18,642
- Weed Equipment Reserve - \$46,081
- Parks - \$365,902
- Building Reserve - \$29,084
- STF - Vehicles \$45,603

Additional information on the County's capital assets can be found in note 5 on page 42 of this report.

**Long-term debt.** At the end of the current fiscal year, the County had total debt outstanding of \$1,777,823. This was in the form of long-term capital lease obligations, and a construction loan for the new Heppner Administrative Building. The County's total long-term debt decreased by \$347,139 during the current fiscal year.

Additional information on the County's long-term debt can be found in note 6 on page 43 of this report.

MORROW COUNTY, OREGON  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Key Economic Factors and Budget Information**

- Morrow County has experienced 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 2018-2019 fiscal year the County will see the seventh significant payment of Strategic Investment Program (SIP) monies from the Caithness/Shepherds Flat Wind Project and the second significant payment from PGE – Carty Plant. The 2018-2019 budget includes an estimated receipt of \$2,727,094 for these payments which will be used to fund Road Fund capital projects within the County.
- It is anticipated that the costs of providing cost of living wage increases to be 3.0 %, and medical & dental insurance coverage to employees will continue to rise, by approximately 8-10% in the next fiscal year.
- The County's Retirement Plan must continue to be "equal to or better" than the PERS plan to remain in effect. The Plan was tested in 2009-2010 and passed the "equal to or better" standard. Retirement Plan contributions by the County will be at 24.8% for the 2018-2019 fiscal year. The County's contribution of \$1,000,000 to the Retirement Plan increased the funded liability from 66% to 71% as reflected in preliminary reports dated July 1, 2018. The Retirement Plan is currently being reviewed for sustainability.
- 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 2018-2019 budget included several transfers to the Road Fund of unrestricted, non-property tax monies. The 2018-2019 budget included a transfer of \$1,129,500 from the Finley Buttes License Fee Fund, a transfer of \$200,000 from Finley Buttes Road Improvement Fund, a transfer of \$2,727,094 of Strategic Investment Program (SIP) monies from the Shepherds Flat Fees Fund and PGE Carty Fees, and a transfer of \$70,200 from General Fund.

All of these factors were considered in preparing the County's budget for fiscal year 2018-2019. During the current fiscal year, unassigned fund balance in the General Fund increased to \$5,211,090.

**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, 2018**

	<u>Governmental Activities</u>
<b><u>ASSETS:</u></b>	
Cash and investments	\$ 12,172,414
Receivables (net of allowance for uncollectibles):	
Property taxes	378,508
Other receivables	1,448,119
Capital assets:	
Land and other non-depreciable assets	3,205,803
Other capital assets (net of accumulated depreciation)	76,168,779
Total assets	<u>93,373,623</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES:</u></b>	
Pension and other poste employment benefits deferrals	4,595,521
Total deferred outflows of resources	<u>4,595,521</u>
<b><u>LIABILITIES:</u></b>	
Accounts payable	1,429,188
Accrued payroll and payroll taxes payable	331,869
Compensated absences	447,738
Due to other entities	2,258
Non current liabilities:	
Long-term debt, due within one year	69,348
Long-term debt, due in more than one year	1,755,362
Net pension liability	11,518,392
Other post employment benefits	380,465
Total liabilities	<u>15,934,620</u>
<b><u>NET POSITION:</u></b>	
Net investment in capital assets	77,549,872
Restricted for:	
Highways and streets	2,329,855
Public safety	918,797
Education	1,442
Other restrictions	157,610
Unrestricted	1,076,948
Total net position	<u>\$ 82,034,524</u>

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

**MORROW COUNTY, OREGON**

**Statement of Activities**  
**Year Ended June 30, 2018**

<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	\$ 7,420,091	\$ 5,034,238	\$ 1,857,415	\$ 266,037	\$ (262,401)
Public safety	6,585,861	1,294,277	1,538,185	-	(3,753,399)
Highways and streets	8,774,709	400,311	740,248	-	(7,634,150)
Cultural and recreation	864,548	471,168	294,760	-	(98,620)
Education	235,606	6,832	41,818	-	(186,956)
Health	1,402,375	204,970	591,146	-	(606,259)
Interest on long-term debt	40,668	-	-	-	(40,668)
Total governmental activities	<u>\$ 25,323,858</u>	<u>\$ 7,411,796</u>	<u>\$ 5,063,572</u>	<u>\$ 266,037</u>	<u>(12,582,453)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					8,100,960
Payments in lieu of taxes					862,984
State shared taxes					1,122,177
Interest and investment earnings					225,366
Other revenues					655,579
Total general revenues					<u>10,967,066</u>
Change in net position					<u>(1,615,387)</u>
Net position--beginning					83,835,990
Prior period adjustment (see Note 16)					(186,079)
Net position--beginning, as restated					<u>83,649,911</u>
Net position--ending					<u>\$ 82,034,524</u>

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

**MORROW COUNTY, OREGON**

**Governmental Funds**  
**Balance Sheet**  
**June 30, 2018**

	<u>General</u>	<u>General Road</u>	<u>Airport Fund</u>	<u>Other Governmental</u>	<u>Total</u>
<b><u>ASSETS:</u></b>					
Cash and investments	\$ 5,249,151	\$ 2,485,518	\$ 215,769	\$ 4,221,976	\$ 12,172,414
Receivables					
Property taxes	374,206	-	-	4,302	378,508
Due from other funds	305,000	-	-	-	305,000
Other receivables	304,618	298	110,767	1,032,436	1,448,119
Total assets	<u>\$ 6,232,975</u>	<u>\$ 2,485,816</u>	<u>\$ 326,536</u>	<u>\$ 5,258,714</u>	<u>\$ 14,304,041</u>
<b><u>LIABILITIES:</u></b>					
Accounts payable	\$ 439,101	\$ 464,404	\$ 282,602	\$ 243,081	\$ 1,429,188
Accrued payroll and payroll taxes payable	228,999	65,248	-	37,622	331,869
Due to other entities	2,258	-	-	-	2,258
Due to other funds	-	-	265,000	40,000	305,000
Total liabilities	<u>670,358</u>	<u>529,652</u>	<u>547,602</u>	<u>320,703</u>	<u>2,068,315</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>					
Deferred property taxes	351,527	-	-	1,162	352,689
<b><u>FUND BALANCES:</u></b>					
Restricted	-	1,956,164	-	1,309,829	3,265,993
Committed	-	-	-	3,635,406	3,635,406
Unassigned	5,211,090	-	(221,066)	(8,386)	4,981,638
Total fund balances	<u>5,211,090</u>	<u>1,956,164</u>	<u>(221,066)</u>	<u>4,936,849</u>	<u>11,883,037</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,232,975</u>	<u>\$ 2,485,816</u>	<u>\$ 326,536</u>	<u>\$ 5,258,714</u>	<u>\$ 14,304,041</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, 2018**

Fund Balances - Governmental Funds	\$ 11,883,037
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	\$ 173,616,032
Less accumulated depreciation	<u>(94,241,450)</u>
	79,374,582
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.	4,595,521
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	(1,777,823)
Capital leases payable	(46,887)
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(447,738)
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)	(11,518,392)
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)	(380,465)
Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.	<u>352,689</u>
Net Position of Governmental Activities	<u>\$ 82,034,524</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, 2018**

	<u>General</u>	<u>General Road</u>	<u>Airport Fund</u>	<u>Other Governmental</u>	<u>Total</u>
<b><u>REVENUES:</u></b>					
Taxes	\$ 8,604,229	\$ 929,035	\$ -	\$ 366,878	\$ 9,900,142
Intergovernmental	2,811,778	740,248	266,037	1,616,190	5,434,253
Fees, fines, and charges for services	1,034,977	-	35,793	6,236,382	7,307,152
Investment interest	117,497	14,720	2,947	90,202	225,366
Miscellaneous	290,146	220,578	1,057	104,113	615,894
Total revenues	<u>12,858,627</u>	<u>1,904,581</u>	<u>305,834</u>	<u>8,413,765</u>	<u>23,482,807</u>
<b><u>EXPENDITURES:</u></b>					
Current:					
General government	6,350,060	-	24,314	471,261	6,845,635
Public safety	4,741,416	-	-	1,435,902	6,177,318
Highways and streets	-	5,704,432	-	-	5,704,432
Cultural and recreation	11,000	-	-	684,850	695,850
Education	-	-	-	235,606	235,606
Health	1,393,607	-	-	-	1,393,607
Capital outlay	903,228	348,381	503,135	724,869	2,479,613
Debt service:					
Principal	13,904	205,635	-	347,139	566,678
Interest	1,560	6,352	-	32,756	40,668
Total expenditures	<u>13,414,775</u>	<u>6,264,800</u>	<u>527,449</u>	<u>3,932,383</u>	<u>24,139,407</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>					
	<u>(556,148)</u>	<u>(4,360,219)</u>	<u>(221,615)</u>	<u>4,481,382</u>	<u>(656,600)</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>					
Proceeds from asset disposition	15,000	-	-	37,000	52,000
Transfers in	51,000	5,106,289	-	770,831	5,928,120
Transfers out	<u>(1,201,684)</u>	-	-	<u>(4,726,436)</u>	<u>(5,928,120)</u>
Total other financing sources (uses)	<u>(1,135,684)</u>	<u>5,106,289</u>	<u>-</u>	<u>(3,918,605)</u>	<u>52,000</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>					
	<u>(1,691,832)</u>	<u>746,070</u>	<u>(221,615)</u>	<u>562,777</u>	<u>(604,600)</u>
<b><u>FUND BALANCES, BEGINNING OF YEAR</u></b>					
	<u>6,902,922</u>	<u>1,210,094</u>	<u>549</u>	<u>4,374,072</u>	<u>12,487,637</u>
<b><u>FUND BALANCES, END OF YEAR</u></b>					
	<u>\$ 5,211,090</u>	<u>\$ 1,956,164</u>	<u>\$(221,066)</u>	<u>\$ 4,936,849</u>	<u>\$ 11,883,037</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, 2018**

Net change in fund balances - Governmental Funds \$ (604,600)

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	\$ 2,479,613	
Less current year depreciation	(4,134,779)	
Disposal of Capital Assets and other adjustments	<u>(12,312)</u>	(1,667,478)

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	185,978
---------------------------------------	---------

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.

Principal payments on notes payable and capital leases	566,678
--	---------

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		(11,257)
Net change in net pension liability	235,656	
Net change in net other post employment benefits liability	10,120	
Net change in deferred outflows of resources - pension deferrals	<u>(330,484)</u>	<u>(84,708)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (1,615,387)</u></u>
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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, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b><u>REVENUES:</u></b>				
Property taxes	\$ 6,789,396	\$ 6,840,896	\$ 7,823,592	\$ 1,034,196
Payments in lieu of taxes	631,500	631,500	703,018	71,518
Liquor tax apportionment	50,000	50,000	64,930	14,930
Cigarette tax apportionment	9,000	9,000	8,302	(698)
Amusement Device Tax	-	-	4,387	4,387
Cultural trust grant	7,000	7,000	7,538	538
Wolf depredation grant	8,675	8,675	6,450	(2,225)
Assessor grants	6,000	6,000	7,641	1,641
Assessor fees and other	22,400	22,400	21,073	(1,327)
Clerk, recorder fees, and grants	66,459	66,459	79,819	13,360
Veterans service office grants and other	35,751	76,172	61,829	26,078
District attorney grants and other	40,500	40,500	73,020	32,520
Emergency management grants	62,438	62,438	43,804	(18,634)
Health department fees	143,800	183,800	208,022	64,222
Health department grants and other	410,214	430,214	591,146	180,932
Juvenile court grants and other	21,019	21,019	29,394	8,375
State grant, assessment and taxation	110,600	110,600	88,993	(21,607)
Non-departmental fees and other	1,552,700	1,959,700	1,613,354	60,654
Planning fees and grants	23,700	23,700	39,498	15,798
Weed department fees and grants	37,252	37,252	36,583	(669)
Transfer station revenue and fees	41,100	41,100	66,386	25,286
Sheriff civil fees and other	269,275	319,275	395,963	126,688
Sheriff intergovernmental contracts	363,992	418,992	405,506	41,514
Justice court fines and other	220,000	220,000	360,882	140,882
Interest	40,000	40,000	117,497	77,497
Total revenues	<u>10,972,771</u>	<u>11,636,692</u>	<u>12,858,627</u>	<u>1,885,856</u>
<b><u>EXPENDITURES:</u></b>				
General government:				
County court	653,020	725,838	681,729	44,109
County accountant	321,909	343,587	340,725	2,862
Assessor	744,525	795,942	754,024	41,918
Treasurer	119,680	129,296	125,995	3,301
County clerk	333,615	352,270	316,429	35,841
Veteran's service officer	74,362	118,912	80,594	38,318
Juvenile	370,444	387,860	323,793	64,067
Planning department	362,716	378,735	352,105	26,630
County surveyor	39,640	39,640	29,670	9,970
Public works, administrator	66,512	68,969	66,579	2,390
Public works, general maintenance	577,547	608,668	575,598	33,070
Computer	152,500	152,500	141,715	10,785
Weed department	145,133	152,498	126,556	25,942
Board of Property Tax Appeals	2,680	2,680	1,820	860
Solid waste transfer station - north	75,856	87,856	51,688	36,168
Solid waste transfer station - south	41,151	59,151	65,275	(6,124)
Non-departmental	3,236,103	3,634,108	2,924,683	709,425
Total general government	<u>7,317,393</u>	<u>8,038,510</u>	<u>6,958,978</u>	<u>1,079,532</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, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Continued from previous page.				
<b><u>EXPENDITURES (continued):</u></b>				
Public Safety:				
District attorney	391,127	426,378	398,553	27,825
Justice of the peace	294,998	304,873	276,899	27,974
Sheriff	3,855,450	4,530,921	4,338,192	192,729
Emergency management	81,078	83,224	30,248	52,976
Total public safety	4,622,653	5,345,396	5,043,892	301,504
Heath:				
Health department	1,337,684	1,471,257	1,397,443	73,814
Total health	1,337,684	1,471,257	1,397,443	73,814
Cultural and recreation:				
Museum	11,000	11,000	11,000	-
Total cultural and recreation	11,000	11,000	11,000	-
Contingency	365,000	239,056	-	239,056
Total expenditures	13,653,730	15,105,219	13,411,313	1,693,906
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<b><u>(2,680,959)</u></b>	<b><u>(3,468,527)</u></b>	<b><u>(552,686)</u></b>	<b><u>3,579,762</u></b>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers in	90,100	90,100	51,000	(39,100)
Transfers out	(989,252)	(1,201,684)	(1,201,684)	-
Total other financing sources (uses)	<b><u>(899,152)</u></b>	<b><u>(1,111,584)</u></b>	<b><u>(1,150,684)</u></b>	<b><u>(39,100)</u></b>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b><u>(3,580,111)</u></b>	<b><u>(4,580,111)</u></b>	<b><u>(1,703,370)</u></b>	<b><u>3,540,662</u></b>
<b><u>FUND BALANCES, BEGINNING</u></b>	<b><u>5,554,504</u></b>	<b><u>6,554,504</u></b>	<b><u>6,627,415</u></b>	<b><u>72,911</u></b>
<b><u>FUND BALANCES, ENDING</u></b>	<b><u>\$ 1,974,393</u></b>	<b><u>\$ 1,974,393</u></b>	<b><u>\$ 4,924,045</u></b>	<b><u>\$ 3,613,573</u></b>

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, 2018**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Federal forest fees	\$ 24,703	\$ 24,703	\$ 125,455	\$ 100,752
Licenses	919,026	919,026	929,035	10,009
Intergovernmental	872,541	872,541	614,793	(257,748)
Reimbursed items	10,000	10,000	117,525	107,525
Interest	3,500	3,500	14,720	11,220
Other	115,200	115,200	103,053	(12,147)
Total revenues	<u>1,944,970</u>	<u>1,944,970</u>	<u>1,904,581</u>	<u>(40,389)</u>
<b><u>EXPENDITURES:</u></b>				
Road department	6,621,290	6,411,290	5,947,057	464,233
Capital equipment	529,000	739,000	309,334	429,666
Contingency	30,000	30,000	-	30,000
Total expenditures	<u>7,180,290</u>	<u>7,180,290</u>	<u>6,256,391</u>	<u>923,899</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	<u>(5,235,320)</u>	<u>(5,235,320)</u>	<u>(4,351,810)</u>	<u>883,510</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	4,963,865	4,963,865	5,106,289	142,424
Total other financing sources (uses)	<u>4,963,865</u>	<u>4,963,865</u>	<u>5,106,289</u>	<u>142,424</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	<u>(271,455)</u>	<u>(271,455)</u>	<u>754,479</u>	<u>1,025,934</u>
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>1,271,455</u>	<u>1,271,455</u>	<u>1,087,600</u>	<u>(183,855)</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,842,079</u>	<u>\$ 842,079</u>

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

**MORROW COUNTY, OREGON**

**Airport Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget (Non-GAAP Budgetary Basis) to Actual**  
**Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b><u>REVENUES:</u></b>				
Grants and other	\$ 600,000	\$ 600,000	\$ 266,037	\$ (333,963)
Rental and leases	11,290	11,290	11,320	30
Charges for services	24,240	24,240	24,473	233
Interest	60	60	2,947	2,887
Miscellaneous revenue	400	400	1,057	657
Total revenues	<u>635,990</u>	<u>635,990</u>	<u>305,834</u>	<u>(330,156)</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	38,930	38,930	24,314	14,616
Contingency	1,560	1,560	-	1,560
Capital outlay	597,000	597,000	503,135	93,865
Total expenditures	<u>637,490</u>	<u>637,490</u>	<u>527,449</u>	<u>110,041</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	(1,500)	(1,500)	(221,615)	(220,115)
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>1,500</u>	<u>1,500</u>	<u>549</u>	<u>(951)</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (221,066)</u>	<u>\$ (221,066)</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, 2018**

**Agency Funds**

**ASSETS:**

Cash and investments  
Taxes receivable  
Total assets

\$ 2,879,462  
1,076,902  
3,956,364

**LIABILITIES:**

Payable to other agencies  
Total liabilities

3,956,364  
3,956,364

**NET POSITION**

\$ -

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

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**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, 2018.

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, 2018**

**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.
- The Airport Fund accounts for revenues and expenditures for upkeep and management of County airports.

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**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, 2018**

**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, 2018**

**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, 2018**

**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.

Fund balances by classification for the year ended June 30, 2018 were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>General Road</u>	<u>Airport Fund</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
<b>Restricted:</b>					
Public safety	\$ -	\$ -	-	\$ 892,334	\$ 892,334
Highways and streets	-	1,956,164	-	259,605	2,215,769
Education	-	-	-	280	280
Other restrictions	-	-	-	157,610	157,610
Total restricted	<u>-</u>	<u>1,956,164</u>	<u>-</u>	<u>1,309,829</u>	<u>3,265,993</u>
<b>Committed:</b>					
Culture and recreation	-	-	-	431,816	431,816
Education	-	-	-	31,863	31,863
Capital projects	-	-	-	830,820	830,820
Economic development	-	-	-	605,015	605,015
Other committed	-	-	-	1,735,892	1,735,892
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,635,406</u>	<u>3,635,406</u>
Unassigned	5,211,090	-	(221,066)	(8,386)	4,981,638
Ending fund balance	<u>\$ 5,211,090</u>	<u>\$ 1,956,164</u>	<u>\$ (221,066)</u>	<u>\$ 4,936,849</u>	<u>\$ 11,883,037</u>

Of the amount restricted for highways and streets, \$1,956,164 is restricted by enabling legislation.

The following funds had deficit fund balances as of June 30, 2018, and will be financed with future grant revenues:

Airport Fund	<u>\$ (221,066)</u>
Cami Grant Fund	<u>\$ (8,386)</u>

**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.

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:**

**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, 2018**

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued):**

Two supplemental budgets were adopted during the year ended June 30, 2018; total appropriations increased by \$1,962,520.

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, 2018, the County overexpended the budget of the following funds:

General Fund	Solid Waste Transfer St - South	\$ 6,124
Special Transportation Fund	Materials and Services	\$ 5,223
Willow Creek Wind Fund	Materials and Services	\$ 86,139
Justice Court Bail and Fine Fund	Fine Turnovers	\$ 74,683

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**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	\$ 624,593
Petty cash	<u>1,829</u>
	626,422
Investments	
State of Oregon Local Government Investment Pool	<u>14,425,454</u>
Total cash and investments	<u><u>\$ 15,051,876</u></u>

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

Cash and investments - governmental activities	\$ 12,172,414
Statement of Fiduciary Net Position	<u>2,879,462</u>
	<u><u>\$ 15,051,876</u></u>

**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, 2018, the total bank balances were \$1,052,406. 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, 2018**

**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 100% of the County's total investments.

**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.

**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, 2018, loans receivable and corresponding interest of \$530,333 were outstanding. This balance is not expected to be collected with in one year.

The County expects to collect all receivables, no allowance is deemed necessary. Other Receivables at June 30, 2018 are as follows:

<u>Receivable</u>	<u>General</u>	<u>General Road</u>	<u>Airport Fund</u>	<u>Other Governmental</u>	<u>Total</u>
Intergovernmental	\$ 201,055	\$ -	\$ 110,767	\$ 250,980	\$ 562,802
Other shared taxes	4,863	-	-	39,629	44,492
Charges for services	98,700	298	-	211,494	310,492
Equity Fund loans	-	-	-	518,779	518,779
Equity Fund interest	-	-	-	11,554	11,554
	<u>\$ 304,618</u>	<u>\$ 298</u>	<u>\$ 110,767</u>	<u>\$ 1,032,436</u>	<u>\$ 1,448,119</u>

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 5 - CAPITAL ASSETS:**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 2,266,841	\$ -	\$ -	\$ 2,266,841
Construction in progress	204,506	928,444	(193,988)	938,962
Total capital assets, not being depreciated	<u>2,471,347</u>	<u>928,444</u>	<u>(193,988)</u>	<u>3,205,803</u>
Capital assets, being depreciated:				
Buildings and improvements	16,777,957	471,045	(2,939)	17,246,063
Campsites and trails	838,274	38,233	-	876,507
Machinery and equipment	13,677,551	1,280,006	(284,055)	14,673,502
Bridges	23,159,458	-	-	23,159,458
Infrastructure	114,444,699	10,000	-	114,454,699
Total capital assets being depreciated	<u>168,897,939</u>	<u>1,799,284</u>	<u>(286,994)</u>	<u>170,410,229</u>
Less accumulated depreciation for:				
Buildings and improvements	(7,381,549)	(476,891)	-	(7,858,440)
Campsites and trails	(575,347)	(22,702)	-	(598,049)
Machinery and equipment	(9,480,181)	(776,916)	220,555	(10,036,542)
Bridges	(14,219,179)	(581,380)	-	(14,800,559)
Infrastructure	(58,670,970)	(2,276,890)	-	(60,947,860)
Total accumulated depreciation	<u>(90,327,226)</u>	<u>(4,134,779)</u>	<u>220,555</u>	<u>(94,241,450)</u>
Total capital assets being depreciated, net	<u>78,570,713</u>	<u>(2,335,495)</u>	<u>(66,439)</u>	<u>76,168,779</u>
Governmental activities capital assets, net	<u>\$ 81,042,060</u>	<u>\$(1,407,051)</u>	<u>\$ (260,427)</u>	<u>\$ 79,374,582</u>

Depreciation was charged to functions and programs as follows:

	<u>Governmental activities</u>
General government	\$ 561,534
Public safety	344,572
Highways and streets	3,060,400
Cultural and recreation	165,677
Health	2,596
	<u>\$ 4,134,779</u>

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 6 - LONG TERM DEBT:**

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

Lease purchase agreement payable at \$26,987 annually, by the Road fund, including interest at 3.33%, collateralized by road equipment. Final payment is due May 2019. \$ 26,118

Lease purchase agreement payable at \$1,289 per month, by the General Fund, including interest at 5.65%, collateralized by real estate in Boardman. Final payment is due in October 2019. 20,769

\$ 46,887

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>
2019	\$ 42,455	\$ 1,670	\$ 40,785
2020	6,182	80	6,102
Total	<u>\$ 48,637</u>	<u>\$ 1,750</u>	<u>\$ 46,887</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. The agreement is for interest only payments due monthly at a rate of 1.58% until November 2016. Starting in November 2016, semi-annual principal and interest payments will be due each November and May for \$189,998. The balance of the note payable on June 30, 2018 is \$1,777,823.

