Bryce Creek
Richard Peters, Photographer

## Lane County, Oregon

# Comprehensive Annual Financial Report

## For the Fiscal Year Ended June 30, 2020

**We responsibly manage available resources to deliver vital, community-centered services with passion, drive, and