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**  
**June 30, 2018**

**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>
2019	\$ 353,102	\$ 26,893
2020	358,535	21,460
2021	364,356	15,639
2022	370,217	9,779
2023-2025	331,613	3,824
Total	<u>\$ 1,777,823</u>	<u>\$ 77,595</u>

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

	<u>Capital Leases</u>	<u>Note Payable</u>	<u>Totals</u>
Principal balance June 30, 2017	\$ 266,426	\$ 2,124,962	\$ 2,391,388
New obligations	-	-	-
Payments	(227,451)	(379,895)	(607,346)
Interest included	7,912	32,756	40,668
Principal balance June 30, 2018	<u>\$ 46,887</u>	<u>\$ 1,777,823</u>	<u>\$ 1,824,710</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, 2018:

Balance June 30, 2017	\$ 436,481
Net change in benefits payable	<u>11,257</u>
Balance June 30, 2018	<u>\$ 447,738</u>

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

**NOTE 8 - DEFERRED INFLOWS OF RESOURCES:**

Deferred revenue at June 30, 2018 consisted of the following:

	<u>Governmental Funds</u>	<u>Statement of Net Position</u>
Property taxes	<u>\$ 166,711</u>	<u>\$ -</u>

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



**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 9 -- 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, 2018 consisted of the following:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
General Fund	Airport Fund	\$ 265,000
General Fund	CAMI Grant Fund	40,000
		<u>\$ 305,000</u>

The following are the County's interfund transfers for the year ended June 30, 2018. All transfers routinely occur between funds:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Purpose</u>	<u>Amount</u>
General	Programming Res.	For purchase of software	\$ 15,000
General	Victim/Witness	For general operations of Victim/Witness advocate	30,000
General	Building Res.	For future construction	50,000
General	Computer Res.	For purchase of computer equipment	15,000
General	General Road	For general operations of General Road	651,488
General	Heppner Admin Build.	For debt service payments of Heppner Admin Build.	394,000
General	Weed Equip Reserve	For capital purchases for weed equipment	46,196
Finley Buttes Road	General Road	For improvements to County Road	200,000
Finley Buttes Lic.	General Road	For general operations & impr. of Co. Roads	1,275,000
STO Operating Grant	Special Transportation	For general operations of the Special Transportation Dept.	30,635
Video Lottery Econ. Develop.	Fair	For general operations of the Fair Fund	5,000
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
Echo Wind Fees	General	For general operations of the County	40,000
Shepherds Flat Fees	General Road	For general operations & impr. of Co. Roads	1,454,590
Shepherds Flat Fees	Road Equip. Res.	For purchases of equipment	175,000
PGE - CARTY	General Road	For general operations & improv. of Co. Roads	1,525,211
		Total	<u>\$ 5,928,120</u>

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**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, 2018**

**NOTE 14 -- SUBSEQUENT TAX REVENUES:**

The 2018-2019 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	\$ 8,318,580
County school fund	25,461
Ione school fund	2,479
Fair fund	69,236
	<u>\$ 8,415,756</u>

After an allowance for expected delinquent tax payments, the County expects to collect at least the amount of property taxes budgeted for 2018-2019.

**NOTE 15 -- TAXES:**

County governmental funds received the following tax revenues:

Property taxes	\$ 7,966,048
Fuel tax apportionment	929,036
Payments in lieu of taxes	862,984
Other taxes	142,074
	<u>\$ 9,900,142</u>

**NOTE 16 -- PRIOR PERIOD ADJUSTMENT:**

The County reduced it's Government-wide net position by \$390,585 because of the implementation of GASB 75. GASB 75 changes the way the County measure's it's OPEB - implied subsidy liability. It also requires that net OPEB liability or asset to be reported on the Statement of Net Position. GASB 75 implementation is required for reporting periods beginning after June 15, 2017. The County also increased it's Government-wide net position by \$204,506 to record construction in process costs that were not included in prior year net position.

Net position reported at June 30, 2017	\$ 83,835,990
OPEB - implied subsidy liability at June 30, 2017	(390,585)
Construction in process at June 30, 2017	204,506
Net position restated at June 30, 2017	<u>\$ 83,649,911</u>

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 17 -- INTERGOVERNMENTAL REVENUES:**

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

Health department funds	\$ 591,146
Oregon Health Authority funds	1,442,322
Park department funds	339,050
Community Corrections funds	670,370
Sheriff department grants	405,506
Road department funds	614,793
911 Emergency funds	300,104
Federal forest fees and federal mineral lease	125,455
Assessment and taxation funds	88,993
Video lottery apportionment	86,798
Victim/Witness assistance funds	60,361
Other federal and state funds	709,355
	<u>\$ 5,434,253</u>

**NOTE 18 -- 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, 2018, Morrow County received the following fees from the landfill operator:

Finley Buttes road fund	\$ 378,412
Finley Buttes license fee fund	<u>1,508,614</u>
	<u>\$ 1,887,026</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, 2018, the balance of funds in the landfill closure agency fund was \$1,203,402.

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 19 -- 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, 2018**

**NOTE 19 -- DEFINED BENEFIT PENSION PLAN (continued):**

The following is a summary of plan participants at July 1, 2017:

Active members:	
Public safety	20
General	82
Total active	<u>102</u>
Inactive participants:	
Vested terminated	23
Non-vested terminated entitled to account balance	44
Retirees and beneficiaries	59
Total inactive	<u>126</u>
Total participants	<u><u>228</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, 2017, the recommended rate was 24.5% of covered payroll. The County contributed 24.5% of covered payroll for the fiscal year ended June 30, 2017. On July 1, 2017 the recommended rate increased to 24.8% of covered payroll for fiscal year ended June 30, 2018.

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

	<u>June 30, 2016</u>	<u>June 30, 2017</u>
Total pension liability	\$30,537,274	\$32,667,258
Plan fiduciary net position	18,783,226	21,148,866
Net pension liability	<u>\$11,754,048</u>	<u>\$11,518,392</u>
Fiduciary net position as a % of total pension liability	61.51%	64.74%
Covered payroll	\$ 5,315,783	\$ 5,802,486
Net pension liability as a % of covered payroll	221.12%	198.51%

**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, 2018**

**NOTE 19 -- DEFINED BENEFIT PENSION PLAN (continued):**

**D. Changes in Net Pension Liability:**

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
Balances June 30, 2016	\$ 30,537,274	\$ 18,783,226	\$ 11,754,048
Changes for the year:			
Service cost	768,358	-	768,358
Interest on total pension liability	2,143,810	-	2,143,810
Effect of plan changes	-	-	-
Effect of economic/demographic (gains) or losses	577,357	-	577,357
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(1,416,721)	(1,416,721)	-
Administrative expenses	-	(45,738)	45,738
Member contributions	57,180	57,180	-
Net investment income	-	2,001,161	(2,001,161)
Employer contributions	-	1,769,758	(1,769,758)
Balances as of June 30, 2017	<u>\$ 32,667,258</u>	<u>\$ 21,148,866</u>	<u>\$ 11,518,392</u>

**E. Sensitivity Analysis:**

The following presents the net pension liability of the Plan, calculated using the discount rate of 7.0%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one percent lower (6.0%) or one percent higher (8.0%) than the current rate:

	<u>1% Decrease 6.0%</u>	<u>Current Rate 7.0%</u>	<u>1% Increase 8.0%</u>
Total pension liability	\$ 36,893,784	\$ 32,667,258	\$ 29,140,653
Fiduciary net position	21,148,866	21,148,866	21,148,866
Net pension liability	<u>\$ 15,744,918</u>	<u>\$ 11,518,392</u>	<u>\$ 7,991,787</u>

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 19 -- DEFINED BENEFIT PENSION PLAN (continued):**

**F. Pension Expense:**

	<u>Fiscal Year Ending June 30, 2018</u>
Service cost	\$ 768,358
Interest on total pension liability	2,143,810
Effect of plan changes	-
Administrative expenses	45,738
Expected investment return net of investment expenses	(1,327,583)
Recognition of deferred (inflows)outflows of resources:	
Recognition of economic/demographic (gains) or losses	679,111
Recognition of assumption changes or inputs	435,548
Recognition of investment (gains) or losses	160,407
Pension expense	<u>\$ 2,905,389</u>

**G. Deferred (Inflows) / Outflows of Resources:**

As of June 30, 2018, the deferred inflows and outflows of resources are as follows:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 730,383
Changes in assumptions or inputs	-	261,329
Net difference between projected and actual earnings	-	722,115
Contributions made subsequent to measurement date	-	2,873,457
	<u>\$ -</u>	<u>\$ 4,587,284</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, 2019.

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>
2019	\$ (866,730)
2020	(656,832)
2021	(324,979)
2022	134,714



**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**  
**June 30, 2018**

**NOTE 20 -- 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, 2016, there were 77 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, 2018, based on the July 1, 2016 valuation date and a June 30, 2017 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.

	Year Ended June 30, 2017	Year Ended June 30, 2018
Total OPEB liability	\$ 390,585	\$ 380,465
Covered payroll	\$ 5,315,783	\$ 5,802,486
Total OPEB liability as a % of covered payroll	7.35%	6.56%
Discount rate	2.85%	3.58%
<b>Other Key Actuarial Assumptions and Methods:</b>		
Valuation date	July 1, 2016	July 1, 2016
Measurement Date	June 30, 2016	June 30, 2017
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, 2018**

**NOTE 20 -- OTHER POST EMPLOYMENT BENEFIT PLAN (continued):**

The following table shows the changes in net OPEB liability from June 30, 2017 to June 30, 2018:

	Increase (Decrease) Total
Balance as of June 30, 2017	\$ 390,585
Changes for the year:	
Service cost	19,370
Interest on total OPEB liability	11,336
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	(16,234)
Benefit payments	(24,592)
Balance as of June 30, 2018	<u>\$ 380,465</u>

The following presents the total OPEB liability of the Plan, calculated using the discount rate of 3.58%, 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 (2.58%) or 1 percentage point higher (4.58%) 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>\$ 403,408</u>	<u>\$ 380,465</u>	<u>\$ 358,776</u>
	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	<u>\$ 353,060</u>	<u>\$ 380,465</u>	<u>\$ 411,178</u>

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 20 -- 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, 2018.

	<u>July 1, 2017 to</u>	
	<u>June 30, 2018</u>	
Service cost	\$	19,370
Interest on total OPEB liability		11,336
Effect of plan changes		-
Recognition of Deferred (Inflows)/Outflows of Resources		
Recognition of economic/demographic (gains) or losses		-
Recognition of assumptions changes or inputs		(2,661)
Administrative expenses		-
Balance as of June 30, 2018	\$	<u>28,045</u>

The following shows the total deferred inflows and outflows of resources as of June 30, 2018, along with a schedule showing the amounts that will be recognized in future years.

	<u>Deferred Inflows</u>	<u>Deferred</u>
	<u>of Resources</u>	<u>Outflows of</u>
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or inputs	(13,573)	-
Contributions made subsequent to measurement date	-	21,810
Total as of June 30, 2018	\$ <u>(13,573)</u>	\$ <u>21,810</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>
2019	\$ (2,661)
2020	(2,661)
2021	(2,661)
2022	(2,661)
2023	(2,661)
Thereafter	(268)
	\$ <u>(13,573)</u>

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**

**June 30, 2018**

**NOTE 21 -- 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):

<b><u>Fund:</u></b>	<b>GAAP Basis Change in Fund Balances</b>	<b>Change in Compensated Absences</b>	<b>Budgetary Basis - Change in Fund Balances</b>
General	\$ (1,691,832)	\$ (11,538)	\$ (1,703,370)
General Road	746,070	8,409	754,479
911 Emergency Telephone	77,640	(1,502)	76,138
Fair	66,249	2,119	68,368
Special Transportation	(19,816)	(644)	(20,460)
Victim/Witness Assistance	870	2,018	2,888
Park	90,993	(2,674)	88,319
Community Corrections	190,146	(7,442)	182,704

**NOTE 22 -- RECONCILIATION OF GAAP BASIS FUND EQUITY TO**

The budgetary basis fund equity reconciles to GAAP basis fund equity as follows (only funds with differences are listed):

<b><u>Fund:</u></b>	<b>GAAP Basis Fund Balances</b>	<b>Compensated Absences</b>	<b>Budgetary Basis Fund Balances</b>
General Fund	5,211,090	\$ (287,045)	\$ 4,924,045
General Road	1,956,164	(114,085)	1,842,079
911 Emergency Telephone	208,442	(10,362)	198,080
Fair	162,910	(499)	162,411
Special Transportation	28,140	(9,094)	19,046
Victim/Witness Assistance	20,243	(3,037)	17,206
Park	442,416	(7,494)	434,922
Community Corrections	411,930	(16,121)	395,809

**MORROW COUNTY, OREGON**

**Notes to Basic Financial Statements**  
**June 30, 2018**

**NOTE 23 -- 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, 2018, 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	\$ 25,774	\$ 7,166	\$ 435	\$ -
Strategic Investment Program	\$ 11,201	\$ 3,399	\$ 3,856	\$ 2,870

**NOTE 24 -- 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.

**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 6/30/2018	Balance of Deferred Inflows 6/30/2018	Balance of Deferred Outflows 6/30/2018
Investment	\$ (673,578)	2016-2017	5.0	\$ (134,716)	\$ (538,862)	\$ -
(gains) or losses	1,817,353	2015-2016	5.0	363,471	-	1,090,411
	1,194,561	2014-2015	5.0	238,912	-	477,825
	(1,536,299)	2013-2014	5.0	(307,260)	(307,259)	-
				<u>\$ 160,407</u>	<u>\$ (846,121)</u>	<u>\$ 1,568,236</u>
Economic/demographic	\$ 577,357	2016-2017	3.6	\$ 160,377	\$ -	\$ 416,980
(gains) or losses	201,509	2015-2016	3.5	57,574	-	86,361
	1,362,260	2014-2015	3.6	378,406	-	227,042
	393,080	2013-2014	3.8	82,754	-	-
				<u>\$ 679,111</u>	<u>\$ -</u>	<u>\$ 730,383</u>
Assumption	\$ -	2016-2017	3.6	\$ -	\$ -	\$ -
changes or inputs	-	2015-2016	3.5	-	-	-
	1,567,973	2014-2015	3.6	435,548	-	261,329
	-	2013-2014	3.8	-	-	-
				<u>\$ 435,548</u>	<u>\$ -</u>	<u>\$ 261,329</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
<b>Total Pension Liability</b>			
Service cost	\$ 564,657	\$ 670,931	\$ 768,358
Interest on total pension liability	1,894,605	2,049,096	2,143,810
Effect of plan changes	-	-	-
Effect of economic/demographic (gains) or losses	1,362,260	201,509	577,357
Effect of assumptions changes or inputs	1,567,973	-	-
Benefit payments	(1,030,803)	(2,021,216)	(1,416,721)
Member contributions	34,322	48,953	57,180
Net change in total pension liability	4,393,014	949,273	2,129,984
Total pension liability, beginning	25,194,987	29,588,001	30,537,274
Total pension liability, ending	<u>\$ 29,588,001</u>	<u>\$ 30,537,274</u>	<u>\$ 32,667,258</u>
<b>Fiduciary Net Position</b>			
Employer contributions	\$ 1,225,021	\$ 1,350,209	\$ 1,769,758
Member contributions	34,322	48,953	57,180
Investment income net of investment expenses	271,052	(447,095)	2,001,161
Benefit payments	(1,030,803)	(2,021,216)	(1,416,721)
Administrative expenses	(13,825)	(67,539)	(45,738)
Net change in plan fiduciary net position	485,767	(1,136,688)	2,365,640
Fiduciary net position, beginning	19,434,147	19,919,914	18,783,226
Fiduciary net position, ending	<u>\$ 19,919,914</u>	<u>\$ 18,783,226</u>	<u>\$ 21,148,866</u>
Net pension liability, ending	\$ 9,668,087	\$ 11,754,048	\$ 11,518,392
Fiduciary net position as a % of total pension liability	67.32%	61.51%	64.74%
Covered payroll	\$ 4,959,599	\$ 5,315,783	\$ 5,802,486
Net pension liability as a % of covered payroll	194.94%	221.12%	198.51%

See accompanying independent auditor's report.



**MORROW COUNTY, OREGON**

**Schedule of Employer Contributions**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarially determined contribution	\$ 1,770	\$ 1,350	\$ 1,225	\$ 1,110	\$ 1,005	\$ 1,133	\$ 1,123	\$ 835	\$ 710	\$ 684
Actual employer contribution	1,770	1,350	1,225	1,075	909	896	1,089	835	710	684
Contribution deficiency (Excess)	-	-	-	(35)	(96)	(237)	(34)	-	-	-
Covered payroll	5,802	5,315	4,960	4,800	4,748	4,837	4,813	4,154	4,165	3,819
Contribution as a % of covered payroll	30.51%	25.40%	24.70%	22.40%	19.14%	18.52%	22.63%	20.10%	17.05%	17.91%
Valuation Date	7/1/2016	7/1/2015	7/1/2014	7/1/2013	7/1/2012	7/1/2011	7/1/2010	7/1/2009	7/1/2008	7/1/2007
Investment Rate of Return Assumption	7.00%	7.00%	7.50%	7.50%	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, 2017**

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, 2016	\$ 18,783,226	12.00	1.00	\$ 20,757,080
Monthly net external cash flows:				
July	10,379	11.00	0.96	11,422
August	33,799	10.00	0.88	36,887
September	(30,339)	9.00	0.79	(32,836)
October	205,226	8.00	0.71	220,278
November	56,024	7.00	0.63	59,634
December	62,925	6.00	0.54	66,425
January	48,502	5.00	0.46	50,775
February	44,422	4.00	0.38	46,118
March	8,259	3.00	0.29	8,503
April	60,163	2.00	0.21	61,429
May	(167,386)	1.00	0.13	(169,490)
June	32,505	0.00	0.04	32,641
Ending Value - June 30, 2017	21,148,866			
Money - Weighted Rate of Return	10.51%			

**Schedule of Investment Returns**

<b>Fiscal Year Ending June 30,</b>	<b>Money-Weighted Rate of Return Net of Investment Expenses</b>
2017	10.51%
2016	(2.27)%
2015	1.39%
2014	16.77%

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

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

	<b>Fiscal Year Ending June 30, <u>June 30, 2018</u></b>
<b>Total Pension Liability</b>	
Service cost	\$ 19,370
Interest on total pension liability	11,336
Effect of plan changes	-
Effect of economic/demographic (gains) or losses	-
Effect of assumptions changes or inputs	-
Benefit payments	(16,234)
Member contributions	(24,592)
Net change in total pension liability	<u>(10,120)</u>
Total pension liability, beginning	390,585
Total pension liability, ending	<u>\$ 380,465</u>
Covered payroll	\$ 5,802,486
Net pension liability as a % of covered payroll	6.56%

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

**Notes to Required Supplementary Information**  
**June 30, 2018**

**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, 2018**

**Special Revenue Funds:**

- Heritage Fund
- Finley Buttes Road Fund
- Commission on Children and Families 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
- STO Operating Grant Fund
- Community Corrections Fund
- PGE - Carty

**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
- Heppner Admin. Building Fund
- 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, 2018**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b><u>ASSETS:</u></b>			
Cash	\$ 3,276,093	\$ 945,883	\$ 4,221,976
Property taxes receivable	4,302	-	4,302
Other receivables	1,032,436	-	1,032,436
Total assets	<u>\$ 4,312,831</u>	<u>\$ 945,883</u>	<u>\$ 5,258,714</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u></b>			
<b><u>LIABILITIES:</u></b>			
Accounts payable	\$ 128,018	\$ 115,063	\$ 243,081
Accrued payroll and payroll taxes payable	37,622	-	37,622
Due to other funds	40,000	-	40,000
Total liabilities	<u>205,640</u>	<u>115,063</u>	<u>320,703</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>			
Deferred property taxes	1,162	-	1,162
<b><u>FUND BALANCES:</u></b>			
Restricted	1,309,829	-	1,309,829
Committed	2,804,586	830,820	3,635,406
Unassigned	(8,386)	-	(8,386)
Total fund balances	<u>4,106,029</u>	<u>830,820</u>	<u>4,936,849</u>
Total fund balances and liabilities	<u>\$ 4,312,831</u>	<u>\$ 945,883</u>	<u>\$ 5,258,714</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, 2018**

	<u>Total Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b><u>REVENUES:</u></b>			
Taxes	\$ 366,878	\$ -	\$ 366,878
Intergovernmental	1,616,190	-	1,616,190
Fees, fines and charges for services	6,236,382	-	6,236,382
Interest	74,602	15,600	90,202
Miscellaneous	58,731	45,382	104,113
Total revenues	<u>8,352,783</u>	<u>60,982</u>	<u>8,413,765</u>
<b><u>EXPENDITURES:</u></b>			
General government	443,324	27,937	471,261
Public safety	1,435,902	-	1,435,902
Culture and recreation	664,460	20,390	684,850
Education	235,606	-	235,606
Capital outlay	233,150	491,719	724,869
Debt service	-	379,895	379,895
Total expenditures	<u>3,012,442</u>	<u>919,941</u>	<u>3,932,383</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>5,340,341</u>	<u>(858,959)</u>	<u>4,481,382</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Proceeds from asset disposition	-	37,000	37,000
Operating transfers in	75,635	695,196	770,831
Operating transfers out	(4,726,436)	-	(4,726,436)
Total other financing sources (uses)	<u>(4,650,801)</u>	<u>732,196</u>	<u>(3,918,605)</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	689,540	(126,763)	562,777
<b><u>FUND BALANCE, BEGINNING OF YEAR</u></b>	<u>3,416,489</u>	<u>957,583</u>	<u>4,374,072</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ 4,106,029</u>	<u>\$ 830,820</u>	<u>\$ 4,936,849</u>

See accompanying independent auditor's report.



**MORROW COUNTY, OREGON**

**Non-Major Special Revenue Funds**

**June 30, 2018**

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.
- **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, 2018**

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.
- **STO Operating Grant Fund** - accounts for revenues and expenditures associated with the STO Operating 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.

**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**

**Combining Balance Sheet**

**June 30, 2018**

	<u>Heritage</u>	<u>Finley Buttes Road</u>	<u>Commission on Children and Families</u>	<u>Law Library</u>	<u>911 Emergency Telephone</u>	<u>Surveyor Preserve- tion</u>	<u>Finley Buttes Lic. Fees</u>	<u>County School</u>
<b><u>ASSETS:</u></b>								
Cash	\$ 17,483	\$ 227,914	\$ 66,158	\$ 32,064	\$ 140,484	\$ 205,358	\$ 360,759	\$ 187
Property taxes receivable	-	-	-	-	-	-	-	1,127
Other receivables	-	31,691	-	-	76,466	76	126,261	-
Total assets	<u>\$ 17,483</u>	<u>\$ 259,605</u>	<u>\$ 66,158</u>	<u>\$ 32,064</u>	<u>\$ 216,950</u>	<u>\$ 205,434</u>	<u>\$ 487,020</u>	<u>\$ 1,314</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>								
<b><u>LIABILITIES:</u></b>								
Accounts payable	\$ 216	\$ -	\$ -	\$ 201	\$ -	\$ -	\$ 5,258	\$ -
Accrued payroll and payroll taxes payable	-	-	-	-	8,508	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>216</u>	<u>-</u>	<u>-</u>	<u>201</u>	<u>8,508</u>	<u>-</u>	<u>5,258</u>	<u>-</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>								
Deferred property taxes	-	-	-	-	-	-	-	1,059
<b><u>FUND BALANCES:</u></b>								
Restricted	-	259,605	66,158	-	208,442	-	-	255
Committed	17,267	-	-	31,863	-	205,434	481,762	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>17,267</u>	<u>259,605</u>	<u>66,158</u>	<u>31,863</u>	<u>208,442</u>	<u>205,434</u>	<u>481,762</u>	<u>255</u>
	<u>\$ 17,483</u>	<u>\$ 259,605</u>	<u>\$ 66,158</u>	<u>\$ 32,064</u>	<u>\$ 216,950</u>	<u>\$ 205,434</u>	<u>\$ 487,020</u>	<u>\$ 1,314</u>

Continued on next page.

**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**

**Combining Balance Sheet**

**June 30, 2018**

Continued from previous page.

	<u>Ione School</u>	<u>Fair</u>	<u>Special Trans- portation</u>	<u>Alcohol Enforcement</u>	<u>Video Lottery Economic Development</u>	<u>Victim/ Witness Assistance</u>	<u>Willow Creek Wind</u>	<u>CAMI Grant</u>
<b><u>ASSETS:</u></b>								
Cash	\$ 18	\$ 164,232	\$ 36,962	\$ 22,694	\$ 66,421	\$ 16,314	\$ 34,877	\$ 35,240
Property taxes receivable	110	3,065	-	-	-	-	-	-
Other receivables	-	-	-	-	-	7,129	-	-
Total assets	<u>\$ 128</u>	<u>\$ 167,297</u>	<u>\$ 36,962</u>	<u>\$ 22,694</u>	<u>\$ 66,421</u>	<u>\$ 23,443</u>	<u>\$ 34,877</u>	<u>\$ 35,240</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>								
<b><u>LIABILITIES:</u></b>								
Accounts payable	\$ -	\$ 3,656	\$ 5,781	\$ -	\$ -	\$ 605	\$ -	\$ 3,626
Accrued payroll and payroll taxes payable	-	731	3,041	-	-	2,595	-	-
Due to other funds	-	-	-	-	-	-	-	40,000
Total liabilities	<u>-</u>	<u>4,387</u>	<u>8,822</u>	<u>-</u>	<u>-</u>	<u>3,200</u>	<u>-</u>	<u>43,626</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>								
Deferred property taxes	<u>103</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCES:</u></b>								
Restricted	25	-	-	22,694	66,421	-	-	-
Committed	-	162,910	28,140	-	-	20,243	34,877	-
Unassigned	-	-	-	-	-	-	-	(8,386)
Total fund balances	<u>25</u>	<u>162,910</u>	<u>28,140</u>	<u>22,694</u>	<u>66,421</u>	<u>20,243</u>	<u>34,877</u>	<u>(8,386)</u>
	<u>\$ 128</u>	<u>\$ 167,297</u>	<u>\$ 36,962</u>	<u>\$ 22,694</u>	<u>\$ 66,421</u>	<u>\$ 23,443</u>	<u>\$ 34,877</u>	<u>\$ 35,240</u>

Continued on next page.

See accompanying independent  
auditor's report.

**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2018**

Continued from previous page.

	<u>Safety Committee</u>	<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>Equity</u>	<u>Liquor Control</u>
<b><u>ASSETS:</u></b>									
Cash	\$ 20,545	\$ 46,354	\$ 63,661	\$ 17,677	\$ 27,445	\$ 638,257	\$ 387,877	\$ 85,431	\$ 827
Property taxes receivable	-	-	-	-	-	-	-	-	-
Other receivables	-	-	2,138	12	-	37,681	97,620	530,333	-
Total assets	<u>\$ 20,545</u>	<u>\$ 46,354</u>	<u>\$ 65,799</u>	<u>\$ 17,689</u>	<u>\$ 27,445</u>	<u>\$ 675,938</u>	<u>\$ 485,497</u>	<u>\$ 615,764</u>	<u>\$ 827</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>									
<b><u>LIABILITIES:</u></b>									
Accounts payable	\$ -	\$ 149	\$ 50,822	\$ -	\$ 50	\$ -	\$ 35,280	\$ 10,749	\$ -
Accrued payroll and payroll taxes payable	-	-	-	-	-	-	7,801	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>149</u>	<u>50,822</u>	<u>-</u>	<u>50</u>	<u>-</u>	<u>43,081</u>	<u>10,749</u>	<u>-</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>									
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCES:</u></b>									
Restricted	-	-	14,977	-	27,395	-	-	-	827
Committed	20,545	46,205	-	17,689	-	675,938	442,416	605,015	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>20,545</u>	<u>46,205</u>	<u>14,977</u>	<u>17,689</u>	<u>27,395</u>	<u>675,938</u>	<u>442,416</u>	<u>605,015</u>	<u>827</u>
	<u>\$ 20,545</u>	<u>\$ 46,354</u>	<u>\$ 65,799</u>	<u>\$ 17,689</u>	<u>\$ 27,445</u>	<u>\$ 675,938</u>	<u>\$ 485,497</u>	<u>\$ 615,764</u>	<u>\$ 827</u>

Continued on next page.

**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**

**Combining Balance Sheet**

**June 30, 2018**

Continued from previous page.

	<u>Water Planning</u>	<u>Forest Service</u>	<u>Court Security</u>	<u>Echo Wind Fees</u>	<u>Shepherds Flat Fees</u>	<u>STO Operating Grant</u>	<u>Comm. Corrections Fund</u>	<u>PGE Carty</u>	<u>Totals</u>
<b><u>ASSETS:</u></b>									
Cash	\$ 11,258	\$ 60,803	\$ 138,799	\$ 1,998	\$ 280	\$ 33,609	\$ 313,361	\$ 746	\$ 3,276,093
Property taxes receivable	-	-	-	-	-	-	-	-	4,302
Other receivables	-	-	1,153	-	-	-	121,876	-	1,032,436
Total assets	<u>\$ 11,258</u>	<u>\$ 60,803</u>	<u>\$ 139,952</u>	<u>\$ 1,998</u>	<u>\$ 280</u>	<u>\$ 33,609</u>	<u>\$ 435,237</u>	<u>\$ 746</u>	<u>\$ 4,312,831</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>									
<b><u>LIABILITIES:</u></b>									
Accounts payable	\$ -	\$ -	\$ 41	\$ -	\$ -	\$ 3,223	\$ 8,361	\$ -	\$ 128,018
Accrued payroll and payroll taxes payable	-	-	-	-	-	-	14,946	-	37,622
Due to other funds	-	-	-	-	-	-	-	-	40,000
Total liabilities	<u>-</u>	<u>-</u>	<u>41</u>	<u>-</u>	<u>-</u>	<u>3,223</u>	<u>23,307</u>	<u>-</u>	<u>205,640</u>
<b><u>DEFERRED INFLOWS OF RESOURCES:</u></b>									
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,162</u>
<b><u>FUND BALANCES:</u></b>									
Restricted	-	60,803	139,911	-	-	30,386	411,930	-	1,309,829
Committed	11,258	-	-	1,998	280	-	-	746	2,804,586
Unassigned	-	-	-	-	-	-	-	-	(8,386)
Total fund balances	<u>11,258</u>	<u>60,803</u>	<u>139,911</u>	<u>1,998</u>	<u>280</u>	<u>30,386</u>	<u>411,930</u>	<u>746</u>	<u>4,106,029</u>
	<u>\$ 11,258</u>	<u>\$ 60,803</u>	<u>\$ 139,952</u>	<u>\$ 1,998</u>	<u>\$ 280</u>	<u>\$ 33,609</u>	<u>\$ 435,237</u>	<u>\$ 746</u>	<u>\$ 4,312,831</u>

**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**

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

**Year Ended June 30, 2018**

	<u>Heritage</u>	<u>Finley Buttes Road</u>	<u>Commission on Children/ Families</u>	<u>Law Library</u>	<u>911 Emergency Telephone</u>	<u>Surveyor Preserva- tion</u>	<u>Finley Buttes Lic. Fees</u>	<u>County School</u>
<b><u>REVENUES:</u></b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,262
Intergovernmental	-	-	-	-	300,104	-	-	38,250
Fees, fines, and charges for services	-	378,412	-	6,832	-	14,146	1,508,614	-
Interest	296	2,694	-	601	2,047	3,498	10,617	172
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>296</u>	<u>381,106</u>	<u>-</u>	<u>7,433</u>	<u>302,151</u>	<u>17,644</u>	<u>1,519,231</u>	<u>208,684</u>
<b><u>EXPENDITURES:</u></b>								
General government	-	-	-	-	-	-	26,023	-
Public safety	-	-	-	-	224,511	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Culture and recreation	216	-	-	-	-	28,930	-	-
Education	-	-	-	7,255	-	-	-	208,778
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>216</u>	<u>-</u>	<u>-</u>	<u>7,255</u>	<u>224,511</u>	<u>28,930</u>	<u>26,023</u>	<u>208,778</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>80</u>	<u>381,106</u>	<u>-</u>	<u>178</u>	<u>77,640</u>	<u>(11,286)</u>	<u>1,493,208</u>	<u>(94)</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>								
Operating transfers in	-	-	-	-	-	-	-	-
Operating transfers out	-	(200,000)	-	-	-	-	(1,275,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,275,000)</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES:</u></b>	<u>80</u>	<u>181,106</u>	<u>-</u>	<u>178</u>	<u>77,640</u>	<u>(11,286)</u>	<u>218,208</u>	<u>(94)</u>
<b><u>FUND BALANCE, BEGINNING OF YEAR</u></b>	<u>17,187</u>	<u>78,499</u>	<u>66,158</u>	<u>31,685</u>	<u>130,802</u>	<u>216,720</u>	<u>263,554</u>	<u>349</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ 17,267</u>	<u>\$ 259,605</u>	<u>\$ 66,158</u>	<u>\$ 31,863</u>	<u>\$ 208,442</u>	<u>\$ 205,434</u>	<u>\$ 481,762</u>	<u>\$ 255</u>

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**

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

Continued from previous page.

**Year Ended June 30, 2018**

	Ione School	Fair	Special Trans- portation	Alcohol Enforce- ment	Video Lottery Econ. Devel.	Victim/ Witness Assistance	Willow Creek Wind	CAMI Grant
<b><u>REVENUES:</u></b>								
Taxes	\$ 15,980	\$ 65,114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,568	53,167	103,572	-	86,798	60,361	-	7,823
Fees, fines, and charges for services	-	30,924	3,498	-	-	-	120,325	-
Interest	16	2,044	354	384	866	-	472	250
Miscellaneous	-	2,890	-	-	-	471	-	703
Total revenues	<u>19,564</u>	<u>154,139</u>	<u>107,424</u>	<u>384</u>	<u>87,664</u>	<u>60,832</u>	<u>120,797</u>	<u>8,776</u>
<b><u>EXPENDITURES:</u></b>								
General government	-	-	157,875	-	45,213	-	86,139	25,488
Public safety	-	-	-	-	-	89,962	-	-
Highways and streets	-	-	-	-	-	-	-	-
Culture and recreation	-	92,890	-	-	-	-	-	-
Education	19,573	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>19,573</u>	<u>92,890</u>	<u>157,875</u>	<u>-</u>	<u>45,213</u>	<u>89,962</u>	<u>86,139</u>	<u>25,488</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(9)</u>	<u>61,249</u>	<u>(50,451)</u>	<u>384</u>	<u>42,451</u>	<u>(29,130)</u>	<u>34,658</u>	<u>(16,712)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>								
Operating transfers in	-	5,000	30,635	-	-	30,000	-	-
Operating transfers out	-	-	-	-	(26,000)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>5,000</u>	<u>30,635</u>	<u>-</u>	<u>(26,000)</u>	<u>30,000</u>	<u>-</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES:</u></b>	<u>(9)</u>	<u>66,249</u>	<u>(19,816)</u>	<u>384</u>	<u>16,451</u>	<u>870</u>	<u>34,658</u>	<u>(16,712)</u>
<b><u>FUND BALANCE, BEGINNING OF YEAR</u></b>	<u>34</u>	<u>96,661</u>	<u>47,956</u>	<u>22,310</u>	<u>49,970</u>	<u>19,373</u>	<u>219</u>	<u>8,326</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ 25</u>	<u>\$ 162,910</u>	<u>\$ 28,140</u>	<u>\$ 22,694</u>	<u>\$ 66,421</u>	<u>\$ 20,243</u>	<u>\$ 34,877</u>	<u>\$ (8,386)</u>

See accompanying independent auditor's report.



**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**

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

Continued from previous page.

**Year Ended June 30, 2018**

	Safety Committee	Rodeo	Justice Court Bail and Fine	Clerks Records	DUII Impact	Building Permit Fees	Parks	Equity	Liquor Control
<b><u>REVENUES:</u></b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,522	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	241,593	-	-
Fees, fines, and charges for services	-	51,536	585,976	1,669	900	142,325	383,242	-	-
Interest	325	749	-	286	450	9,662	5,156	13,775	14
Miscellaneous	7,000	-	-	-	-	6,299	13,224	-	-
Total revenues	<u>7,325</u>	<u>52,285</u>	<u>585,976</u>	<u>1,955</u>	<u>1,350</u>	<u>158,286</u>	<u>758,737</u>	<u>13,775</u>	<u>14</u>
<b><u>EXPENDITURES:</u></b>									
General government	1,914	-	-	-	-	1,525	-	10,748	-
Public safety	-	-	587,446	-	50	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Culture and recreation	-	60,787	-	-	-	-	475,637	-	-
Education	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	192,107	-	-
Total expenditures	<u>1,914</u>	<u>60,787</u>	<u>587,446</u>	<u>-</u>	<u>50</u>	<u>1,525</u>	<u>667,744</u>	<u>10,748</u>	<u>-</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>5,411</u>	<u>(8,502)</u>	<u>(1,470)</u>	<u>1,955</u>	<u>1,300</u>	<u>156,761</u>	<u>90,993</u>	<u>3,027</u>	<u>14</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>									
Operating transfers in	-	10,000	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES:</u></b>	<u>5,411</u>	<u>1,498</u>	<u>(1,470)</u>	<u>1,955</u>	<u>1,300</u>	<u>156,761</u>	<u>90,993</u>	<u>3,027</u>	<u>14</u>
<b><u>FUND BALANCE, BEGINNING OF YEAR</u></b>	<u>15,134</u>	<u>44,707</u>	<u>16,447</u>	<u>15,734</u>	<u>26,095</u>	<u>519,177</u>	<u>351,423</u>	<u>601,988</u>	<u>813</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ 20,545</u>	<u>\$ 46,205</u>	<u>\$ 14,977</u>	<u>\$ 17,689</u>	<u>\$ 27,395</u>	<u>\$ 675,938</u>	<u>\$ 442,416</u>	<u>\$ 605,015</u>	<u>\$ 827</u>

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

**Nonmajor Special Revenue Funds**

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

Continued from previous page.

**Year Ended June 30, 2018**

	<u>Water Planning</u>	<u>Forest Service</u>	<u>Court Security</u>	<u>Echo Wind Fees</u>	<u>Shepherds Flat Fees</u>	<u>STO Operating Grant</u>	<u>Comm. Corrections Fund</u>	<u>PGE Carty</u>	<u>Totals</u>
<b><u>REVENUES:</u></b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 366,878
Intergovernmental	-	-	-	-	-	50,584	670,370	-	1,616,190
Fees, fines, and charges for services	-	-	14,007	41,048	1,342,419	-	35,298	1,575,211	6,236,382
Interest	-	964	2,417	475	11,040	771	3,461	746	74,602
Miscellaneous	-	-	-	-	-	28,144	-	-	58,731
Total revenues	<u>-</u>	<u>964</u>	<u>16,424</u>	<u>41,523</u>	<u>1,353,459</u>	<u>79,499</u>	<u>709,129</u>	<u>1,575,957</u>	<u>8,352,783</u>
<b><u>EXPENDITURES:</u></b>									
General government	-	-	-	-	21,500	16,899	-	50,000	443,324
Public safety	-	-	14,950	-	-	-	518,983	-	1,435,902
Highways and streets	-	-	-	-	-	-	-	-	-
Culture and recreation	6,000	-	-	-	-	-	-	-	664,460
Education	-	-	-	-	-	-	-	-	235,606
Capital outlay	-	-	-	-	-	41,043	-	-	233,150
Total expenditures	<u>6,000</u>	<u>-</u>	<u>14,950</u>	<u>-</u>	<u>21,500</u>	<u>57,942</u>	<u>518,983</u>	<u>50,000</u>	<u>3,012,442</u>
<b><u>EXCESS (DEFICIENCY) OF</u></b>									
<b><u>REVENUES OVER (UNDER)</u></b>									
<b><u>EXPENDITURES</u></b>	<u>(6,000)</u>	<u>964</u>	<u>1,474</u>	<u>41,523</u>	<u>1,331,959</u>	<u>21,557</u>	<u>190,146</u>	<u>1,525,957</u>	<u>5,340,341</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>									
Operating transfers in	-	-	-	-	-	-	-	-	75,635
Operating transfers out	-	-	-	(40,000)	(1,629,590)	(30,635)	-	(1,525,211)	(4,726,436)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>(1,629,590)</u>	<u>(30,635)</u>	<u>-</u>	<u>(1,525,211)</u>	<u>(4,650,801)</u>
<b><u>NET CHANGE IN FUND</u></b>									
<b><u>BALANCES:</u></b>									
<b><u>FUND BALANCE, BEGINNING</u></b>	<u>(6,000)</u>	<u>964</u>	<u>1,474</u>	<u>1,523</u>	<u>(297,631)</u>	<u>(9,078)</u>	<u>190,146</u>	<u>746</u>	<u>689,540</u>
<b><u>OF YEAR</u></b>	<u>17,258</u>	<u>59,839</u>	<u>138,437</u>	<u>475</u>	<u>297,911</u>	<u>39,464</u>	<u>221,784</u>	<u>-</u>	<u>3,416,489</u>
<b><u>FUND BALANCE, END</u></b>									
<b><u>OF YEAR</u></b>	<u>\$ 11,258</u>	<u>\$ 60,803</u>	<u>\$ 139,911</u>	<u>\$ 1,998</u>	<u>\$ 280</u>	<u>\$ 30,386</u>	<u>\$ 411,930</u>	<u>\$ 746</u>	<u>\$ 4,106,029</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	\$ 150	\$ 150	\$ 296	\$ 146
Grants	10,000	10,000	-	(10,000)
Total revenues	<u>10,150</u>	<u>10,150</u>	<u>296</u>	<u>(9,854)</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>27,497</u>	<u>27,497</u>	<u>216</u>	<u>27,281</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(17,347)	(17,347)	80	17,427
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>17,347</u>	<u>17,347</u>	<u>17,187</u>	<u>(160)</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,267</u>	<u>\$ 17,267</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Landfill fees	\$ 275,000	\$ 275,000	\$ 378,412	\$ 103,412
Interest	3,000	3,000	2,694	(306)
Total revenues	<u>278,000</u>	<u>278,000</u>	<u>381,106</u>	<u>103,106</u>
<b><u>EXPENDITURES:</u></b>				
Contractual services	<u>78,000</u>	<u>78,000</u>	<u>-</u>	<u>78,000</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	200,000	200,000	381,106	181,106
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	-	-	181,106	181,106
<b><u>FUND BALANCES, BEGINNING</u></b>	-	-	78,499	78,499
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,605</u>	<u>\$ 259,605</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b><u>EXPENDITURES:</u></b>				
Total expenditures	-	-	-	-
<b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>	-	-	-	-
<b><u>FUND BALANCES, BEGINNING</u></b>	-	-	66,158	66,158
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,158</u>	<u>\$ 66,158</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, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
State court, clerk fees	\$ 5,000	\$ 5,000	\$ 6,832	\$ 1,832
Interest	130	130	601	471
Total revenues	<u>5,130</u>	<u>5,130</u>	<u>7,433</u>	<u>2,303</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>39,280</u>	<u>39,280</u>	<u>7,255</u>	<u>32,025</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(34,150)	(34,150)	178	34,328
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>34,150</u>	<u>34,150</u>	<u>31,685</u>	<u>(2,465)</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,863</u>	<u>\$ 31,863</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
State 911 apportionment	\$ 262,800	\$ 262,800	\$ 300,104	\$ 37,304
Interest	700	700	2,047	1,347
Total revenues	<u>263,500</u>	<u>263,500</u>	<u>302,151</u>	<u>38,651</u>
<b><u>EXPENDITURES:</u></b>				
Personnel services	244,853	244,853	202,455	42,398
Materials and services	40,555	40,555	23,558	16,997
Total expenditures	<u>285,408</u>	<u>285,408</u>	<u>226,013</u>	<u>59,395</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(21,908)	(21,908)	76,138	98,046
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>	<u>12,000</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	(33,908)	(33,908)	76,138	110,046
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>33,908</u>	<u>33,908</u>	<u>121,942</u>	<u>88,034</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,080</u>	<u>\$ 198,080</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Charges for services	\$ 12,500	\$ 12,500	\$ 14,146	\$ 1,646
Interest	950	950	3,498	2,548
Total revenues	<u>13,450</u>	<u>13,450</u>	<u>17,644</u>	<u>4,194</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>229,950</u>	<u>229,950</u>	<u>28,930</u>	<u>201,020</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	(216,500)	(216,500)	(11,286)	205,214
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>216,500</u>	<u>216,500</u>	<u>216,720</u>	<u>220</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 205,434</u>	<u>\$ 205,434</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Landfill license fees	\$ 1,250,000	\$ 1,250,000	\$ 1,508,614	\$ 258,614
Interest	2,000	2,000	10,617	8,617
Total revenues	<u>1,252,000</u>	<u>1,252,000</u>	<u>1,519,231</u>	<u>267,231</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>127,000</u>	<u>127,000</u>	<u>26,023</u>	<u>100,977</u>
<b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>	1,125,000	1,125,000	1,493,208	368,208
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(1,275,000)</u>	<u>(1,275,000)</u>	<u>(1,275,000)</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	(150,000)	(150,000)	218,208	368,208
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>150,000</u>	<u>150,000</u>	<u>263,554</u>	<u>113,554</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 481,762</u>	<u>\$ 481,762</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Property taxes	\$ 20,790	\$ 25,790	\$ 23,945	\$ (1,845)
Federal forest rentals (25%)	33,000	33,000	38,250	5,250
In lieu of taxes	123,510	158,510	146,317	(12,193)
Interest	60	60	172	112
Total revenues	<u>177,360</u>	<u>217,360</u>	<u>208,684</u>	<u>(8,676)</u>
<b><u>EXPENDITURES:</u></b>				
Tax turnovers	<u>177,560</u>	<u>217,560</u>	<u>208,778</u>	<u>8,782</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(200)	(200)	(94)	106
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>200</u>	<u>200</u>	<u>349</u>	<u>149</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 255</u>	<u>\$ 255</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Property taxes	\$ 2,020	\$ 2,520	\$ 2,332	\$ (188)
Federal forest rentals	2,500	3,500	3,568	68
In lieu of taxes	10,325	15,825	13,648	(2,177)
Interest	5	5	16	11
Total revenues	<u>14,850</u>	<u>21,850</u>	<u>19,564</u>	<u>(2,286)</u>
<b><u>EXPENDITURES:</u></b>				
Tax turnovers	<u>14,870</u>	<u>21,870</u>	<u>19,573</u>	<u>2,297</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(20)	(20)	(9)	11
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>20</u>	<u>20</u>	<u>34</u>	<u>14</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 25</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Gate admissions	\$ 5,000	\$ 5,000	\$ 7,265	\$ 2,265
Concessions	1,050	1,050	640	(410)
Rental of facilities	4,700	4,700	3,164	(1,536)
Donations	950	950	1,705	755
Sponsors and premium book advertising	12,000	12,000	18,150	6,150
Other	1,050	1,050	2,890	1,840
Intergovernmental (Oregon State)	57,000	57,000	53,167	(3,833)
Property taxes	56,368	56,368	65,114	8,746
Interest	250	250	2,044	1,794
Total revenues	<u>138,368</u>	<u>138,368</u>	<u>154,139</u>	<u>15,771</u>
<b><u>EXPENDITURES:</u></b>				
Administrative and non-departmental	31,710	31,710	27,819	3,891
Fair	74,328	74,328	61,718	12,610
Queen and court	2,550	2,550	-	2,550
Multipurpose buildings	4,050	4,050	1,234	2,816
St. Pats event	2,260	2,260	-	2,260
Capital outlay	3,000	3,000	-	3,000
Operating contingency	64,097	64,097	-	64,097
Total expenditures	<u>181,995</u>	<u>181,995</u>	<u>90,771</u>	<u>91,224</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	<u>(43,627)</u>	<u>(43,627)</u>	<u>63,368</u>	<u>106,995</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers in		-	5,000	5,000
Transfers out	<u>(7,000)</u>	<u>(7,000)</u>	<u>-</u>	<u>7,000</u>
Total other financing sources (uses)	<u>(7,000)</u>	<u>(7,000)</u>	<u>5,000</u>	<u>12,000</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	<u>(50,627)</u>	<u>(50,627)</u>	<u>68,368</u>	<u>118,995</u>
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>50,627</u>	<u>50,627</u>	<u>94,043</u>	<u>43,416</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,411</u>	<u>\$ 162,411</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, 2018**

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b><u>REVENUES:</u></b>				
Grants	\$ 112,000	\$ 112,000	\$ 71,500	\$ (40,500)
Bus receipts and other	2,000	2,000	3,498	1,498
Interest	300	300	354	54
Other	-	-	32,072	32,072
Total revenues	<u>114,300</u>	<u>114,300</u>	<u>107,424</u>	<u>(6,876)</u>
<b><u>EXPENDITURES:</u></b>				
Personal services	81,085	81,085	75,946	5,139
Materials and services	77,350	77,350	82,573	(5,223)
Total expenditures	<u>158,435</u>	<u>158,435</u>	<u>158,519</u>	<u>(84)</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES</u></b>				
<b><u>OVER (UNDER) EXPENDITURES</u></b>				
	<u>(44,135)</u>	<u>(44,135)</u>	<u>(51,095)</u>	<u>(6,960)</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers in	30,635	30,635	30,635	-
Transfers out	(7,000)	(7,000)		7,000
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(20,500)</u>	<u>(20,500)</u>	<u>(20,460)</u>	<u>40</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>20,500</u>	<u>20,500</u>	<u>39,506</u>	<u>19,006</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,046</u>	<u>\$ 19,046</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 384</u>	<u>\$ 284</u>
Total revenues	<u>100</u>	<u>100</u>	<u>384</u>	<u>284</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>17,600</u>	<u>17,600</u>	<u>-</u>	<u>17,600</u>
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>22,600</u>	<u>22,600</u>	<u>-</u>	<u>22,600</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(22,500)</u>	<u>(22,500)</u>	<u>384</u>	<u>22,884</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>22,500</u>	<u>22,500</u>	<u>22,310</u>	<u>(190)</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,694</u>	<u>\$ 22,694</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b><u>REVENUES:</u></b>				
Video lottery	\$ 70,400	\$ 70,400	\$ 86,798	\$ 16,398
Interest	120	120	866	746
Total revenues	<u>70,520</u>	<u>70,520</u>	<u>87,664</u>	<u>17,144</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>47,020</u>	<u>47,020</u>	<u>45,213</u>	<u>1,807</u>
<b><u>EXCESS OF REVENUES</u></b>				
<b><u>OVER EXPENDITURES</u></b>	23,500	23,500	42,451	18,951
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(51,000)</u>	<u>(51,000)</u>	<u>(26,000)</u>	<u>25,000</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(27,500)</u>	<u>(27,500)</u>	<u>16,451</u>	<u>43,951</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>27,500</u>	<u>27,500</u>	<u>49,970</u>	<u>22,470</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,421</u>	<u>\$ 66,421</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
State apportionment	\$ 35,333	\$ 61,782	\$ 60,361	\$ (1,421)
Other	-	-	471	471
Total revenues	<u>35,333</u>	<u>61,782</u>	<u>60,832</u>	<u>(950)</u>
<b><u>EXPENDITURES:</u></b>				
Personal services	35,672	88,196	81,425	6,771
Materials and services	861	15,586	6,519	9,067
Total expenditures	<u>36,533</u>	<u>103,782</u>	<u>87,944</u>	<u>15,838</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(1,200)	(42,000)	(27,112)	14,888
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	-	30,000	30,000	-
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	(1,200)	(12,000)	2,888	14,888
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>1,200</u>	<u>12,000</u>	<u>14,318</u>	<u>2,318</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,206</u>	<u>\$ 17,206</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Wind fees	\$ 40,000	\$ 40,000	\$ 120,325	\$ 80,325
Interest	-	-	472	472
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>120,797</u>	<u>80,797</u>
<b><u>EXPENDITURES:</u></b>				
Willow Creek Fee Distribution	-	-	86,139	(86,139)
	<u>-</u>	<u>-</u>	<u>86,139</u>	<u>(86,139)</u>
<b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>				
	40,000	40,000	34,658	(5,342)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	(40,000)	(40,000)	-	40,000
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	-	-	34,658	34,658
<b><u>FUND BALANCES, BEGINNING</u></b>				
	-	-	219	219
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,877</u>	<u>\$ 34,877</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Grants	\$ 22,000	\$ 22,000	\$ 7,823	\$ (14,177)
Interest	75	75	250	175
Other	-	-	703	703
Total revenues	<u>22,075</u>	<u>22,075</u>	<u>8,776</u>	<u>(13,299)</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>29,575</u>	<u>29,575</u>	<u>25,488</u>	<u>4,087</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(7,500)	(7,500)	(16,712)	(9,212)
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>7,500</u>	<u>7,500</u>	<u>8,326</u>	<u>826</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,386)</u>	<u>\$ (8,386)</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
SAIF dividend	\$ 7,000	\$ 7,000	\$ 7,000	\$ -
Interest	60	60	325	265
Total revenues	<u>7,060</u>	<u>7,060</u>	<u>7,325</u>	<u>265</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>24,360</u>	<u>24,360</u>	<u>1,914</u>	<u>22,446</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(17,300)	(17,300)	5,411	22,711
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>17,300</u>	<u>17,300</u>	<u>15,134</u>	<u>(2,166)</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,545</u>	<u>\$ 20,545</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Gate admissions	\$ 7,200	\$ 7,200	\$ 9,015	\$ 1,815
Concessions	12,400	12,400	15,977	3,577
Rodeo entry fees and others	11,000	11,000	4,689	(6,311)
Rodeo sponsor fees	8,700	8,700	6,680	(2,020)
Donations	20,875	20,875	13,175	(7,700)
Other	2,500	2,500	2,000	(500)
Interest	350	350	749	399
Total revenues	<u>63,025</u>	<u>63,025</u>	<u>52,285</u>	<u>(10,740)</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	92,575	92,575	60,787	31,788
Capital outlay	5,000	5,000	-	5,000
Contingency	21,165	21,165	-	21,165
Total expenditures	<u>118,740</u>	<u>118,740</u>	<u>60,787</u>	<u>57,953</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES</u></b>				
<b><u>OVER (UNDER) EXPENDITURES</u></b>	<u>(55,715)</u>	<u>(55,715)</u>	<u>(8,502)</u>	<u>47,213</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(45,715)</u>	<u>(45,715)</u>	<u>1,498</u>	<u>47,213</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>45,715</u>	<u>45,715</u>	<u>44,707</u>	<u>(1,008)</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,205</u>	<u>\$ 46,205</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Fines	\$ 415,000	\$ 495,000	\$ 585,976	\$ 90,976
<b><u>EXPENDITURES:</u></b>				
Fine turnover	432,763	512,763	587,446	(74,683)
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	(17,763)	(17,763)	(1,470)	16,293
<b><u>FUND BALANCES, BEGINNING</u></b>	17,763	17,763	16,447	(1,316)
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,977</u>	<u>\$ 14,977</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Records fees	\$ 1,150	\$ 1,150	\$ 1,669	\$ 519
Interest	85	85	286	201
Total revenues	<u>1,235</u>	<u>1,235</u>	<u>1,955</u>	<u>720</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>16,235</u>	<u>16,235</u>	<u>-</u>	<u>16,235</u>
Total expenditures	<u>16,235</u>	<u>16,235</u>	<u>-</u>	<u>16,235</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	(15,000)	(15,000)	1,955	16,955
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>15,000</u>	<u>15,000</u>	<u>15,734</u>	<u>734</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,689</u>	<u>\$ 17,689</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Court ordered fees	\$ 1,000	\$ 1,000	\$ 900	\$ (100)
Interest	100	100	450	350
Total revenues	<u>1,100</u>	<u>1,100</u>	<u>1,350</u>	<u>250</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>26,100</u>	<u>26,100</u>	<u>50</u>	<u>26,050</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	(25,000)	(25,000)	1,300	26,300
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>25,000</u>	<u>25,000</u>	<u>26,095</u>	<u>1,095</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,395</u>	<u>\$ 27,395</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, 2018**

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b><u>REVENUES:</u></b>				
Building permit fees	\$ 100,000	\$ 100,000	\$ 142,325	\$ 42,325
Other	-	-	6,299	6,299
Interest	2,750	2,750	9,662	6,912
Total revenues	<u>102,750</u>	<u>102,750</u>	<u>158,286</u>	<u>55,536</u>
<b><u>EXPENDITURES:</u></b>				
Materials & Service	180,000	180,000	1,525	178,475
Capital outlay	10,000	10,000	-	10,000
Total Expenditures	<u>190,000</u>	<u>190,000</u>	<u>1,525</u>	<u>188,475</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES</u></b>				
<b><u>OVER (UNDER) EXPENDITURES</u></b>				
	(87,250)	(87,250)	156,761	244,011
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(334,941)</u>	<u>(334,941)</u>	<u>-</u>	<u>334,941</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	(422,191)	(422,191)	156,761	578,952
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>422,191</u>	<u>422,191</u>	<u>519,177</u>	<u>96,986</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 675,938</u>	<u>\$ 675,938</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Grants	\$ 461,010	\$ 461,010	\$ 383,242	\$ (77,768)
Camping fees and other charges for services	129,860	135,860	241,593	105,733
State apportionment	-	-	115,522	115,522
Interest	800	800	5,156	4,356
Other	6,400	6,400	13,224	6,824
Total revenues	<u>598,070</u>	<u>604,070</u>	<u>758,737</u>	<u>154,667</u>
<b><u>EXPENDITURES:</u></b>				
Cutsforth park	139,859	155,259	149,829	5,430
Anson Wright park	52,438	62,238	55,908	6,330
OHV park	400,209	479,359	464,681	14,678
Contingency	35,064	35,064	-	35,064
Total expenditures	<u>627,570</u>	<u>731,920</u>	<u>670,418</u>	<u>61,502</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(29,500)	(127,850)	88,319	216,169
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>29,500</u>	<u>127,850</u>	<u>346,603</u>	<u>218,753</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 434,922</u>	<u>\$ 434,922</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest-Loans	\$ 6,500	\$ 6,500	\$ 11,554	\$ 5,054
Interest	1,050	1,050	2,221	1,171
Total revenues	<u>7,550</u>	<u>7,550</u>	<u>13,775</u>	<u>6,225</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>17,550</u>	<u>17,550</u>	<u>10,748</u>	<u>6,802</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(10,000)	(10,000)	3,027	13,027
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>10,000</u>	<u>10,000</u>	<u>601,988</u>	<u>591,988</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 605,015</u>	<u>\$ 605,015</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 14</u>	<u>\$ 9</u>
Total Revenues	<u>5</u>	<u>5</u>	<u>14</u>	<u>9</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>815</u>	<u>815</u>	<u>-</u>	<u>815</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(810)</u>	<u>(810)</u>	<u>14</u>	<u>824</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>810</u>	<u>810</u>	<u>813</u>	<u>3</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 827</u>	<u>\$ 827</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Grant revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>17,258</u>	<u>17,258</u>	<u>6,000</u>	<u>11,258</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(17,258)</u>	<u>(17,258)</u>	<u>(6,000)</u>	<u>11,258</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>17,258</u>	<u>17,258</u>	<u>17,258</u>	<u>-</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,258</u>	<u>\$ 11,258</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	\$ 250	\$ 250	\$ 964	\$ 714
Total revenues	<u>250</u>	<u>250</u>	<u>964</u>	<u>714</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>59,850</u>	<u>59,850</u>	<u>-</u>	<u>59,850</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	(59,600)	(59,600)	964	60,564
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>59,600</u>	<u>59,600</u>	<u>59,839</u>	<u>239</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,803</u>	<u>\$ 60,803</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Court security	\$ 8,000	\$ 8,000	\$ 14,007	\$ 6,007
Interest	1,000	1,000	2,417	1,417
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>16,424</u>	<u>7,424</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	109,000	109,000	14,950	94,050
Capital outlay	20,000	20,000	-	20,000
Total expenditures	<u>129,000</u>	<u>129,000</u>	<u>14,950</u>	<u>114,050</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(120,000)	(120,000)	1,474	121,474
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>	<u>20,000</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	(140,000)	(140,000)	1,474	141,474
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>140,000</u>	<u>140,000</u>	<u>138,437</u>	<u>(1,563)</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,911</u>	<u>\$ 139,911</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Wind fees	\$ 50,000	\$ 50,000	\$ 41,048	\$ (8,952)
Interest	100	100	475	375
Total revenues	<u>50,100</u>	<u>50,100</u>	<u>41,523</u>	<u>(8,577)</u>
<b><u>EXPENDITURES:</u></b>				
Other requirements		-		-
<b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>				
	50,100	50,100	41,523	(8,577)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(50,100)</u>	<u>(50,100)</u>	<u>(40,000)</u>	<u>10,100</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	-	-	1,523	1,523
<b><u>FUND BALANCES, BEGINNING</u></b>				
	-	-	475	475
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,998</u>	<u>\$ 1,998</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Wind fees	\$ 1,370,000	\$ 1,370,000	\$ 1,342,419	\$ (27,581)
Interest	1,000	1,000	11,040	10,040
Total revenues	<u>1,371,000</u>	<u>1,371,000</u>	<u>1,353,459</u>	<u>(17,541)</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	<u>27,500</u>	<u>27,500</u>	<u>21,500</u>	<u>6,000</u>
Total expenditures	<u>27,500</u>	<u>27,500</u>	<u>21,500</u>	<u>6,000</u>
<b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>				
	1,343,500	1,343,500	1,331,959	(11,541)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	<u>(1,638,454)</u>	<u>(1,638,454)</u>	<u>(1,629,590)</u>	<u>8,864</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	(294,954)	(294,954)	(297,631)	(2,677)
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>294,954</u>	<u>294,954</u>	<u>297,911</u>	<u>2,957</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280</u>	<u>\$ 280</u>

See accompanying independent auditor's report.



**MORROW COUNTY, OREGON**

**STO Operating Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget (Non-GAAP Budgetary Basis) to Actual**  
**Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b><u>REVENUES:</u></b>				
STO operating grant	\$ 173,298	\$, 173,298	\$ 50,584	\$ (122,714)
Interest	20	20	771	751
Other	-	-	28,144	28,144
Total revenues	<u>173,318</u>	<u>173,318</u>	<u>79,499</u>	<u>(93,819)</u>
<b><u>EXPENDITURES:</u></b>				
Materials and services	30,500	30,500	16,899	13,601
Capital outlay	112,163	112,163	41,043	71,120
Total expenditures	<u>142,663</u>	<u>142,663</u>	<u>57,942</u>	<u>84,721</u>
<b><u>EXCESS OF REVENUES</u></b>				
<b><u>OVER EXPENDITURES</u></b>	30,655	30,655	21,557	(9,098)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers in	7,000	7,000	-	(7,000)
Transfers out	(41,873)	(41,873)	(30,635)	11,238
Total other financing sources (uses)	<u>(34,873)</u>	<u>(34,873)</u>	<u>(30,635)</u>	<u>4,238</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	(4,218)	(4,218)	(9,078)	(4,860)
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>4,218</u>	<u>4,218</u>	<u>39,464</u>	<u>35,246</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,386</u>	<u>\$ 30,386</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
State P&P revenue	\$ 323,265	\$ 323,265	\$ 670,370	\$ 347,105
Charges for services and other	90,118	90,118	35,298	(54,820)
Interest	600	600	3,461	2,861
Other	500	500	-	(500)
Total revenues	<u>414,483</u>	<u>414,483</u>	<u>709,129</u>	<u>294,646</u>
<b><u>EXPENDITURES:</u></b>				
Personal services	405,089	415,089	405,291	9,798
Materials and services	122,892	122,892	121,134	1,758
Contingency	36,502	26,502	-	26,502
Total expenditures	<u>564,483</u>	<u>564,483</u>	<u>526,425</u>	<u>38,058</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(150,000)	(150,000)	182,704	332,704
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>150,000</u>	<u>150,000</u>	<u>213,105</u>	<u>63,105</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 395,809</u>	<u>\$ 395,809</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
PGE - Carty Comm Serv	\$ 1,575,211	\$ 1,575,211	\$ 1,575,211	\$ -
Interest	200	200	746	546
Total revenues	<u>1,575,411</u>	<u>1,575,411</u>	<u>1,575,957</u>	<u>546</u>
<b><u>EXPENDITURES:</u></b>				
C.R.E.A.	50,000	50,000	50,000	-
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>				
	1,525,411	1,525,411	1,525,957	546
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Transfers out	(1,525,411)	(1,525,411)	(1,525,211)	200
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	-	-	746	746
<b><u>FUND BALANCES, BEGINNING</u></b>				
	-	-	-	-
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 746</u>	<u>\$ 746</u>

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

**Non-Major Capital Projects Funds**

**June 30, 2018**

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.
- **Heppner Admin Building Fund** - accounts for construction of the Heppner Administrative Building.
- **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, 2018**

	<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>Heppner Admin. Building</u>	<u>Bleacher Reserve</u>	<u>Fair Improve. Reserve</u>	<u>Building Reserve</u>	<u>Totals</u>
<b><u>ASSETS:</u></b>											
Cash	\$ 377,313	\$ 29,557	\$ 69,915	\$ 5,234	\$ 138,235	\$ 17,806	\$ 56,908	\$ 26,392	\$ 5,629	\$ 218,894	\$ 945,883
Total assets	<u>\$ 377,313</u>	<u>\$ 29,557</u>	<u>\$ 69,915</u>	<u>\$ 5,234</u>	<u>\$ 138,235</u>	<u>\$ 17,806</u>	<u>\$ 56,908</u>	<u>\$ 26,392</u>	<u>\$ 5,629</u>	<u>\$ 218,894</u>	<u>\$ 945,883</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>											
<b><u>LIABILITIES:</u></b>											
Accounts payable	\$ 94,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,390	\$ -	\$ -	\$ 115,063
<b><u>FUND BALANCES:</u></b>											
Committed	282,640	29,557	69,915	5,234	138,235	17,806	56,908	6,002	5,629	218,894	830,820
Total liabilities and fund balances	<u>\$ 377,313</u>	<u>\$ 29,557</u>	<u>\$ 69,915</u>	<u>\$ 5,234</u>	<u>\$ 138,235</u>	<u>\$ 17,806</u>	<u>\$ 56,908</u>	<u>\$ 26,392</u>	<u>\$ 5,629</u>	<u>\$ 218,894</u>	<u>\$ 945,883</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, 2018**

	Road Equipment Reserve	Computer Equipment Reserve	Program- ming Reserve	Weed Equipment Reserve	STF Vehicle Reserve	Fair Roof Reserve	Heppner Admin. Building	Bleacher Reserve	Fair Improve. Reserve	Building Reserve	Totals
<b><u>REVENUES:</u></b>											
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 45,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,382
Interest	5,338	821	1,047	94	2,341	301	1,672	447	96	3,443	15,600
Total revenues	5,338	821	1,047	94	47,723	301	1,672	447	96	3,443	60,982
<b><u>EXPENDITURES</u></b>											
General government	-	20,735	-	-	-	-	100	-	-	7,102	27,937
Highways and streets	-	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-	-	20,390	-	-	20,390
Capital outlay	400,051	18,642	-	46,081	4,561	-	-	-	-	22,384	491,719
Debt service	-	-	-	-	-	-	379,895	-	-	-	379,895
Total expenditures	400,051	39,377	-	46,081	4,561	-	379,995	20,390	-	29,486	919,941
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	(394,713)	(38,556)	1,047	(45,987)	43,162	301	(378,323)	(19,943)	96	(26,043)	(858,959)
<b><u>OTHER FINANCING SOURCES:</u></b>											
Proceeds from asset disposition	37,000	-	-	-	-	-	-	-	-	-	37,000
Transfers in	175,000	15,000	15,000	46,196	-	-	394,000	-	-	50,000	695,196
Total other financing sources	212,000	15,000	15,000	46,196	-	-	394,000	-	-	50,000	732,196
<b><u>NET CHANGE IN FUND BALANCES</u></b>	(182,713)	(23,556)	16,047	209	43,162	301	15,677	(19,943)	96	23,957	(126,763)
<b><u>FUND BALANCES, BEGIN.</u></b>	465,353	53,113	53,868	5,025	95,073	17,505	41,231	25,945	5,533	194,937	957,583
<b><u>FUND BALANCES, ENDING</u></b>	\$ 282,640	\$ 29,557	\$ 69,915	\$ 5,234	\$ 138,235	\$ 17,806	\$ 56,908	\$ 6,002	\$ 5,629	\$ 218,894	\$ 830,820

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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	\$ 650	\$ 650	\$ 5,338	4,688
Total revenues	650	650	5,338	4,688
<b><u>EXPENDITURES:</u></b>				
Capital outlay	650,495	650,495	363,051	287,444
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(649,845)	(649,845)	(357,713)	292,132
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	175,000	175,000	175,000	-
<b><u>NET CHANGE IN FUND BALANCES</u></b>				
	(474,845)	(474,845)	(182,713)	292,132
<b><u>FUND BALANCES, BEGINNING</u></b>				
	474,845	474,845	465,353	(9,492)
<b><u>FUND BALANCES, ENDING</u></b>				
	\$ -	\$ -	\$ 282,640	\$ 282,640

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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 821</u>	<u>\$ 671</u>
<b><u>EXPENDITURES:</u></b>				
Capital outlay	<u>52,700</u>	<u>52,700</u>	<u>39,377</u>	<u>13,323</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(52,550)</u>	<u>(52,550)</u>	<u>(38,556)</u>	<u>13,994</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(37,550)</u>	<u>(37,550)</u>	<u>(23,556)</u>	<u>13,994</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>37,550</u>	<u>37,550</u>	<u>53,113</u>	<u>15,563</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,557</u>	<u>\$ 29,557</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 1,047</u>	<u>\$ 947</u>
<b><u>EXPENDITURES:</u></b>				
Capital outlay	<u>65,103</u>	<u>53,500</u>	<u>-</u>	<u>53,500</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(65,003)</u>	<u>(53,400)</u>	<u>1,047</u>	<u>54,447</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(50,003)</u>	<u>(38,400)</u>	<u>16,047</u>	<u>54,447</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>50,003</u>	<u>38,400</u>	<u>53,868</u>	<u>15,468</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,915</u>	<u>\$ 69,915</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 94</u>	<u>\$ (56)</u>
<b><u>EXPENDITURES:</u></b>				
Capital outlay	<u>51,346</u>	<u>51,346</u>	<u>46,081</u>	<u>5,265</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(51,196)</u>	<u>(51,196)</u>	<u>(45,987)</u>	<u>5,209</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	<u>15,252</u>	<u>15,252</u>	<u>46,196</u>	<u>30,944</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(35,944)</u>	<u>(35,944)</u>	<u>209</u>	<u>36,153</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>35,944</u>	<u>35,944</u>	<u>5,025</u>	<u>(30,919)</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,234</u>	<u>\$ 5,234</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Sale of equipment	\$ -	\$ -	\$ 42,541	\$ 42,541
Miscellaneous	-	-	2,841	2,841
Interest	550	550	2,341	1,791
Total revenues	<u>550</u>	<u>550</u>	<u>47,723</u>	<u>47,173</u>
<b><u>EXPENDITURES:</u></b>				
Capital outlay	<u>136,550</u>	<u>136,550</u>	<u>4,561</u>	<u>131,989</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	(136,000)	(136,000)	43,162	179,162
<b><u>FUND BALANCES, BEGINNING</u></b>				
	<u>136,000</u>	<u>136,000</u>	<u>95,073</u>	<u>(40,927)</u>
<b><u>FUND BALANCES, ENDING</u></b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,235</u>	<u>\$ 138,235</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 65</u>	<u>\$ 65</u>	<u>\$ 301</u>	<u>\$ 236</u>
<b><u>EXPENDITURES:</u></b>				
Capital outlay	<u>19,565</u>	<u>19,565</u>	<u>-</u>	<u>19,565</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(19,500)</u>	<u>(19,500)</u>	<u>301</u>	<u>19,801</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(17,500)</u>	<u>(17,500)</u>	<u>301</u>	<u>17,801</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>17,500</u>	<u>17,500</u>	<u>17,505</u>	<u>5</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,806</u>	<u>\$ 17,806</u>

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

**Heppner Administrative Building Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget (Non-GAAP Budgetary Basis) to Actual**  
**Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b><u>REVENUES:</u></b>				
Interest	\$ -	\$ -	\$ 1,672	\$ 1,672
Total revenues	-	-	1,672	1,672
<b><u>EXPENDITURES:</u></b>				
Debt service	394,000	394,000	379,995	14,005
Total expenditures	394,000	394,000	379,995	14,005
<b><u>EXCESS (DEFICIENCY) OF REVENUES</u></b>				
<b><u>OVER (UNDER) EXPENDITURES</u></b>	(394,000)	(394,000)	(378,323)	15,677
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	394,000	394,000	394,000	-
Total other financing sources	394,000	394,000	394,000	-
<b><u>NET CHANGE IN FUND BALANCES</u></b>	-	-	15,677	15,677
<b><u>FUND BALANCES, BEGINNING</u></b>	-	-	41,231	41,231
<b><u>FUND BALANCES, ENDING</u></b>	\$ -	\$ -	\$ 56,908	\$ 56,908

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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 447</u>	<u>\$ 247</u>
<b><u>EXPENDITURES:</u></b>				
Capital outlay	<u>26,046</u>	<u>26,046</u>	<u>20,390</u>	<u>5,656</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(25,846)</u>	<u>(25,846)</u>	<u>(19,943)</u>	<u>5,903</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>25,846</u>	<u>25,846</u>	<u>25,945</u>	<u>99</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,002</u>	<u>\$ 6,002</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 96</u>	<u>\$ 86</u>
<b><u>EXPENDITURES:</u></b>				
Capital outlay	<u>10,535</u>	<u>10,535</u>	<u>-</u>	<u>10,535</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(10,525)</u>	<u>(10,525)</u>	<u>96</u>	<u>10,621</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(5,525)</u>	<u>(5,525)</u>	<u>96</u>	<u>5,621</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>5,525</u>	<u>5,525</u>	<u>5,533</u>	<u>8</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,629</u>	<u>\$ 5,629</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, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Interest	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ 3,443</u>	<u>\$ 2,843</u>
<b><u>EXPENDITURES</u></b>				
Capital outlay	<u>206,100</u>	<u>206,100</u>	<u>29,486</u>	<u>176,614</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>	<u>(205,500)</u>	<u>(205,500)</u>	<u>(26,043)</u>	<u>179,457</u>
<b><u>OTHER FINANCING SOURCES:</u></b>				
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<u>(155,500)</u>	<u>(155,500)</u>	<u>23,957</u>	<u>179,457</u>
<b><u>FUND BALANCES, BEGINNING</u></b>	<u>155,500</u>	<u>155,500</u>	<u>194,937</u>	<u>39,437</u>
<b><u>FUND BALANCES, ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 218,894</u>	<u>\$ 218,894</u>

See accompanying independent auditor's report.



**MORROW COUNTY, OREGON**

**Other Schedules**

**June 30, 2018**

**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, 2018**

	ASSETS			LIABILITIES AND FUND EQUITY		
	Cash and Investments	Taxes Receivable	Total	Payable to Other Agencies	Fund Balance	Total
<b><u>AGENCY FUNDS:</u></b>						
Property taxes	\$ -	\$ 1,076,902	\$ 1,076,902	\$ 1,076,902	\$ -	\$ 1,076,902
Assessments and taxation	16,562	-	16,562	16,562	-	16,562
Treasurer's account	1,099	-	1,099	1,099	-	1,099
Morrow Co. medical fund	12,762	-	12,762	12,762	-	12,762
Other districts, general	19,855	-	19,855	19,855	-	19,855
Other districts, debt service	9,576	-	9,576	9,576	-	9,576
Fire districts, general	730,904	-	730,904	730,904	-	730,904
Cemetery districts	115,830	-	115,830	115,830	-	115,830
Park districts	8,014	-	8,014	8,014	-	8,014
Water control districts	70	-	70	70	-	70
School districts, general	75,191	-	75,191	75,191	-	75,191
School districts, debt service	126,016	-	126,016	126,016	-	126,016
Morrow County Unified Recreation	424,645	-	424,645	424,645	-	424,645
North Morrow vector control	2,968	-	2,968	2,968	-	2,968
Ione-Lex Perpetual	25,845	-	25,845	25,845	-	25,845
Finley buttes landfill	1,203,402	-	1,203,402	1,203,402	-	1,203,402
Library district	54,601	-	54,601	54,601	-	54,601
Other	52,082	-	52,082	52,082	-	52,082
Mobile home ombudsman	40	-	40	40	-	40
Total	<u>\$ 2,879,462</u>	<u>\$ 1,076,902</u>	<u>\$ 3,956,364</u>	<u>\$ 3,956,364</u>	<u>\$ -</u>	<u>\$ 3,956,364</u>

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, 2018**

	<u>Cash and Investments June 30, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Cash and Investments June 30, 2018</u>
<b><u>AGENCY FUNDS:</u></b>				
Property taxes	\$ -	\$ 31,385,179	\$ 31,385,179	\$ -
Assessments and taxation	16,141	76,863	76,442	16,562
Treasurer's account	1,081	18	-	1,099
Morrow Co. Health District	4,662	1,916,645	1,908,545	12,762
Other districts, general	6,371	2,716,677	2,703,193	19,855
Other districts, debt service	6,388	673,606	670,418	9,576
Fire districts, general	609,857	1,612,524	1,491,477	730,904
Cemetery districts	101,130	177,810	163,110	115,830
Library districts	36,740	512,511	494,650	54,601
Park districts	2,215	1,171,510	1,165,711	8,014
Water control districts	20	9,454	9,404	70
School districts, general	27,872	10,378,265	10,330,946	75,191
School districts, debt service	252,687	2,522,934	2,649,605	126,016
Morrow County Unified Recreation	309,951	984,694	870,000	424,645
North Morrow vector control	1,110	436,722	434,864	2,968
Ione-Lex Perpetual	25,657	188	-	25,845
Finley buttes landfill	1,183,030	20,372	-	1,203,402
Other	38,609	1,005,702	992,229	52,082
Mobile home ombudsman	13	5,568	5,541	40
	<u>\$ 2,623,534</u>	<u>\$ 55,607,242</u>	<u>\$ 55,351,314</u>	<u>\$ 2,879,462</u>
Total	<u>\$ 2,623,534</u>	<u>\$ 55,607,242</u>	<u>\$ 55,351,314</u>	<u>\$ 2,879,462</u>

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

**Schedule of Accountability -- County Treasurer**

**Cash Transactions**

**Year Ended June 30, 2018**

<b><u>COUNTY FUNDS:</u></b>	Cash Balance <u>June 30, 2017</u>	Receipts	Disbursements	Cash Balance <u>June 30, 2018</u>
General	\$ 7,135,564	\$ 13,561,410	\$ 15,450,924	\$ 5,246,050
Heritage	17,403	296	216	17,483
Road Fund Equipment	465,353	180,338	268,377	377,314
General Road	1,272,283	7,258,466	6,045,531	2,485,218
Finley Buttes Road	11,829	416,085	200,000	227,914
Juvenile Services Commission	66,158	-	-	66,158
Airport	19,857	705,426	509,514	215,769
Law Library	32,081	8,523	8,540	32,064
911 Emergency Telephone	61,972	299,621	221,109	140,484
Surveyor Preservation	216,635	17,654	28,931	205,358
Finley Buttes license fee	663	1,657,079	1,296,983	360,759
County School	64	208,901	208,778	187
Ione School	6	19,584	19,572	18
Fair	102,288	163,181	101,387	164,082
Computer Equipment Reserve	53,113	15,821	39,377	29,557
Special Transportation	43,920	149,144	156,102	36,962
Programming Reserve	53,868	16,046	-	69,915
Alcohol Enforcement	22,310	563	179	22,694
Video Lottery	49,970	87,664	71,213	66,421
Victim/Witness Assistance	18,441	88,387	90,514	16,314
Willow Creek Wind	219	125,714	91,056	34,877
CAMI Grant	24,523	39,566	28,849	35,240
Weed Equipment Reserve	5,025	46,289	46,080	5,234
STF Vehicle Reserve	136,448	47,723	45,936	138,235
Roof Reserve	17,505	301	-	17,806
Heppner Admin Building	41,231	395,672	379,995	56,908
Safety committee	16,109	7,390	2,954	20,545
Bleacher Reserve	25,945	447	-	26,392
Rodeo	45,947	62,285	61,878	46,354
Justice Court	65,229	614,524	616,092	63,661
Clerks Records	15,656	2,030	9	17,677
DUII Impact	26,108	1,350	13	27,445
Fair Improvement Reserve	5,533	96	-	5,629
Building Permit Fees	488,094	151,688	1,525	638,257
Park	227,266	810,605	650,530	387,341
Equity	95,795	91,636	102,000	85,431
Building Reserve	201,637	53,443	36,186	218,894
Liquor Control	813	14	-	827
Water Planning	17,258	-	6,000	11,258
Forest Service	59,839	964	-	60,803
Court Security	144,461	15,442	21,104	138,799
Echo Wind Fees	475	103,745	102,222	1,998
Shepherds Flat Fees	297,911	1,732,805	2,030,436	280
STO Operating Grant	30,798	132,398	129,587	33,609
Community Corrections	247,894	594,923	529,456	313,361
PGE - Carty	-	2,154,145	2,153,399	746
Total County Funds	<u>11,881,497</u>	<u>32,039,384</u>	<u>31,752,554</u>	<u>12,168,328</u>
<b><u>AGENCY FUNDS</u></b>	<u>2,623,534</u>	<u>55,607,242</u>	<u>55,351,314</u>	<u>2,879,462</u>
County Treasurer Totals	<u>\$ 14,505,031</u>	<u>\$ 87,646,626</u>	<u>\$ 87,103,868</u>	<u>\$ 15,047,790</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Accountability -- Other Elected Officials

Cash Transactions

Year Ended June 30, 2018

	<u>Sheriff</u>
<u>CASH BALANCE, JUNE 30, 2017</u>	<u>\$ 1,825</u>
<u>CASH RECEIPTS</u>	<u>60,800</u>
<u>CASH DISBURSEMENTS:</u>	
Turnover to County Treasurer	<u>60,367</u>
<u>CASH BALANCE, JUNE 30, 2018</u>	<u>\$ 2,258</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Cash and Investments

June 30, 2018

County Treasurer	\$ 15,047,790
Other elected officials	2,258
Cash on hand, various funds	<u>1,829</u>
Total cash and investments	<u>\$ 15,051,877</u>

See accompanying independent auditor's report.

**MORROW COUNTY, OREGON**

**Schedule of Property Tax Transactions and Outstanding Balances**  
**Year Ended June 30, 2018**

<u>Fiscal Year</u>	<u>Property Taxes Receivable July 1, 2017</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, 2018</u>
2017-18	\$ -	\$ 32,086,762	\$ (867,737)	\$ (46,180)	\$ (30,179,866)	\$ 992,979
2016-17	568,950	-	-	(3,460)	(304,756)	260,734
2015-16	242,858	-	-	(1,354)	(109,230)	132,274
2014-15	132,449	-	-	(1,476)	(71,757)	59,216
2013-14	68,309	-	-	(1,483)	(63,277)	3,549
2012-13	2,743	-	-	(787)	(212)	1,744
2011-12	2,094	-	-	(444)	-	1,650
Prior years	4,018	-	-	-	(754)	3,264
	<u>\$ 1,021,421</u>	<u>\$ 32,086,762</u>	<u>\$ (867,737)</u>	<u>\$ (55,184)</u>	<u>\$ (30,729,852)</u>	<u>\$ 1,455,410</u>
 <u>County Summary:</u>						
County Operations	\$ 261,059	\$ 8,313,201	\$ (224,818)	\$ (4,886)	\$ (7,966,048)	\$ 378,508
Agency Funds	760,362	23,773,561	(642,919)	(50,298)	(22,763,804)	1,076,902
	<u>\$ 1,021,421</u>	<u>\$ 32,086,762</u>	<u>\$ (867,737)</u>	<u>\$ (55,184)</u>	<u>\$ (30,729,852)</u>	<u>\$ 1,455,410</u>

See accompanying independent auditor's report.

MORROW COUNTY, OREGON

Schedule of Property Taxes Receivable -- By Fund  
June 30, 2018

General fund	\$ 374,206
County school fund	1,127
Ione school fund	110
Fair fund	<u>3,065</u>
Sub-total	378,508
Agency funds	<u>1,076,902</u>
Total	<u>\$ 1,455,410</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

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BETSY J. BENNETT, C.P.A.  
PAUL A. BARNETT, C.P.A.  
REBECCA K. RAMOS BAUTISTA, C.P.A.  
MITCHELL L. BOYLAN, C.P.A.  
-----  
GERALD J. MORO, C.P.A. EMERITUS

**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, 2018, 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 January 3, 2019.

**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 charged 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questions costs that we consider to be significant deficiencies. [Finding 2018-1]

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*.

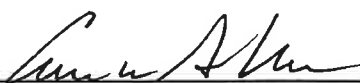
**Morrow County, Oregon's Response to Findings**

Morrow County, Oregon's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Morrow County, Oregon's response was not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**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  
January 3, 2019

**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

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-----  
GERALD J. MORO, C.P.A. EMERITUS

**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, 2018, and have issued our report thereon dated January 3, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**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**

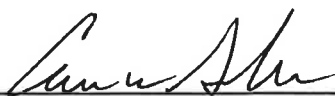
In planning and performing our audit, we considered Morrow County, Oregon's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness 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 identify certain deficiencies in internal control, described in the accompanying schedule of findings and questions costs that we consider to be significant deficiencies. [Finding 2018-1]

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  
January 3, 2019

**SINGLE AUDIT SECTION**

**MORROW COUNTY, OREGON**

**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2018**

<b><u>Federal Grantor/Program Name:</u></b>	<b><u>Federal</u></b>	<b><u>Major</u></b>	<b><u>Amount</u></b>
	<b><u>CFDA Number</u></b>	<b><u>Programs (X)</u></b>	
<b><u>U.S. DEPARTMENT OF AGRICULTURE:</u></b>			
Forest fees, roads and schools	10.665		\$ 167,273
<b><u>U.S. DEPARTMENT OF JUSTICE:</u></b>			
Crime victim assistance	16.575		\$ 40,992
<b><u>U.S. DEPARTMENT OF ENERGY:</u></b>			
Office of environmental waste processing	81.104		\$ 21,600
<b><u>U.S. DEPARTMENT OF VETERAN AFFAIRS</u></b>			
Grants for Transportation in Highly Rural Areas	64.035		\$ 32,072
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u></b>			
Oregon Health Authority:			
Public health emergency preparedness	93.069		\$ 72,651
HIV prevention activities health department	93.940		396
Block grants for community mental health services	93.958		22,803
Family planning services	93.217		20,359
MCH block grant	93.994		21,643
National tobacco control program	93.505		85
National bioterrorism hospital preparedness program	93.889		1,500
SAPT Block Grant	93.959		27,066
			<u>166,503</u>
Oregon Department of Justice:			
Child support enforcement	93.563		59,598
			<u>\$ 226,101</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION:</u></b>			
Airport Improvement Program	20.106		\$ 217,001
<b><u>U.S. DEPARTMENT OF THE INTERIOR:</u></b>			
Payment in Lieu of Taxes	15.226	X	\$ 376,464
Total expenditures of federal awards			<u>\$ 1,081,503</u>

See notes to schedule of  
expenditures of federal awards.



**MORROW COUNTY, OREGON**

**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2018**

**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

495 E. Main  
Hermiston, OR 97838  
(541) 567-5215  
(541) 567-0497 Fax

DENNIS L. BARNETT, C.P.A.  
KRISTIE L. SHASTEEN, C.P.A.  
CAMERON W. ANDERSON, C.P.A.  
RICHARD L. STODDARD, C.P.A.  
BETSY J. BENNETT, C.P.A.  
PAUL A. BARNETT, C.P.A.  
REBECCA K. RAMOS BAUTISTA, C.P.A.  
MITCHELL L. BOYLAN, C.P.A.  
-----  
GERALD J. MORO, C.P.A. EMERITUS

**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, 2018. 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, 2018.

### **Report on Internal Control Over Compliance**

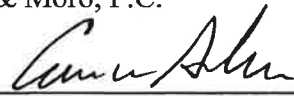
Management of Morrow County, Oregon, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Morrow County, Oregon's internal control over 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  
January 3, 2019

MORROW COUNTY, OREGON

Schedule of Findings and Questioned Costs

Year Ended June 30, 2018

---

**Section I-Summary of Auditor's Results**

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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?   X   yes        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
15.226	Payments in Lieu of Taxes

---

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

Auditee qualified as low-risk auditee?   X   yes        no

**MORROW COUNTY, OREGON**

**Schedule of Findings and Questioned Costs (Continued)**

**Year Ended June 30, 2018**

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**Section II-Financial Statement Findings**

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**Finding 2018-1**

Good accounting controls require proper review of the bank reconciliation process. All bank and investment accounts appear to have been reconciled in a timely fashion, but not all account reconciliations were reviewed by a second party.

We recommend that all bank and investment account reconciliations be reviewed in a timely fashion after the reconciliation process has occurred.

---

**Section III-Federal Award Findings and Questioned Costs**

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There are no federal award findings or questioned costs for the year ended June 30, 2018.

**MORROW COUNTY, OREGON**

**Corrective Action Plan**

**Year Ended June 30, 2018**

**CONTACT PERSON RESPONSIBLE FOR CORRECTIVE ACTION:**

Katherine Knop, Finance Director  
P. O. Box 867  
Heppner, OR 97836  
Telephone: 541-676-9061

**CORRECTIVE ACTION PLAN:**

**Finding 2018-1**

All bank and investment account reconciliations should be reviewed in a timely fashion after the reconciliation process has occurred.

**CORRECTIVE ACTION PLANNED OR TAKEN:**

Every month the bank and investment account reconciliations will be reviewed by an individual within management who did not prepare the reconciliation.

**ANTICIPATED COMPLETION DATE OF ALL CORRECTIVE ACTIONS:**

February 15, 2019

MORROW COUNTY, OREGON

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS

Year Ended June 30, 2018

QUESTIONED COSTS:

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

FINDINGS:

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



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #
50

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Staff Contact: Kate Knop
Department: Finance
Short Title of Agenda Item:
(No acronyms please)

Phone Number (Ext): 5302
Requested Agenda Date: 1/23/2019

Morrow County Budget Calendar for Fiscal Year 2019 - 2020.

This Item Involves: (Check all that apply for this meeting.)
Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Department Head Required for all BOC meetings
Admin. Officer/BOC Office Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.



**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

The proposed Budget Calendar for Fiscal Year 2019 - 2020 is attached for the Board's review, discussion, and approval.

Note: the proposed "Budget Committee Meetings" are April 16th - 18th, 2019, in Heppner, Oregon.

**2. FISCAL IMPACT:**

**3. SUGGESTED ACTION(S)/MOTION(S):**

Attach additional background documentation as needed.

## **Budget Calendar for FY 2019-20**

<b>January 22</b>	<b>Meeting with BOC to outline process</b>
	<b>Long Range Planning Workshop</b>
	<ul style="list-style-type: none"><li>• General financial position overview: Kate<ul style="list-style-type: none"><li>○ Beginning and ending fund balance</li></ul></li><li>• Revenue Forecast</li><li>• Long range objectives</li></ul>
<b>January 25</b>	<b>Budget worksheets, instructions, and calendars sent out</b>
<b>January 31</b>	<b>Reclassification Ask due to Human Resource Director</b>
<b>February 12</b>	<b>Compensation Committee Meeting</b>
<b>February 22</b>	<b>Budget Requests due back to Finance Department</b>
	<ul style="list-style-type: none"><li>• Budget preparation-Kate</li></ul>
<b>March 11-22</b>	<b>Department Meetings to Discuss Budget Requests</b>
	<ul style="list-style-type: none"><li>• 15 minutes each. Darrell and Kate</li><li>• Kate and Darrell discussion and decisions on which decision packets to include</li><li>• Creation of spreadsheet that lists all decision package requests. This should denote what is included and not included in the recommended budget.</li><li>• Background Documentation/Narrative<ul style="list-style-type: none"><li>○ Revenue – Kate directed</li><li>○ Charts and Graphs – Kate</li></ul></li></ul>
<b>March 25</b>	<b>Publish 1<sup>st</sup> Budget Comm. Meeting Notice</b>
	<b>Publish Budget Comm. Meeting Notice to County Website</b>
<b>April 16-18</b>	<b>Budget Committee Meetings</b>
<b>May 2</b>	<b>Publish Budget Financial Summary and Notice of Hearing</b>
<b>May 16</b>	<b>Public Hearing on Budget</b>
<b>June 20</b>	<b>Adopt Budget</b>
<b>July 6</b>	<b>File Budget with County Assessor</b>
<b>September 30</b>	<b>File copy of budget with County Clerk</b>



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #
5d

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Staff Contact: Carla McLane
Department: Planning
Short Title of Agenda Item:
(No acronyms please)

Phone Number (Ext): 541-922-4624
Requested Agenda Date: 01-23-2019

Port of Morrow Columbia Mill Site Rezone
Adopting Ordinance 1st Reading, ORD-2019-2

This Item Involves: (Check all that apply for this meeting.)

- Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Carla McLane 01182019 Department Head Required for all BOC meetings
Admin. Officer/BOC Office Required for all BOC meetings
Rich Tovey (via conversation) 01172019 County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

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# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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## 1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):

Based on the outcome of the Public Hearing that was held on January 3 and continued to January 9, the item before you is the 1st Reading of the Adopting Ordinance.

## 2. FISCAL IMPACT:

There is no direct fiscal impact based on this action.

## 3. SUGGESTED ACTION(S)/MOTION(S):

Not at this time.

Attach additional background documentation as needed.

**BEFORE THE BOARD OF COMMISSIONERS  
FOR MORROW COUNTY, OREGON**

AN ORDINANCE AMENDING THE MORROW	)	Ordinance Number
COUNTY COMPREHENSIVE PLAN TAKING AN	)	ORD-2019-2
EXCEPTION TO GOALS 3, 11 AND 14, CHANGING THE	)	
COMPREHENSIVE PLAN DESIGNATION FROM	)	
AGRICULTURAL TO INDUSTRIAL, AND CHANGING	)	
THE ZONING MAP FROM RESOURCE RELATED	)	
INDUSTRIAL TO PORT INDUSTRIAL	)	

**WHEREAS**, ORS 203.035 authorizes Morrow County to exercise authority within the County over matters of County concern; and

**WHEREAS**, Morrow County adopted a Comprehensive Land Use Plan which was first acknowledged by the Land Conservation and Development Commission on January 15, 1986, with the Economic Element update acknowledged in May 2016; and

**WHEREAS**, the Morrow County Planning Department received an application for exceptions to Goals 3, 11 and 14, to change the Comprehensive Plan designation from Agricultural to Industrial, and to change the zoning map from Resource Related Industrial to Port Industrial, utilizing Oregon Revised Statute (ORS) 197.719 pertaining to industrial use of abandoned and diminished mill sites; and

**WHEREAS**, the Morrow County Planning Commission held a public hearing on Tuesday, December 4, 2018, at the Port of Morrow Riverfront Center in Boardman, Oregon, to consider the request; and

**WHEREAS**, the Morrow County Planning Commission received testimony in favor of the application, and after discussion, recommended approval of the request to the Morrow County Board of Commissioners. In doing so, the Morrow County Planning Commission adopted the Final Findings of Fact recommending approval of the Exceptions to Goals 3, 11 and 14, the change in Comprehensive Plan designation from Agricultural to Industrial, and the change in zoning from Resource Related Industrial to Port Industrial; and

**WHEREAS**, the Morrow County Board of Commissioners held a public hearing to consider the Exceptions to Goals 3, 11 and 14, the change in Comprehensive Plan designation from Agricultural to Industrial, and the request to rezone the subject property from Resource Related Industrial to Port Industrial that came to the Board of Commissioners with a 'do adopt' recommendation from the Morrow County Planning Commission on January 3, 2019, at the Bartholomew Building in Heppner, Oregon; and

**WHEREAS**, the Morrow County Board of Commissioners continued the public hearing to Wednesday, January 9, 2019, to further consider the request; and

**WHEREAS**, the Morrow County Board of Commissioners received testimony in favor of the request; and

**WHEREAS**, the Morrow County Board of Commissioners accepted the Planning Commission recommendation, determined the effective date to be April 1, 2019, and approved the request in a 2-1 vote.

**NOW THEREFORE BE IT ORDAINED** THAT THE MORROW COUNTY BOARD OF COMMISSIONERS AMENDS THE MORROW COUNTY COMPREHENSIVE PLAN URBANIZATION ELEMENT TO REFLECT APPROVAL OF EXCEPTIONS TO GOALS 3, 11 AND 14, A CHANGE IN COMPREHENSIVE PLAN DESIGNATION FROM AGRICULTURAL TO INDUSTRIAL, AND A CHANGE IN ZONING FROM RESOURCE RELATED INDUSTRIAL TO PORT INDUSTRIAL ON AN APPROXIMATELY 48 ACRE PARCEL.

Section 1 Title of Ordinance:

This Ordinance shall be known, and may be cited, as the "2019 Columbia Mill Site Rezone."

Section 2 Affected and Attached Documents:

The Morrow County Comprehensive Plan Urbanization Element is amended to include information about this Exception to Goals 3, 11 and 14; the change in Comprehensive Plan designation from Agricultural to Industrial; and the change in zoning from Resource Related Industrial to Port Industrial.

Section 3 Effective Date:

The Morrow County Board of Commissioners does declare the effective date of this adoption to be April 1, 2019, to allow the Port Industrial use zone to be in place timely after the full closure of the Columbia Mill Site in accordance with ORS 197.719 in March 2019.

This ordinance shall be effective on April 1, 2019

Date of First Reading: January 23, 2019

Date of Second Reading: February 6, 2019

**ADOPTED** BY THE MORROW COUNTY BOARD OF COMMISSIONERS THIS 6<sup>TH</sup> DAY OF FEBRUARY 2019.

**BOARD OF COMMISSIONERS OF  
MORROW COUNTY, OREGON**

---

Jim Doherty, Chair

---

Melissa Lindsay, Commissioner

---

Don Russell, Commissioner

Approve as to Form:

---

Morrow County Counsel



# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners  
(Page 1 of 2)

Item #  
*5e*

Please complete for each agenda item submitted for consideration by the Board of Commissioners  
(See notations at bottom of form)

Staff Contact: Matt Scrivner Phone Number (Ext): 541-989-9500  
Department: Morrow County Public Works - ROAD Requested Agenda Date: 01.23.2019  
Short Title of Agenda Item: **Road Committee Member/alternate appointment.**

**This Item Involves:** (Check all that apply for this meeting.)

<input type="checkbox"/> Order or Resolution	<input checked="" type="checkbox"/> Appointments
<input type="checkbox"/> Ordinance/Public Hearing:	<input type="checkbox"/> Update on Project/Committee
<input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading	<input type="checkbox"/> Consent Agenda Eligible
<input type="checkbox"/> Public Comment Anticipated:	<input type="checkbox"/> Discussion & Action
Estimated Time:	Estimated Time:
<input type="checkbox"/> Document Recording Required	<input type="checkbox"/> Purchase Pre-Authorization
<input type="checkbox"/> Contract/Agreement	<input type="checkbox"/> Other

N/A Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity: \_\_\_\_\_  
 Contractor/Entity Address: \_\_\_\_\_  
 Effective Dates – From: \_\_\_\_\_ Through: \_\_\_\_\_  
 Total Contract Amount: \_\_\_\_\_ Budget Line: \_\_\_\_\_  
 Does the contract amount exceed \$5,000?  Yes  No

Reviewed By:

<u><i>[Signature]</i></u> DATE <u>1-17-19</u>	Department Head	Required for all BOC meetings
<u><i>[Signature]</i></u> DATE <u>1/22/19</u>	Admin. Officer/BOC Office	Required for all BOC meetings
_____ DATE _____	County Counsel	*Required for all legal documents
<u><i>[Signature]</i></u> DATE <u>1/22/19</u>	Finance Office	*Required for all contracts; other items as appropriate.
_____ DATE _____	Human Resources	*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, *then* submit the request to the BOC for placement on the agenda.

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# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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## 1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):

The Road committee had membership appointments expire along with adding alternates to the committee and recommendations is needed for renewal of these positions.

Committee members shall provide to Morrow County Public Works and the Morrow County Board of Commissioners ongoing assistance with review of the Transportation System Plan as related to the Morrow County Road System. At this time Kevin Kennedy who is the Public Works Director with the City of Boardman and wishes to remain on the committee as Boardman representative position. Public Works feels Mr. Kennedy would be a strong asset on the committee. You will find his letter and the appointment he is requesting.

Bylaws read as follows;

The governing body shall make appointments as necessary to fill vacancies.

Requests for appointment shall be presented to Public Works in writing by the candidates. These applications shall be in letter form containing complete information regarding qualifications and reasons for interest in Committee membership. The letter shall be signed and dated by the applicant. Public Works shall provide these to the Morrow County Board of Commissioners for approval and appointment.

## 2. FISCAL IMPACT:

## 3. SUGGESTED ACTION(S)/MOTION(S):

Move to approve Kevin Kennedy to fill the Road Committee position for the Representative for the Boardman area and will serve a period of 3 years.

Attach additional background documentation as needed.



**From:** [Kevin Kennedy](#)  
**To:** [Sandra Pointer](#)  
**Subject:** RE: Wishing to stay on Road Committee  
**Date:** Wednesday, January 09, 2019 11:43:51 AM

---

I am writing to express my interest in remaining on the road committee. I feel this committee is a great resource to my position as public works director for the City of Boardman. Having knowledge of county road projects and improvements enables me to stay informed.

**Kevin Kennedy**  
**Public Works Director**  
**City of Boardman**  
**[kennedyk@cityofboardman.com](mailto:kennedyk@cityofboardman.com)**  
**PH-541-481-9252**  
**Fax-541-481-3244**

---

**From:** Sandra Pointer [mailto:[spointer@co.morrow.or.us](mailto:spointer@co.morrow.or.us)]  
**Sent:** Tuesday, January 08, 2019 7:48 AM  
**To:** Kevin Kennedy <[KennedyK@cityofboardman.com](mailto:KennedyK@cityofboardman.com)>  
**Subject:** Wishing to stay on Road Committee

Kevin,

Your appointment on the road committee is due and wondered if you wish to stay on the committee? If so can you please write the Public Works a letter stating your wishes and then we can get this passed via BOC for appointment.

**Morrow County Public Works**

Sandi Pointer

*Management Assistant*

365 W. Hwy 74, P.O. Box 428

Lexington, OR. 97839

541-240-1761 Cell Phone

541-989-8166 Office

541-989-8352 Fax

[spointer@co.morrow.or.us](mailto:spointer@co.morrow.or.us)

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## - Road Committee Members -

Representing	Representative	Alternate	Term	Appointment	End Term
Boardman	Kevin Kennedy		3 YEARS	1/23/19	January 23, 2022
		VACANT	3 Years		
Irrigon	Gregory Barron		3 YEARS	1/1/2017	January 1, 2020
		VACANT	3 Years		
Heppner	Cam Sweeney		3 YEARS	8/1/2017	August 1, 2020
		Gerry Arnson	3 Years	2/7/2018	February 7, 2021
Lexington	Brian Thompson		3 YEARS	7/1/2017	July 1, 2020
		Kyle Robinson	3 YEARS	2/7/2018	February 7, 2021
lone	Donna RIETMAN		3 YEARS	2/7/2018	February 7, 2021
		Joe Rietman	3 YEARS	2/7/2018	February 7, 2021
South County	Frank Osmin		3 YEARS	2/7/2018	February 7, 2021
		Kim Cutsforth	3 YEARS	2/7/2018	February 7, 2021
North County	Karen Pettigrew		3 YEARS	2/7/2018	February 7, 2021
		VACANT	3 YEARS		
South Co. At Large	Joe McElligott		3 YEARS	8/1/2017	August 1, 2020
		Bob Nairns	3 YEARS	2/7/2018	February 7, 2021
North Co. At Large	Aaron Pamguist		3 YEARS	2/7/2018	February 7, 2021
		Luke Maynard	3 YEARS	1/16/2019	January 16, 2022

VACANT



**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
 (Page 1 of 2)

(For BOC Use)  
 Item #  
 5f

**Please complete for each agenda item submitted for consideration by the Board of Commissioners**  
 (See notations at bottom of form)

Staff Contact: Sheree Smith  
 Department: Public Health  
 Short Title of Agenda Item:

Phone Number (Ext): 5212  
 Requested Agenda Date: 01/16/19

**OHA Agreement #154124-8**

**This Item Involves:** (Check all that apply for this meeting.)

<input type="checkbox"/> Order or Resolution	<input type="checkbox"/> Appointments
<input type="checkbox"/> Ordinance/Public Hearing:	<input type="checkbox"/> Update on Project/Committee
<input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading	<input type="checkbox"/> Consent Agenda Eligible
<input type="checkbox"/> Public Comment Anticipated:	<input type="checkbox"/> Discussion & Action
Estimated Time:	Estimated Time:
<input type="checkbox"/> Document Recording Required	<input type="checkbox"/> Purchase Pre-Authorization
<input checked="" type="checkbox"/> Contract/Agreement	<input type="checkbox"/> Other

N/A      Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity: **Oregon Health Authority (OHA)**  
 Contractor/Entity Address: **800 NE Oregon Street, Suite 465B, Portland, Or 97232**  
 Effective Dates – From: **July 1st, 2017**      Through: **June 30th, 2019**  
 Total Contract Amount: **\$280,714 (with \$9,690 increase)**      Budget Line: **101-114-3-30-3450**  
 Does the contract amount exceed \$5,000?     Yes     No

Reviewed By:

Sheree Smith	01/08/19	Department Head	Required for all BOC meetings
	DATE		
	1/22/19	Admin. Officer/BOC Office	Required for all BOC meetings
	DATE		
Justin Nelson	email 1-18-19	County Counsel	*Required for all legal documents
	DATE		
Kate Knop	email 1-18-19	Finance Office	*Required for all contracts; other items as appropriate.
	DATE		
		Human Resources	*If appropriate
	DATE		

\* Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

**Note:** All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

Agreement #154124



**EIGHTH AMENDMENT TO OREGON HEALTH AUTHORITY  
2017-2019 INTERGOVERNMENTAL AGREEMENT FOR THE  
FINANCING OF PUBLIC HEALTH SERVICES**

In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to [dhs-oha.publicationrequest@state.or.us](mailto:dhs-oha.publicationrequest@state.or.us) or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

This Eighth Amendment to Oregon Health Authority 2017-2019 Intergovernmental Agreement for the Financing of Public Health Services, effective July 1, 2017, and restated July 1, 2018 (as amended the "Agreement"), is between the State of Oregon acting by and through its Oregon Health Authority ("OHA") and Morrow County, acting by and through its Health Department ("LPHA"), the entity designated, pursuant to ORS 431.003, as the Local Public Health Authority for Morrow County.

**RECITALS**

WHEREAS, OHA and LPHA wish to e.g. modify the Fiscal Year 2019 (FY19) Financial Assistance Award set forth in Exhibit C of the Agreement;

WHEREAS, OHA and LPHA wish to e.g. modify the Exhibit J information required by 2 CFR Subtitle B with guidance at 2 CFR Part 200;

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows

**AGREEMENT**

1. Section 1 of Exhibit C entitled "Financial Assistance Award" of the Agreement for FY19 is hereby superseded and replaced in its entirety by Attachment A attached hereto and incorporated herein by this reference. Attachment A must be read in conjunction with Section 3 of Exhibit C as restated July 1, 2018, entitled "Explanation of Financial Assistance Award" of the Agreement.
2. Exhibit J "Information required by 2 CFR Subtitle B with guidance at 2 CFR Part 200" is amended to add to the federal award information datasheet as set forth in Attachment B, attached hereto and incorporated herein by this reference.
3. LPHA represents and warrants to OHA that the representations and warranties of LPHA set forth in Section 2 of Exhibit E of the Agreement are true and correct on the date hereof with the same effect as if made on the date hereof.
4. Capitalized words and phrases used but not defined herein shall have the meanings ascribed thereto in the Agreement.
5. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect.
6. The parties expressly ratify the Agreement as herein amended.
7. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

**OHA - 2017-2019 INTERGOVERNMENTAL AGREEMENT - FOR THE FINANCING OF PUBLIC HEALTH SERVICES**

8. This Amendment becomes effective on the date of the last signature below.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below their respective signatures.

9. **Signatures.**

By: \_\_\_\_\_  
Name: /for/ Lillian Shirley, BSN, MPH, MPA  
Title: Public Health Director  
Date: \_\_\_\_\_

**MORROW COUNTY LOCAL PUBLIC HEALTH AUTHORITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**DEPARTMENT OF JUSTICE – APPROVED FOR LEGAL SUFFICIENCY**

*Agreement form group-approved by D. Kevin Carlson, Assistant Attorney General, Tax and Finance Section, General Counsel Division, Oregon Department of Justice by email on August 16, 2018, copy of email approval in Agreement file.*

**REVIEWED BY OHA PUBLIC HEALTH ADMINISTRATION**

By: \_\_\_\_\_  
Name: Derrick Clark (or designee)  
Title: Program Support Manager  
Date: \_\_\_\_\_

**Attachment A  
Financial Assistance Award (FY19)**

State of Oregon Oregon Health Authority Public Health Division				Page 1 of 2
<b>1) Grantee</b> Name: Morrow County Health Department  Street: 110 N Court Street City: Heppner State: OR Zip Code: 97836		<b>2) Issue Date</b> December 17, 2018	<b>This Action</b> AMENDMENT FY 2019	
		<b>3) Award Period</b> From July 1, 2018 Through June 30, 2019		
<b>4) OHA Public Health Funds Approved</b>				
	<b>Program</b>	<b>Award Balance</b>	<b>Increase/ (Decrease)</b>	<b>New Award Bal</b>
PE01	State Support for Public Health	14,015		14,015
PE12	Public Health Emergency Preparedness and Response (PHEP)	67,283	9,690	76,973
PE13	Tobacco Prevention and Education Prgram (TPEP)	37,188		37,188
PE41	Reproductive Health Program	2,869		2,869
PE42-01	MCAH Title V CAH	5,523		5,523
PE42-02	MCAH Title V Flexible Funds	12,884		12,884
PE42-03	MCAH Perinatal General Funds & Title XIX	1,890		1,890
PE42-04	MCAH Babies First! General Funds	6,039		6,039
PE42-05	MCAH Oregon Mothers Care Title V	3,141		3,141
PE42-06	MCAH General Funds & Title XIX	3,546		3,546
PE43	Public Health Practice (PHP) - Immunization Services (Vendors)	8,365		8,365
PE44-01	SBHC Base	60,000		60,000
PE44-02	SBHC - Mental Health Expansion	40,000		40,000
PE46	RH Community Participation & Assurance of Access	8,281		8,281
		271,024	9,690	280,714
<b>5) Foot Notes:</b>				
PE12	1	November Amendment to award FY18 unspent funds based on 7.05% increase of FY19 awards. Revised Budget due December 31, 2018.		
PE41	1	Funding Period is for two month - 7/1/18 - 8/31/18 - Funds must be expended by August 31, 2018		
PE42-01	1	For all MCH funds: Funds will not be shifted between categories or fund types. The same program may be funded by more than one fund type, however, federal funds may not be used as match for other federal funds (such as Medicaid).		
PE42-01	2	Funds for the MCH Title V programs: Flexible funds, Child & Adolescent Health, and Oregon MothersCare for the period 7/1/18 – 9/30/18 must be spent by 9/30/18.		

State of Oregon Oregon Health Authority Public Health Division		Page 2 of 2		
<b>1) Grantee</b> Name: Morrow County Health Department  Street: 110 N Court Street City: Heppner State: OR      Zip Code: 97836		<b>2) Issue Date</b> December 17, 2018	<b>This Action</b> AMENDMENT FY 2019	
		<b>3) Award Period</b> From July 1, 2018 Through June 30, 2019		
<b>4) OHA Public Health Funds Approved</b>				
Program		Award Balance	Increase/ (Decrease)	New Award Bal
PE42-02	1	For all MCH funds: Funds will not be shifted between categories or fund types. The same program may be funded by more than one fund type, however, federal funds may not be used as match for other federal funds (such as Medicaid).		
PE42-02	2	Funds for the MCH Title V programs: Flexible funds, Child & Adolescent Health, and Oregon MothersCare for the period 7/1/18 – 9/30/18 must be spent by 9/30/18.		
PE42-03	1	Funds will not be shifted between categories or fund types. The same program may be funded by more than one fund type, however, federal funds may not be used as match for other federal funds (such as Medicaid).		
PE42-04	1	For all MCH funds: Funds will not be shifted between categories or fund types. The same program may be funded by more than one fund type, however, federal funds may not be used as match for other federal funds (such as Medicaid).		
PE42-05	1	For all MCH funds: Funds will not be shifted between categories or fund types. The same program may be funded by more than one fund type, however, federal funds may not be used as match for other federal funds (such as Medicaid).		
PE42-05	2	Funds for the MCH Title V programs: Flexible funds, Child & Adolescent Health, and Oregon MothersCare for the period 7/1/18 – 9/30/18 must be spent by 9/30/18.		
PE42-06	1	For all MCH funds: Funds will not be shifted between categories or fund types. The same program may be funded by more than one fund type, however, federal funds may not be used as match for other federal funds (such as Medicaid).		
PE43	1	All Award Must be Spent by the End of June 30, 2019		
PE43	2	Immunization Special Payments is Funded by State General Fund and Matched dollar for Dollar with Federal Medicaid Match.		
<b>6) Comments:</b>				
PE42-01	\$1,381	must be spent from 7/1/18 to 9/30/18. \$4,142 must be spent from 10/1/18 to 6/30/19.		
PE42-02	\$3,221	must be spent from 7/1/18 to 9/30/18. \$9,663 must be spent from 10/1/18 to 6/30/19.		
PE42-05	\$785	must be spent from 7/1/18 to 9/30/18. \$2,356 must be spent from 10/1/18 to 6/30/19.		
PE46	PE46 7 Month award 9/1/18 to 3/31/19			
PE12	Operation OX: MCM Mini Grant Award \$4,947			
<b>7) Capital outlay Requested in this Action:</b>				
Prior approval is required for Capital Outlay. Capital Outlay is defined as an expenditure for equipment with a purchase price in excess of \$5,000 and a life expectancy greater than one year.				
PROGRAM	ITEM DESCRIPTION	COST	PROG APPROV	

**Attachment B**  
**Information required by CFR Subtitle B with guidance at 2 CFR Part 200**

**PE12: Public Health Emergency Preparedness and Response (PHEP)**  
Funding Information Table

Federal Award Identification Number (FAIN):	6NU90TP921916-01-03
Federal Award Date:	8/3/2018
Performance Period:	07/01/18-06/30/19
Federal Awarding Agency:	CDC
CFDA Number:	93.069
CFDA Name:	Public Health Emergency Preparedness
Total Federal Award:	\$8,008,993
Project Description:	Public Health Emergency Preparedness
Awarding Official:	Shicann Phillips
Indirect Cost Rate:	17.15%
Research and Development (Y/N):	No

**PCA:** 53437

**INDEX:** 50407

<b>Agency/Contractor</b>	<b>DUNS</b>	<b>Amount</b>
Morrow	10741189	\$76,973



**Morrow County Health Dept.  
BOC Quarterly Update  
01/23/19**

**Immunization**

- Flu Vaccine continues to be available at all regular clinics.
- To date, more than 400 doses of Influenza Vaccine has been given.
- Primary Review is in the process at this time with Exclusion day from school coming up February 20<sup>th</sup>, 2019
- The CARE Team continues to work closely with the schools to provide vaccinations in an effort to decrease the number of children excluded.

**Emergency Preparedness /Medical Reserve Corp (MRC)/Heathcare Preparedness  
AND Communicable Disease (CD) Update – Shelley Wight**

- Continue to utilize the Public Health Modernization CD Team for assistance and back up
- CD case counts for Morrow County
- Update on Measles, State and our Immunization rates in Morrow
- MRC-Volunteer/Community support
- Mini Grant: Pharmaceutical Frig/Freezer for Ione, 2 small Portable Refrigerator units for Boardman and the MRC trailer
- Will bring copies of reports/graphs to share.

**CARE Team**

- Continues to be a strong support to school children and their families, linking them with resources.
- EOCCO has provided funding for the past four years (an initial grant and three continuation grants) which is the maximum eligibility.
- LCAC Reinvestment funds allocated to Morrow County this year from the EOCCO is \$49,583. The previous two years, these funds were utilized to support per CCS for Student Peer Supports through the “SPURS” Program to address Youth Mental Health.
- LCAC strongly supports SPURS and CARE, but funding is not adequate for both.
- Reinvestment Funds will be shared (CARE \$30,000 and SPURS \$19,583).
- Resulting CARE Shortfall can be covered with Good Shepherd Funds this year (Mar 15<sup>th</sup> 2019 to Mar 14<sup>th</sup> 2020).

**Tobacco**

Introduce CARE RN/Health Educator - Myla Kurtz RN

She is the Tobacco Prevention Educator Program Coordinator and we would like to revisit the process regarding Smoke vs Tobacco Free Campus at a later time.

## ROAD REPORT JANUARY 2019

**WINTER PLOWING:** Our crew continues plowing snow and sanding when needed. The mild season has allowed for making headway on maintenance projects.

**ROAD DEICING:** we continue to spread deicer on asphalt roads as needed.

**ROAD SIGNS:** Repairs to road signs continue to be completed as time allows.

**FALL BLADING:** Our blade crew finished up our fall blading program this January.

**BRIDGE WORK:** A repair plan and schedule have been put in place. Our bridge crew is moving throughout the county making bridge repairs. Some repairs are as simple as deck cleanup and minor backfill at bridge abutments. Some are more in depth requiring structural repair. Any work done beneath a bridge that has the potential to run water will have to go through a permit process. Work done beneath a bridge that is currently running water has to be scheduled between July 1<sup>st</sup> and December 31<sup>st</sup>. We will schedule work around these parameters.

**CULVERT MAINTENANCE:** Crew members continue cleaning silted and weeded in culverts. We have covered most of our road system. The mountain region will be covered as weather permits. As the cleaning continues, our culvert repair list continues to grow.

**CREW ROOM:** The crew room at the Lexington Maintenance shop is completed. We hold morning safety and briefing meetings. The space has already proven to be affective in better communication and daily planning.

**PERMITS:** There were no permits applied for during the month of January

## Quarterly Report for MC Weed Dept. Oct.-Dec. 2018

### October

Worked on ODA Grant- more specifically worked on Plumeless thistle control.

Talked to Tony Clement regarding needs and budgeting for Airport weed control.

Renewed CDL license requiring fingerprinting and testing for Hazmat license endorsement.

Worked on Safety Data Sheet (SDS) management system research on Matt Scrivner's request.

Attended Oregon Vegetation Management Association conference in Seaside, Oregon October 23-25 for training, networking, and license credits.

Started spraying roadside residuals for paved roads on October 29.

### November

Continued spraying paved road residuals until just before Thanksgiving and treated roughly half of the paved road system for Morrow County.

Attended an Oregon Invasive Species Council (OISC) meeting in Portland on Nov. 13-14 as a council member.

Attended a Regional Flowering Rush meeting in Boardman on Nov. 26.

### December

Attended the ODA Interagency Noxious Weed Symposium in Corvallis on Dec. 4-6 For networking, training, and license credits.

Worked on an Intergovernmental Agreement with the Oregon Military Dept. to do more noxious weed control work on the Umatilla Army Depot.

Worked on an ODOT agreement regarding I-84 spraying to be done by Gilliam County in Morrow County from the county line to Tower Road junction. ODOT is still working on some changes before it can be presented to BOC for signing.

Attended Morrow SWCD annual meeting on Dec. 12.



**AGENDA ITEM COVER SHEET**  
 Morrow County Board of Commissioners  
 (Page 1 of 2)

(For BOC Use)  
 Item #

**6d**

Please complete for each agenda item submitted for consideration by the Board of Commissioners  
 (See notations at bottom of form)

Staff Contact: Bobbi Childers  
 Department: Clerk  
 Short Title of Agenda Item: Quarterly Reports

Phone Number (Ext): 5601  
 Requested Agenda Date:

**This Item Involves:** (Check all that apply for this meeting.)

<input type="checkbox"/> Order or Resolution	<input type="checkbox"/> Appointments
<input type="checkbox"/> Ordinance/Public Hearing:	<input type="checkbox"/> Update on Project/Committee
<input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading	<input type="checkbox"/> Consent Agenda Eligible
<input type="checkbox"/> Public Comment Anticipated:	<input type="checkbox"/> Discussion & Action
Estimated Time:	Estimated Time:
<input type="checkbox"/> Document Recording Required	<input type="checkbox"/> Purchase Pre-Authorization
<input checked="" type="checkbox"/> Contract/Agreement	<input checked="" type="checkbox"/> Other

N/A Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity:  
 Contractor/Entity Address:  
 Effective Dates – From: Through:  
 Total Contract Amount: Budget Line:  
 Does the contract amount exceed \$5,000?  Yes  No

Reviewed By:

<u>Bobbi Childers</u>	Department Head	Required for all BOC meetings
_____	Admin. Officer/BOC Office	Required for all BOC meetings
_____	County Counsel	Required for all legal documents
_____	Finance Office	Required for all contracts; other items as appropriate.
_____	Human Resources	If appropriate

**Note:** All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

AGENDA ITEM COVER SHEET  
Morrow County Board of Commissioners  
(Page 2 of 2)

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1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):

N/A

2. FISCAL IMPACT:

N/A

3. SUGGESTED ACTION(S)/MOTION(S):

N/A

Attach additional background documentation as needed.



PO Box 338-- Heppner, Oregon 97836  
(541) 676-5604 FAX (541) 676-9876

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**County Clerk**

Bobbi A Childers Ext. 5601

January 22, 2019

Quarterly Report/ County Clerk

Dear Commissioners,

Since the last report in October we have been busy as we always are. We had our November General Election in November with a total cost of \$7,661.75. We had 6134 eligible voters at Election Day and 3869 votes cast for 63.07% voting in County. The cost per eligible voter was \$1.24 and the cost per cast ballots was \$1.98.

November General Countywide and City voting numbers.

**Precinct 1**

Countywide -1763 Eligible voters, total voting in precinct 989.

City of Boardman – 1163 Eligible voters, total cast ballots in the City of Boardman, 604.

**Precinct 2**

Countywide –2237 Eligible voters, total voting in precinct 1242

City of Irrigon – 1005 Eligible voters, total cast ballots in the City of Irrigon, 539.

**Precinct 3**

Countywide – 396 Eligible voters, total voting in precinct 299.

Town of Lexington – 174 Eligible voters, total cast ballots in the Town of Lexington, 119.

**Precinct 4**

Countywide - 427 Eligible voters, total voting in precinct 329.

Town of Ione – 209 Eligible voters, total cast ballots in the City of Ione, 152.

**Precinct 5**

Countywide – 1311 Eligible voters, total voting in precinct 977.

City of Heppner – 860 Eligible voters, total cast ballots in the City of Heppner, 632.

See Attachment: for Party/Turnout Numbers for Precincts.

We are currently setting up for the May 21, 2019 special election for Special Districts. I will be publishing the open positions in the Heppner paper.

We had no filings for BoPTA once again this year!

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Bobbi Childers".

Bobbi Childers  
Morrow County Clerk

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Precinct Code	Democrat			Republican			Nonaffiliated			Other			Total		
	Registered	Cast	Accepted	Registered	Cast	Accepted	Registered	Cast	Accepted	Registered	Cast	Accepted	Registered	Cast	Accepted
01	402	282	276	428	345	344	837	320	312	96	57	57	1763	1004	989
02	403	266	266	639	514	509	1038	374	368	157	100	99	2237	1254	1242
03	63	50	50	213	182	181	85	43	42	35	26	26	396	301	299
04	85	71	71	232	203	202	94	43	43	16	13	13	427	330	329
05	272	227	227	606	514	513	338	169	169	95	69	68	1311	979	977
<b>TOTAL</b>	<b>1225</b>	<b>896</b>	<b>890</b>	<b>2118</b>	<b>1758</b>	<b>1749</b>	<b>2392</b>	<b>949</b>	<b>934</b>	<b>399</b>	<b>265</b>	<b>263</b>	<b>6134</b>	<b>3868</b>	<b>3836</b>
Election Turnout %		<b>73.1%</b>	<b>72.7%</b>		<b>83%</b>	<b>82.6%</b>		<b>39.7%</b>	<b>39%</b>		<b>66.4%</b>	<b>65.9%</b>		<b>63.1%</b>	<b>62.5%</b>





AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #
6e

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Staff Contact: Karmen Carlson
Department: Human Resources

Phone Number (Ext): 5620
Requested Agenda Date: 1/23/2018

Short Title of Agenda Item: Quarterly Department Report
(No acronyms please)

This Item Involves: (Check all that apply for this meeting.)

- Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Department Head Required for all BOC meetings
Admin. Officer/BOC Office Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

Quarterly Report - See Attached

**2. FISCAL IMPACT:**

None

**3. SUGGESTED ACTION(S)/MOTION(S):**

None

Attach additional background documentation as needed.

**Current projects include:**

1. Working on Policies and Procedures Handbook. Still working through the basic legal aspects but should be past that and into County specific policies by mid-February.
2. Learning Budget processes currently through the Veterans and my department.
3. Have been compiling the Compensation Board Committee Information and have scheduled the meeting for February 12<sup>th</sup> at 1 pm here in Heppner. Need Letters from the rest of elected and some more compensation information from other counties.
4. Completed the Evaluation process for the Administrator... and he is still here!! We congratulate him on completing his first year!!!
5. All departments have been completing their own evaluations of employees and that is being documented and handled very well within the departments.
6. The safety Committee is working well and we are welcoming a new member to the Committee, Sherry Wright from the Juvenile Department. We have also had one "North Safety Meeting" and have had positive feedback on that. We will be creating a monthly meeting where we can have a process for the Planning, Court, and Veteran's employees be involved as well.
7. The Road department has made headway with their Safety meetings and conversation and I am very excited to be a part of their progress!
8. Staying in contact with SAIF and OSHA representatives to work on having more access to trainings and safety information.
9. Two current job openings, both at the Sheriff's department. A Communications Deputy and a Patrol Deputy.

**Future and upcoming projects:**

1. To update and organize all current job descriptions and information
2. Keeping up with current laws and changes such as pay equity conversations with the state
3. Will be attending the CIS conference at the end of February where we will be able to gather current information
4. Updating organizational charts
5. Continuing to learn about the County and how all of the departments operate

**MORROW COUNTY SURVEYOR**

STEPHEN K. HADDOCK, PLS, CFedS

P.O. BOX G

PILOT ROCK, OREGON 97868

(541) 443-2922 ph.

To: Morrow County Commission  
COURT HOUSE  
Heppner, OR 97836

January 23rd, 2019

Re: County Surveyor's report.

Dear Morrow County Commissioners,

A little over a week ago I was waiting for the assessor's office to open and had the chance to look at items on the walls in the main entry to the courthouse. On the north wall of the entry there are a series of plaques showing the names and positions of the first officers for Morrow County when it was created in 1885. Those officers were appointed by Mr. Zenas Moody – Governor of Oregon at that time. It was interesting to see a familiar name there. Zenas F. Moody was a US Deputy Surveyor who performed various GLO surveys throughout this region of which one notable one was the survey of the boundary and interior of the Umatilla Indian Reservation which includes much of present day Pendleton.

In the October 2018 County Surveyor's report I mentioned that the informative brochure concerning the preservation and protection of property monuments and the rights of landowners has been completed and uploaded to the County Surveyor's web page. As I am also licensed in Washington I receive periodic updates from the Washington Board of Registration for Engineers and Surveyors. The attached letter was sent to all Washington registrants this past November and I thought the Morrow County Commissioners might find it interesting that the State of Washington is suggesting that every government agency develop a monument protection plan and select an agency official to be in charge of overseeing the pre-construction permit process to provide better protection of the land survey monuments in their jurisdictions. A copy of their recent letter is attached.

Also in the October report I raised the issue of the importance of title reports to the platting process. That issue was brought to light because of missing easements from the proposed Griffin Addition (now recorded). Since October there have been three additional partition plats that have had similar issues that could have been avoided with the requirement for a title report on all plats. As stated earlier, I am working with the planning department to resolve this issue and a draft copy of updates to the subdivision ordinance has been prepared and is currently under review by the planning department.

I have not had time to update my spread sheet that contains the diary of time spent on County Surveyor duties this year but have totaled the time for the year which came to 611 hours or about 12 hours per week. This is 250 hours more than the county surveyor contract is based on.

The Oregon Revised Statutes outline the duties of the County Surveyor. The first item listed under the statute is cited as follows:

**209.070 Duties.** The county surveyor of each county shall:


(1) Keep a fair and correct record of all surveys made by the county surveyor and deputies thereof and by the county road official, all surveys received pursuant to ORS 209.250 and all surveys under ORS 368.106 or 368.206.

**368.106 Records and survey of property acquired for road.** If a county governing body acquires an interest in real property for public road purposes, the county governing body shall cause:

- (1) Any order or resolution enacted and deed or other document establishing an interest in the property for public road purposes to be recorded;
- (2) The road right of way to be surveyed and monumented;
- (3) The survey to be prepared in compliance with ORS 209.250; and
- (4) The survey to be recorded with the county surveyor. [1981 c.153 §16]

It was in pursuance of this duty that I was looking through the county road files looking for old surveys that are found there but not in the survey records. In the process of that search I began to find information that indicates that the county has been billed for survey work that was never performed. In February of 2018 I sent the attached letter to Mr. Matt Scrivener asking for the opportunity to discuss the information I had found. I also raised this issue with the county attorney Justin Nelson. Mr. Nelson forwarded my request to Mr. Tovey who did call to discuss the issue. However, I have not heard anything from the county attorney's office since last February and the response I received from Mr. Scrivener was a verbal reply stating that he had forwarded this letter to Ferguson Engineering and asked them to look into it. It has been almost a year now with no further response from any of the parties. I have attached several copies of the information that I refer to in the letter that shows that this activity has been going on since 1998 through at least 2015. I have also included a copy of a spreadsheet I have prepared showing all the surveys from this company that have been recorded. On the spreadsheet, those surveys in black were performed and recorded within the constraints of the law. Those shown in yellow were not recorded until submitted to the Oregon Board of Examiners often many years after they were required to have been filed. Some of those were done for Morrow County. Comments in red refer to the survey shown immediately above the comment. And the two surveys in blue were performed and recorded without seeking action through the Board of Examiners but also ten and 12 years respectively after the work was performed.

I believe that Morrow County should require that those surveys that have been billed for should be provided. However, this may be difficult to completely pursue as several of the projects have copies of the same invoice in them obscuring the question of whether a map of survey should have been filed. All of the projects from this company would need to be reviewed to determine which of them would need pursuing. However, it does not appear like that will happen without some efforts other than my own.

Sincerely,  
  
Stephen K. Haddock, PLS, CFedS  
Morrow County Surveyor.



STATE OF WASHINGTON  
**BOARD OF REGISTRATION FOR  
PROFESSIONAL ENGINEERS AND LAND SURVEYORS**

P.O. Box 9025, Olympia WA 98507-9025 (Correspondence)  
P.O. Box 35001, Seattle WA 98124-3401 (Remittance)

November 15, 2018

Dear Sir or Madam:

Citizens of Washington State have invested in property boundaries and survey monuments since before Statehood. Survey monuments are not only important to delineate public and private ownership; they are critical. However, property corners and survey monuments are often endangered, and in many cases destroyed, by road and utility construction and maintenance.

RCW 58.24.040 (8) and WAC 332-120 provide the process to protect these monuments. Professional Engineers, Land Surveyors and employees of government agencies responsible for this work, must take the lead in following the law and rules to protect these monuments.

Noncompliance by Professional Engineers and Land Surveyors is considered a violation of law and may result in the Board of Registration for Professional Engineers and Land Surveyors taking disciplinary action.

Anyone performing construction or maintenance activities should consider the following:

- No survey monument shall be removed or destroyed (the physical disturbance or covering of a monument such that the survey point is no longer visible or readily accessible) before a permit is obtained from the Department of Natural Resources.
- When one or more monuments must be removed during an activity which might disturb or destroy it, a licensed Professional Engineer or Land Surveyor must complete, sign, seal and then file a permit with the Department of Natural Resources.

Each agency should adopt a monument protection plan, which follows the monument removal permit process provided in Chapter 332-120 WAC. In most cases, an agency official must be in responsible charge of protecting monuments during the maintenance and construction activities within their jurisdiction.

On behalf of the Citizens of Washington we are asking you to take appropriate action to actively protect the survey monuments in your charge.

Sincerely,

A handwritten signature in black ink, appearing to read "James Wengler". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

James Wengler, PLS, CFedS  
Board Chair

# MORROW COUNTY SURVEYOR

STEPHEN K. HADDOCK, PLS, CFedS

P.O. BOX G

PILOT ROCK, OREGON 97868

(541) 443-2922 ph.

February 16th, 2018

To: Mr. Matt Scrivener  
Morrow County Roadmaster  
P.O. Box 428  
Lexington, OR 97839

Re: Invoices for road department surveys.

Dear Matt,

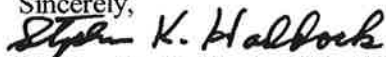
During the 5 years that I have been County Surveyor I have been involved with an ongoing law enforcement complaint concerning Ferguson Surveying and Engineering for their failure to record various maps of survey as required by law. Of those surveys submitted to the State Board of Examiners, seven of them are surveys done for Morrow County over the period between 1998 and 2015.

The Oregon Revised Statute ORS209.070(1) requires the county surveyor to keep a fair and correct record of all surveys performed for the road department for the purposes outlined in ORS368.106 and ORS 368.206. To comply with this statute I have recently been reviewing the road files for old maps of survey that may be in the road files and not in the county survey records. In the process of this review I have run across multiple invoices and letters from Ferguson Surveying and Engineering that indicate Morrow County has paid FS&E for survey work done under ORS368 for which there appear to be some survey maps (most are in addition to those seven already mentioned) that have never been completed or submitted for recording in the county survey or road department records.

The information which raises this question can be found in the road files as outlined below. Several of these files have a copy of the same invoice relating to the Jobs and Transportation Act of 2009 making it difficult to determine the project or projects to which the invoice actually relates. That invoice includes an amount for the preparation and revision of legal descriptions which indicates right of way was obtained per ORS368.106. Some of the projects (but not all) mentioned in the 2009 JTA have photos showing the work was actually completed.

I would like to discuss these documents with you at your earliest convenience to determine which of these projects have maps of survey that should have been filed as required by the statutes listed above. Please let me know a time that will work for you, and I will meet you at your office for this discussion.

Sincerely,



Stephen K. Haddock, PLS, CFedS  
Morrow County Surveyor



The documents in question can be found in the county road files as listed below: The format given to find each file is as follows: Road Number ---- sub folder ---- sub folder ---- file.pdf ---- page number in that file ---- description of service billed for.

Road 504 Turner Lane --- Misc --- Turner La Ferguson surveying.pdf --- pages 2 through 8 are invoices for surveying services. Also indicates work on Rhea Creek, Dairy Rd. and Morter. Road 504 Turner Lane --- Right of Way --- 00504 Right-of-way.pdf Legal description and map show that the Turner Lane work was performed in 2001 but no map was recorded until 2011.

Road 533 Porcupine Lane --- JTA 2009 Corridor Intersection Improvements 2010 --- Engineering.pdf --- Invoice titled 207 intersection includes fees for surveying and providing legal descriptions. No maps have been filed.

Road 576 Morter Lane --- Construction --- 00576.pdf --- pages 1 and 2 are invoices for surveying services. Page 4 of 20 includes estimate of \$3,400 to survey the right of way. No map or deeds were filed.

Road No. 589 Valby Rd --- Construction --- Valby rd 589.pdf ----- Pages 26-28 contain proposals for a project on Valby Road running south from the intersection of Valby Road and Barlow Road. Proposal on page 27 under Phase III item 1 calls for designing a rock lined channel. Page 27 Phase IV item 5 calls for monumenting the final right of way and filing a map in the county records for \$2,230. The rock lined channel and new right of way fences were built but no map was ever filed. The same charge for mapping is shown on page 28. Pages 36-24 are invoices for this and other projects. It is unclear which payment is for which road. However, no map of this project has ever been filed even though the road project described in the proposal on pages 26-28 was completed.

Road 630 Juniper Lane --- realignment --- Juniper Canyon Realignment.pdf --- Page 58 is a letter dated November 2002 stating the map had been sent to the County Surveyor for review. However, no map was filed until required by the Board of Examiners in 2014.

Road No. 681 Ione-Gooseberry --- misc -- Engineering.pdf --- invoice for HWY 207 intersection improvements. Also Photo P2250620 indicates right of way widened during 2015 rebuild.

Road No. 683 Lunceford Canyon road --- misc --- engineering.pdf --- same invoice as 681. 2009 Lunceford slide repair photos show excavation well outside of right of way.

Road No. 704 Riverside Rd --- Riverside Road --- riverside rd 704.pdf --- Page 9, agreement to provide descriptions --- pages 17-19 are the descriptions for right of way acquisition --- pages 54 to 58 are the map of survey never completed or recorded. (Note, I found no invoice for this project. However, I assume that, since the legal descriptions were used in recorded deed documents that the project was billed for.) No map has been filed as of this date.

Road No. 705 Spring Hollow --- misc --- Ferguson surveying.pdf --- Invoice for services on bridge where new right of way was obtained and old bridge turned into a park. No map has ever been filed and no monuments set.

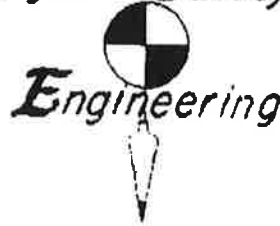
Road No. 713 Shobe Canyon Rd --- JTA of 2009 Corridor intersection improvements 2010 --- Warranty Deed from Carl Thorpe for Shobe Canyon Road Intersection.pdf --- right of way was

conveyed to Morrow County per ORS368.106. There is no survey on file. Ferguson's invoice is in this same folder under Engineering.pdf.

Road No. 733 S Sand Hollow Rd --- Construction – S Sandhollow.pdf --- Page 33 is an invoice for surveying for \$8,400 which includes monuments and filing a map. No map has been filed as of this date.

Road 966 Clark's Canyon Rd --- Construction --- JTA of 2009 corridor intersection improvements 2010 --- Engineering.pdf --- Page 1 is an invoice for surveying and providing legal descriptions for right of way acquisition. (Note: project photos and an inspection of the site show the work was performed and additional right of way should have been acquired, but there is no map or legal description for what was done.)

# Ferguson Surveying



P. O. BOX 519 • ROUTE 195 MAIN STREET  
 MI. VERNON, OREGON 97865  
 OFFICE (503) 932-4500  
 FAX (503) 312-4439

## SAND HOLLOW RIGHT OF WAY SURVEY APPROXIMATELY 3 MILES

### ELEMENTS OF WORK AND COSTS

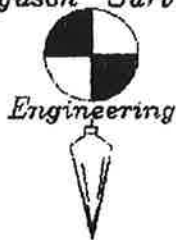
Research, 4 hr. @ \$60-----	\$ 240
Control Survey, Closed loop, 6 mi. 2 man crew, 16 hr. @ \$100-----	\$1,600
Locate and Tie Public Land Survey Corners, 2 man crew, 8 hr. @ \$100-----	\$ 800
Locate existing features, (shoulders, top cuts, toe fills, fences ext. 2 man crew, 16 hr. @ \$100-----	\$1,600
Data Reduction, Computer Tech. 4 hr. @ \$60-----	\$ 240
Locate Alignment & Right of Way position, Surveyor, 12 hr. @ \$60-----	\$ 720
Pin 3 miles of right of way, approx. 40 pins, 2 man crew 16 hr. @ \$100-----	\$1,600
Prepare Legal Descriptions, Surveyor 16 hr. @ \$60--	\$ 960
Prepare and File Map of Survey Computer Drafting 8 hr. @ \$60-----	\$ 480
Materials, Approx. 40 pins & caps @ \$4-----	\$ 160
	<hr/>
	\$8,400

Lower Sand Hollow - 1998

*Valby RD  
File  
RBO*

Ferguson Surveying

*OPTION TWO*



P.O. Box 519, 210 East Main  
Mt. Vernon, OR 97955  
Phone (541)932-4520  
Fax (541)932-4430  
E-mail: dfe@eons.com

Burk Obrain  
Morrow County, Public Works Department.  
Lexington Oregon

Subject: Valby Road Recommended Engineering and approximate Costs.

Based on an inspection of the proposed project and the requirements you stated to me, the following recommendations are made.

The Project begins near the junction of Valby Road and Peterson Road. in the North 1/2 of Section 32, T. 2S., R.24E., runs southerly about 1 mile where it enters Section 5, T. 1S., R.24E., it continues south another 1/2 mile to a curve left which and heads east 1/2 mile, then curves right and heads south another 3 miles. (Total Length approx. 5 miles.)

As you pointed out the first priority is to locate the existing right of way, over the entire length of the project.

It is my understanding that the south 1- 1/2 miles does not have particular problems and will not require detailed design. Of the remaining 3-1/2 miles there is a drainage and erosion problem near the north end of the project. This consisting of approximately 1500 feet of erosive channel on the west side of the roadway. A special ditch lined with shot dice rock to prevent scouring and erosion needs to be constructed along the west side of the roadway. The channel would then flow into a pipe crossing the road and outlet trench to an outfall into the Barlow Canyon water course. In order to accomplish this improvement, it must be constructed to a specific design of the roadway, special lined ditch, pipe road crossing and outlet to Barlow Canyon. The design must accommodate anticipated design flow volumes. In order to provide design for the drainage and erosion problem elements listed above, a Digital Terrain Model (DTM) of the affected portion of the project will be needed. The total length of the specific areas requiring design work is estimated at approximately 1-1/3 miles.

*Valby 2000*

**PHASE III-Design Required Improvements (a. through d. above)**

1. Design of rock lined channel, adjacent roadway, pipe crossing and outlet to Barlow Canyon water course.-----	\$2,400
(see "area of special consideration", "a.", above)	
2. Design improvements and drainage for two 90 degree curves on the project. (see "area of special consideration", "b.", above)-----	900
3. Design of Assorted Roadway Drainage Problems. (see "area of special consideration", "c.", above)-----	900
4. Design grade changes in specific areas to increase sight distance and reduce steep grades. (see "area of special consideration", "d.", above)-----	900
Total PHASE III	\$5,280

**PHASE IV - Construction Staking and Monument Final Right of Way**

1. Staking of rock lined channel, adjacent roadway, pipe crossing and outlet to Barlow Canyon water course.-----	\$1,600
(see "area of special consideration", "a.", above)	
2. Staking improvements and drainage for two 90 degree curves on the project. (see "area of special consideration", "b.", above)-----	800
3. Staking of assorted Roadway Drainage Problems. (see "area of special consideration", "c.", above)-----	1,200
4. Staking grade changes in specific areas to increase sight distance and reduce steep grades. (see "area of special consideration", "d.", above)-----	800
5. Monument final Right of Way and file map in County Records-----	2,230
Total PHASE III	\$6,630

**Total Estimated Cost of all Engineering and Surveying Proposed here \$24,430**

Valby 2000

**Engineering Phases and Estimated Costs.**

**PHASE I- Provide Control and Location of Existing Right of Way.**

1. Research County Road and Survey Records-----	\$ 480
2. Control Survey-----	2,400
3. Reduction of Control Survey-----	480
4. Search and locate Public Land Survey Corners-----	1,000
5. Locate existing features, roadway and fences-----	2,400
6. Establish existing Right of Way location-----	480
7. Mark existing Right of Way on the project-----	2,400
Total PHASE I	\$9,640

**PHASE II - Digital Terrain Model (DTM)**

1. 1500 feet of detailed three-dimensional DTM survey-----	\$1,000
2. Redaction of DTM Survey-----	240
Total PHASE II	\$1,240

**PHASE III-Design Drainage and Erosion Control Section**

1. Design of rock lined channel, adjacent roadway, pipe crossing and outlet to Barlow Canyon water course.----- (see "area of special consideration", "a.", above)	\$2,400
---	---------

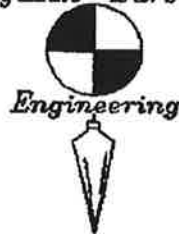
**PHASE IV - Construction Staking and Monument Final Right of Way**

1. Staking of rock lined channel, adjacent roadway, pipe crossing and outlet to Barlow Canyon water course.----- (see "area of special consideration". "a.", above)	\$1,600
5. Monument final Right of Way and file map in County Records-----	2,230
Total PHASE III	\$3,830

**Total Estimated Cost of all Engineering and Surveying Proposed here \$17,130**

Valby 2000

*Ferguson Surveying*



P.O. Box 519, 210 East Main  
 Mt. Vernon, OR 97865  
 Phone (541)932-4520  
 Fax (541)932-4430  
 Email: [dfs@highdesertnet.com](mailto:dfs@highdesertnet.com)

September 20, 2005

Burke O'Brian  
 Morrow County Public Works Director  
 P.O. Box 428  
 Lexington, OR 97839

Burke,

Enclosed are the legal descriptions for the transfer of Riverside, Fuller Canyon and Spruce Ln. As I understand it, some of the deeds for the new intersection with Fuller Canyon and the highway have not been filed. As soon as those have been filed, I can write a description for that transfer. You might check with David to make sure the wording on the Fuller Canyon description will cover the bridge.

Sincerely,

Kenneth H. Delano Jr., P.L.S.  
 Staff Surveyor

Riverside 2005

**DESCRIPTION B**

Proposed Right of Way across the tract of land as described in Morrow County Deed Records, Deed M 46192 (Tax Lot 1100, 2S 26 27), located in the SW1/4 of the NE1/4 of Section 27, T. 2S., R.26E., W.M. Said Right of Way Described as follows:

Beginning at a 5/8" iron pin with a plastic cap marked "PLS 848", said pin being on the northerly Right of Way of Riverside Ave. and being 574.29 ft. North and 2442.74 ft. West of the East 1/4 of Section 27, T. 2S., R.26E., W.M.;

Thence N36°41'51"W along the said northerly Right of Way of Riverside Ave., 30.18 ft.;

Thence N35°42'39"E, 27.11 ft.;

Thence along a 75 ft. radius curve left, 92.79 ft.(the long chord of which bears N00°15'57"E, 86.99 ft.);

Thence S49°25'51"E, 148.76 ft.;

Thence along a 75 ft. radius curve left, 66.73 ft.(the long chord of which bears S61°12'00"W, 64.55 ft.);

Thence S35°42'39"W, 23.68 ft.;

Thence along a 35 ft. radius curve left, 17.07 ft.(the long chord of which bears S21°44'28"W, 16.90 ft.);

Thence N49°25'51"W, 45.47 ft. to the Point of Beginning.

The above described tract containing 0.19 Acres(8,332.04 sq. ft.)

**DESCRIPTION C**

Proposed Right of Way across the tract of land as described in Morrow County Deed Records, Deed M 18151 (Tax Lot 200, 2S 26 27db), located in the SW1/4 of the NE1/4 of Section 27, T. 2S., R.26E., W.M. Said Right of Way Described as follows:

Beginning at a 5/8" iron pin with a plastic cap marked "PLS 848", said pin being on the northerly Right of Way of Riverside Ave. and being 574.29 ft. North and 2442.74 ft. West of the East 1/4 of Section 27, T. 2S., R.26E., W.M.;

Thence S36°41'51"E along the said northerly Right of Way of Riverside Ave., 68.87 ft.;

Thence along a 35 ft. radius curve right, 27.16 ft.(the long chord of which bears N14°27'47"W, 26.49 ft.);

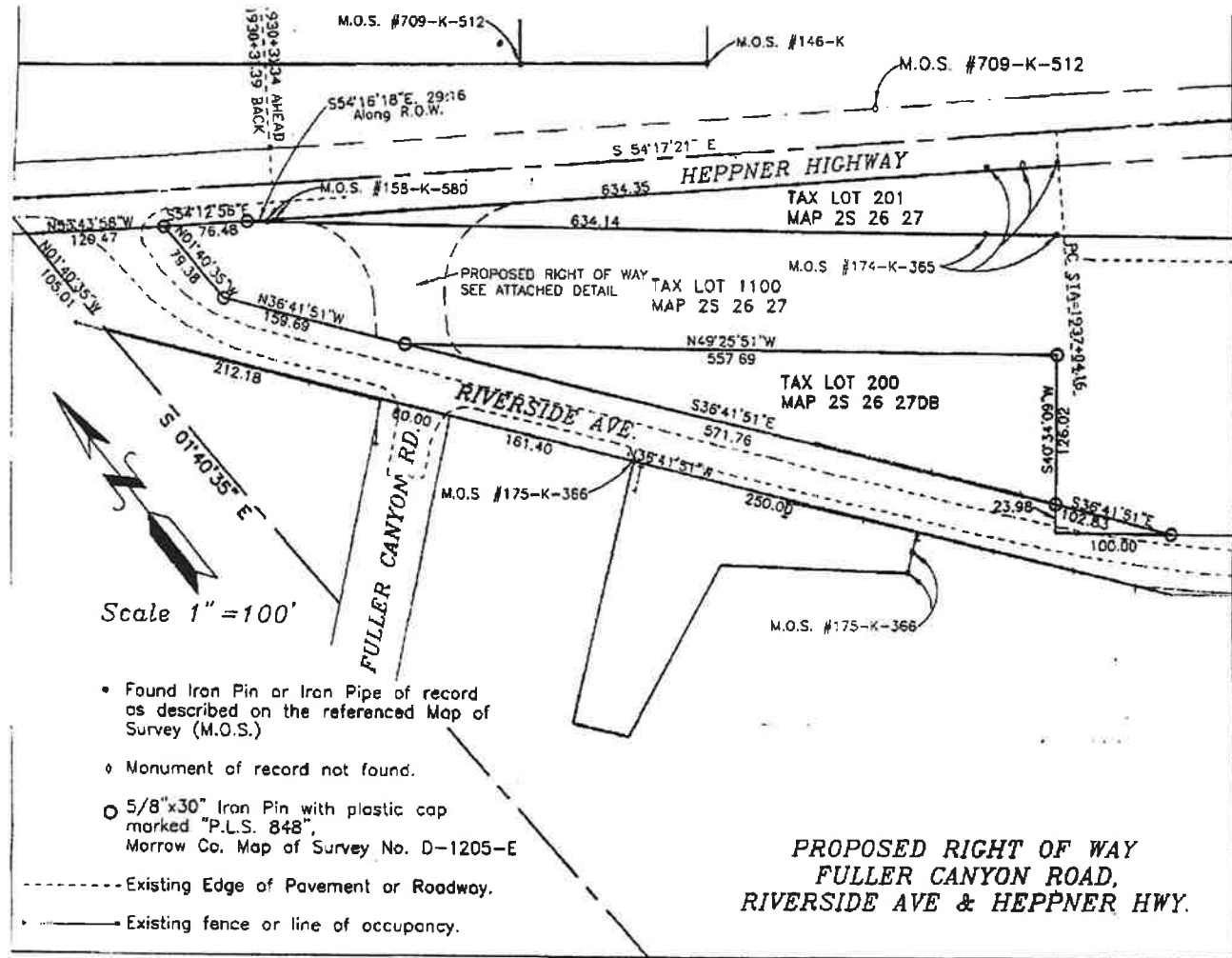
Thence N49°25'51"W, 45.47 ft. to the Point of Beginning.

The above described tract containing 0.01 Acres(298.84 sq. ft.)

Riverside 2005



# Riverside 2005



Scale 1" = 100'

- Found Iron Pin or Iron Pipe of record as described on the referenced Map of Survey (M.O.S.)
- ◊ Monument of record not found.
- 5/8"x30" Iron Pin with plastic cap marked "P.L.S. 848", Morrow Co. Map of Survey No. D-1205-E
- Existing Edge of Pavement or Roadway.
- Existing fence or line of occupancy.

**PROPOSED RIGHT OF WAY  
FULLER CANYON ROAD,  
RIVERSIDE AVE & HEPPNER HWY.**

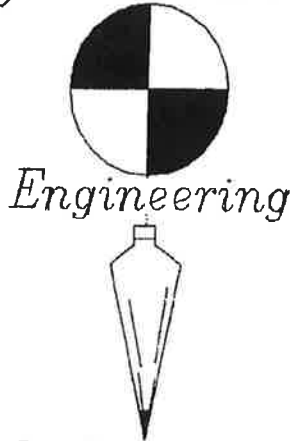
Sent By: DFSE:

5419324430:

Jan-4-05 4:57PM:

Page 2/3

# Ferguson Surveying



P.O. Box 519, 210 E. Main  
 MT. VERNON, OR 97865  
 PHONE (541)932-4520  
 FAX (541)932-4430  
 EMAIL fsofficemgr@gmail.com

## Invoice

BILL TO
Morrow County Public Works Dept. PO Box 428 365 W Hwy 74 Lexington, OR 97839

P.O. NO.

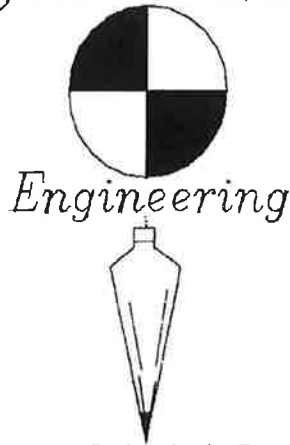
DATE	INVOICE #
12/30/2010	2409

Spring Hollow - 2010

PROJECT					
Spring Hollow Bridge					
DATE	ITEM	DESCRIPTION	HOURS/MILES	RATE	AMOUNT
12/15/2010	2 Man Crew & G...	Tie trees at bridge	1	150.00	150.00
12/27/2010	Engineer	Engineer's Review	2	85.00	170.00
11/26/2010	Design	Preliminary Alternate Design Location	7	65.00	455.00
11/29/2010	Design	Preliminary Alternate Design Location	7	65.00	455.00
11/30/2010	Research	Cost Comparison	3	65.00	195.00
12/15/2010	Design	Alternate Route Design	3	65.00	195.00
12/15/2010	Drafting	Alternate Route Drafting	4	65.00	260.00
12/16/2010	Meetings	Meeting with Burke	2	60.00	120.00
<b>Total</b>					\$2,000.00

Billing will be on a thirty (30) day basis and any invoice not paid in full within thirty (30) days will be charged an additional 1% per billing cycle on the total balance owed.

# Ferguson Surveying



P.O. Box 519, 210 E. Main  
 MT. VERNON, OR 97865  
 PHONE (541)932-4520  
 FAX (541)932-4430  
 EMAIL fseofficemgr@gmail.com

## Invoice

BILL TO
Morrow County Public Works Dept. PO Box 428 365 W Hwy 74 Lexington, OR 97839

P.O. NO.

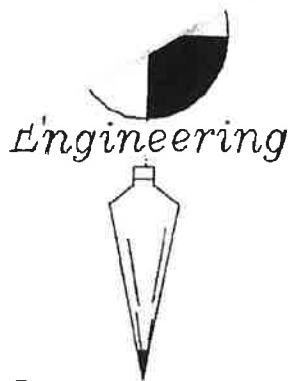
DATE	INVOICE #
8/31/2010	2354

Spring Hollow 2010

PROJECT					
Spring Hollow					
DATE	ITEM	DESCRIPTION	HOURS/MILES	RATE	AMOUNT
8/12/2010	Data Reductio	Topo Data Reduction	2	65.00	130.00
8/19/2010	Data Reductio	Topo Data Reduction	6	65.00	390.00
8/30/2010	Design	Design Base Map	3	65.00	195.00
8/2/2010	1 Man & GPS	Topo Bridge Site	7	115.00	805.00
	Mileage	Mileage	200	0.585	117.00
8/3/2010	1 Man & GPS	Topo Bridge Site	9	115.00	1,035.00
	Mileage	Mileage	200	0.585	117.00
8/2/2010	Engineer	On-site Visit	2	85.00	170.00
	Mileage	Mileage	200	0.585	117.00
224					
202220-500 3120					
Billing will be on a thirty (30) day basis and any invoice not paid in full within thirty (30) days will be charged an additional 1% per billing cycle on the total balance owed.				<b>Total</b>	\$3,076.00

ing

# Invoice



P.O. Box 519, 210 E. Main  
 MT. VERNON, OR 97865  
 PHONE (541)932-4520  
 FAX (541)932-4430  
 EMAIL jseofficemgr@gmail.com

BILL TO
Morrow County Public Works Dept. PO Box 428 365 W Hwy 74 Lexington, OR 97839

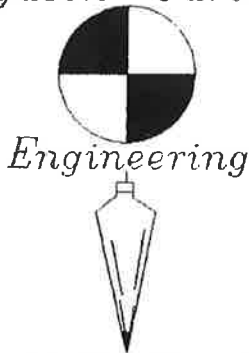
P.O. NO.

DATE	INVOICE #
7/30/2010	2339

Spring Hollow 2010

PROJECT					
Spring Hollow Bridge					
DATE	ITEM	DESCRIPTION	HOURS/MILES	RATE	AMOUNT
7/12/2010	Engineer	Bridge Location Visit	3	85.00	255.00
	Mileage	Milcage	200	0.585	117.00
		<i>F 338</i>			
		<i>2012.15. 920 8100</i>			
Billing will be on a thirty (30) day basis and any invoice not paid in full within thirty (30) days will be charged an additional 1% per billing cycle on the total balance owed.				<b>Total</b>	\$372.00

Ferguson Surveying



P.O. BOX 519, 210 E. MAIN  
 MT. VERNON, OR 97865  
 PHONE (541)932-4520  
 FAX (541)932-4430  
 EMAIL dfse@oretelco.net

Invoice

BILL TO
Morrow County Public Works Dept. PO Box 428 365 W Hwy 74 Lexington, OR 97839

P.O. NO.

DATE	INVOICE #
5/4/2011	2485

**Spring Hollow Bridge**

DATE	ITEM	DESCRIPTION	HOURS/MILES	RATE	AMOUNT
4/25/2011	Eng. Tech.	Control from Clark's Canyon to Rhea Creek	2	65.00	130.00
5/13/2011	2 Man Crew & G...	2 Man Crew & GPS, search GLO corners	8	150.00	1,200.00
<p>226                  201110-519-3120                  60</p>					

Billing will be on a thirty (30) day basis and any invoice not paid in full within thirty (30) days will be charged an additional 1% per billing cycle on the total balance owed.

**Total** \$1,330.00

Spring Hollow 2011

RECEIVED MAY 06 2011

## Project Cost Report

Date Printed 7/14/2016

Date Range Between  
7/1/2015 and 6/30/2016

CAS1020

Name	Date	Rate	Pay Type	Pay Factor	Quantity	Units	Total Cost
<b>Project: 100 - OFFICE</b>							
<b>Activity: 630 - OVERHEAD - COMP TIME</b>							
<b>Labor</b>							
1035 - PROEBSTEL, CAROLYN	07/30/2015	\$35.7800	Comp Time Taken -	1	1.50	Hour	\$53.6700
			80				
			<b>Activity 630 - OVERHEAD - COMP TIME Total:</b>				<b>\$53.6700</b>
			<b>Project 100 - OFFICE Total:</b>				<b>\$53.6700</b>
<b>Project: 108 - SOUTH ENDS ROADS</b>							
<b>Activity: 103 - ROADS - PAVING</b>							
<b>Services</b>							
GRANITE NORTHWEST, INC - 1/2 HMAC64-22	06/27/2016	\$695.9800		0	1.00	Each	\$695.9800
GRANITE NORTHWEST, INC - CSS-1	06/27/2016	\$1,324.0800		0	1.00	Each	\$1,324.0800
GRANITE NORTHWEST, INC - CSS-1	06/27/2016	\$23,289.3500		0	1.00	Each	\$23,289.3500
GRANITE NORTHWEST, INC - 1/2 MHAC64 64-22	06/27/2016	\$16,423.9100		0	1.00	Each	\$16,423.9100
GRANITE NORTHWEST, INC - 1/2 HMAC64-22	06/27/2016	\$24,890.6800		0	1.00	Each	\$24,890.6800
GRANITE NORTHWEST, INC - 1/2 HMAC 64	06/27/2016	\$691.7200		0	1.00	Each	\$691.7200
			<b>Services Total</b>				<b>6.00</b>
			<b>Activity 103 - ROADS - PAVING Total:</b>				<b>\$75,513.7200</b>
<b>Activity: 525 - ENGINEERING/SURVEY/APPRAI</b>							
<b>Services</b>							
Ferguson Surveying - surveyor: crews	08/13/2015	\$7,004.0000		0	1.00	Each	\$7,004.0000
Ferguson Surveying - ENGINEERING PIN ANDPOST ROW	09/14/2015	\$1,360.0000		0	1.00	Each	\$1,360.0000
			<b>Services Total</b>				<b>2.00</b>
			<b>Activity 525 - ENGINEERING/SURVEY/APPRAI Total:</b>				<b>\$8,364.0000</b>
			<b>Project 108 - SOUTH ENDS ROADS Total:</b>				<b>\$75,679.7200</b>
<b>Project: 110 - SHOP</b>							
<b>Activity: 040 - Renting</b>							
<b>Services</b>							

Page BETWEEN 07/01/2015 AND 06/30/2016 AND  
Number = 000746 - BIG BUTTER CREEK LN)

Big Butter Creek 2015

TNS	RNG	SEC	QT	Surveyor	Client	Date Done	Comments	Survey #	Folder	Filed On
2S	26	27	D	DELANO	Morrow County	1/21/2002	Boundary Adjust.	1338C	1338	3/2/2002
1N	25	1		DELANO	Morrow County Rd. Dept	10/1/2002	Juniper Road Right of Way survey	C-1340-M	1340	6/14/2014
1N	25	2	E	DELANO	Morrow County	2/1/2002	Juniper Canyon	1340C	1340	6/14/2014
This map was assigned an entry in 2002 but no map filed until 2014.										
1S	24	28	E	DELANO	Morrow County	9/1/2002	Road No. 576	1352C	1352	10/10/2002
Folder 1352 Corner certificates say February 11, 2002 and were not filed until 2014.										
1S	25	12	C	DELANO	MO.CO RD DEPT	4/1/2001	TURNER RD. R/W	1594C	1594	2/17/2011
Folder 1594 Map filed 10 years after project completed.										
4N	24	21	E	DELANO	PORT OF MORROW	11/10/2004	Boardman Airport C/L	1595C	1595	2/17/2011
5S	26	33	C	DELANO	WARD	12/21/2010	Boundary Line Adjust	1596C	1596	2/17/2011
2S	26	27	D	DELANO	Willow Creek Park Dst	2/4/2011	Boundary Adjustment	1600C	1600	3/2/2011
4N	24	13		DELANO	Morrow County	3/1/2009	Kunze Road Right of Way	2013-38D	1685	11/15/2013
6S	26	31		DELANO	Morrow County	11/1/2008	See Grant County Survey 1985	2013-1687D	1687	11/25/2013
4S	28	27		DELANO	Gene Heliker	10/29/2013	Boundary Adjustment	2013-1689C	1689	11/25/2013
Folder 1689 - Coppock survey 1653 says Ferguson monuments in place 10-29-2012 not 2013.										
4S	28	27		DELANO	Morrow County	8/1/2012	Cutsforth Park	2013-1690C	1690	12/21/2013
1N	26	17		DELANO	Morrow County	4/22/2009	Right of Way	2014-1696C	1696	3/4/2014
Folder 1696 Map is also in Road files for road 749.										
4N	26	1		DELANO	Oregon Military Dept.	8/20/2014	Camp Rees Survey	2014-1712C	1712	8/27/2014
4N	26	1		DELANO	Columbia Development	11/30/2015	Umatilla Army Depot survey	2016-1752D	1752	1/13/2016
4N	25	15	A	DELANO	Morrow County Rd. Dept	1/18/2016	Right of Way Acquisition	2016-1753C	1753	2/5/2016
1N	27	2		DELANO	Morrow County	2/30/2016	Butter Creek Rd Right of Way Survey	2017-1807D	1807	10/5/2017
Folder 1807 Map is dated February 2016 but caps are stamped 2015 and invoice was paid in September 2015.										
4S	29	11	E	FERGUSON	UMA NAT FOR	5/1/1981		0447C	463	1/7/1982
4S	28	36	D	FERGUSON	UMA NAT FOR	8/1/1984		0800C	521	1/10/1986
5S	28	5	E	FERGUSON	USFS	8/1/1984		0801D	649	1/10/1986
5S	28	5	E	FERGUSON	USFS	8/1/1984		0801D	650	1/10/1986
5S	28	5	E	FERGUSON	USFS	8/1/1984		0801D	651	1/10/1986
4S	28	21	E	FERGUSON	USFS	8/1/1984		0802D	652	1/10/1986
5S	27	19	E	FERGUSON	USFS	4/1/1992		0936C	705	7/9/1992
5S	27	13	E	FERGUSON	USFS	4/1/1992		0937C	706	7/9/1992
5S	28	7	E	FERGUSON	USFS	4/1/1992		0938C	707	7/9/1992

25	26	27	E	FERGUSON	WILL CR PARK	1/1/1999	POOL SUR	1205D	979	1/1/1999
Map has no date stating when survey was done.										
PS	23	25	A	FERGUSON	MO. CO. RD DEPT.	1/1/1999	Co #188 Valley RD.	1587C	1587	2/17/2011
Narrative states survey folder 1597 was done in 1999 which agrees with renewal date on surveyor's stamp.										
3S	26	36		FERGUSON	Morrow County	4/20/1998		2013-34D	1681	8/23/2013



**Roberta Lutcher**

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**From:** Houck, Brandon J -FS <brandonjhuck@fs.fed.us>  
**Sent:** Saturday, January 19, 2019 9:24 AM  
**To:** Don Russell; Jim Doherty; Melissa Lindsay  
**Cc:** Matt Scrivner; Roberta Lutcher; Darrell Green  
**Subject:** Heppner District update related to federal government shutdown

Good morning Commissioners:

I'm checking in to provide you a status update on the Heppner District during the federal government shutdown, including services that are available to the public and on-going mission-critical agency work.

As you're aware, the federal government partially shut down on Dec. 21, 2018, due to a lapse in federal funding. Our District employees are furloughed, with a few exceptions.

We have been able to place several employees in an "excepted" status, which means they can perform work during the shutdown to provide for public and employee health and safety, protect critical assets, and support ongoing mission critical work (e.g. timber sales).

Along with myself, our new law enforcement officer, Vern Voelz, and our timber program manager, Brian Spivey, are excepted from furlough.

National Forest System lands remain accessible to the public.

We have three active timber sales on the Heppner District that are operating through the shutdown. These are Cat II, Post & Pole IV and Henry. We will open new sale units during the lapse in funding to allow this important work to move forward.

Our previously scheduled regional and national fire hire events will proceed during the shutdown. It's critical that we fill vacant permanent and temporary seasonal firefighter positions to prepare for fire season.

We are analyzing prior year funds and trust funds that can be spent now, in order to maintain momentum on high priority projects during the lapse in funding.

[At this webpage link](#) you can find information regarding agency-wide operational updates, field operational updates, and ongoing work during the lapse in funding.

I am available anytime to address questions or concerns from partners and the public. Don't hesitate to call me on my cell anytime that I can assist Morrow County.

**A RESOLUTION ACCEPTING TRANSFER OF JURISDICTION FROM  
MORROW COUNTY FOR A PORTION OF COLUMBIA AVENUE**

**WHEREAS**, The Port of Morrow requested transfer of jurisdiction of certain roads from Morrow County to the Port of Morrow in a letter dated August 15, 2018; and

**WHEREAS**, The Port of Morrow worked with the Morrow County Public Works and Planning Directors to determine to the best of their ability the current status of the roads in question; and

**WHEREAS**, The Morrow County Board of Commissioners agreed in principal to the transfer of jurisdiction from Morrow County to the Port of Morrow; and

**WHEREAS**, The Morrow County Board of Commissioners discussed the transfer of road jurisdiction in public meetings on August 22, 2018, on October 17, 2018, and on December 5, 2018 and held a public hearing on Wednesday January 9, 2019; and

**WHEREAS**, The Morrow County Board of Commissioners accepted the Public Works Director and the Planning Director recommendation to transfer the road jurisdiction; and

**WHEREAS**, The Morrow County Board of Commissioners on January 9, 2019 signed Order No. 2019-03 to transfer jurisdiction to the Port of Morrow for a portion of Columbia Avenue as defined below.

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS FOR THE PORT OF MORROW HEREBY ACCEPTS THE TRANSFER OF JURISDICTION FROM MORROW COUNTY AS FOLLOWS:**

Columbia Avenue from the south side of the Union Pacific railroad overpass eastward to the edge of the Umatilla Wildlife Refuge and as depicted on the attached map marked Attachment A.

BY:

  
Jerry Healy, President

ATTEST:

  
Larry Lindsay, Secretary

**A RESOLUTION ACCEPTING TRANSFER OF JURISDICTION FROM  
MORROW COUNTY FOR INDUSTRIAL WAY**

**WHEREAS**, The Port of Morrow requested transfer of jurisdiction of certain roads from Morrow County to the Port of Morrow in a letter dated August 15, 2018; and

**WHEREAS**, The Port of Morrow worked with the Morrow County Public Works and Planning Directors to determine to the best of their ability the current status of the roads in question; and

**WHEREAS**, The Morrow County Board of Commissioners agreed in principal to the transfer of jurisdiction from Morrow County to the Port of Morrow; and

**WHEREAS**, The Morrow County Board of Commissioners discussed the transfer of road jurisdiction in public meetings on August 22, 2018, on October 17, 2018, and on December 5, 2018 and held a public hearing on Wednesday January 9, 2019; and

**WHEREAS**, The Morrow County Board of Commissioners accepted the Public Works Director and the Planning Director recommendation to transfer the road jurisdiction; and

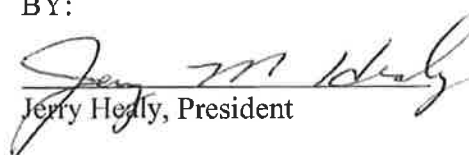
**WHEREAS**, The Morrow County Board of Commissioners on January 9, 2019 signed Order No. 2019-04 to transfer jurisdiction to the Port of Morrow for Industrial Way as defined below.

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS FOR THE PORT OF MORROW HEREBY ACCEPTS THE TRANSFER OF JURISDICTION FROM MORROW COUNTY AS FOLLOWS:**

Industrial Way from the east boundary of the Port of Morrow Food Processing Park Plat east to the intersection with Columbia Avenue and as depicted on the attached map marked Attachment A.

This resolution shall become effective upon its adoption, January 16, 2019.

BY:

  
Jerry Healy, President

ATTEST:

  
Larry Lindsay, Secretary

**A RESOLUTION ACCEPTING TRANSFER OF JURISDICTION FROM MORROW COUNTY FOR LINDSAY WAY**

**WHEREAS**, The Port of Morrow requested transfer of jurisdiction of certain roads from Morrow County to the Port of Morrow in a letter dated August 15, 2018; and

**WHEREAS**, The Port of Morrow worked with the Morrow County Public Works and Planning Directors to determine to the best of their ability the current status of the roads in question; and

**WHEREAS**, The Morrow County Board of Commissioners agreed in principal to the transfer of jurisdiction from Morrow County to the Port of Morrow; and

**WHEREAS**, The Morrow County Board of Commissioners discussed the transfer of road jurisdiction in public meetings on August 22, 2018, on October 17, 2018, and on December 5, 2018 and held a public hearing on Wednesday January 9, 2019; and

**WHEREAS**, The Morrow County Board of Commissioners accepted the Public Works Director and the Planning Director recommendation to transfer the road jurisdiction; and

**WHEREAS**, The Morrow County Board of Commissioners on January 9, 2019 signed Order No. 2019-04 to transfer jurisdiction to the Port of Morrow for Lindsay Way as defined below.


Being  
Corrected  
by POM to  
OR-2019-5

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS FOR THE PORT OF MORROW HEREBY ACCEPTS THE TRANSFER OF JURISDICTION FROM MORROW COUNTY AS FOLLOWS:**

Lindsay Way all that portion remaining in Section 10 of Assessor's Map 4N2510 after Vacation Order OR-2013-06 and as depicted on the attached map marked Attachment A.

This resolution shall become effective upon its adoption, January 16, 2019.

BY:

  
Jerry Healy, President

ATTEST:

  
Larry Lindsay, Secretary

**A RESOLUTION ACCEPTING TRANSFER OF JURISDICTION FROM MORROW COUNTY FOR A PORTION OF RIPPEE ROAD**

**WHEREAS**, The Port of Morrow requested transfer of jurisdiction of certain roads from Morrow County to the Port of Morrow in a letter dated August 15, 2018; and

**WHEREAS**, The Port of Morrow worked with the Morrow County Public Works and Planning Directors to determine to the best of their ability the current status of the roads in question; and

**WHEREAS**, The Morrow County Board of Commissioners agreed in principal to the transfer of jurisdiction from Morrow County to the Port of Morrow; and

**WHEREAS**, The Morrow County Board of Commissioners discussed the transfer of road jurisdiction in public meetings on August 22, 2018, on October 17, 2018, and on December 5, 2018 and held a public hearing on Wednesday January 9, 2019; and

**WHEREAS**, The Morrow County Board of Commissioners accepted the Public Works Director and the Planning Director recommendation to transfer the road jurisdiction; and

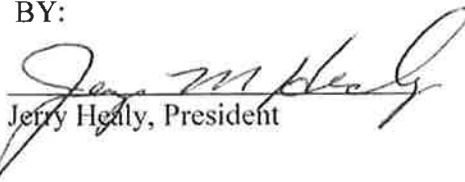
**WHEREAS**, The Morrow County Board of Commissioners on January 9, 2019 signed Order No. 2019-06 to transfer jurisdiction to the Port of Morrow for a portion of Rippee Road as defined below.

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS FOR THE PORT OF MORROW HEREBY ACCEPTS THE TRANSFER OF JURISDICTION FROM MORROW COUNTY AS FOLLOWS:**

Rippee Road from the intersection of Columbia Avenue southeast to the north boundary of that portion of Rippee Road Vacated by Order OR-2014-03 and as depicted on the attached map marked Attachment A.

This resolution shall become effective upon its adoption, January 16, 2019.

BY:

  
Jerry Healy, President

ATTEST:

  
Larry Lindsay, Secretary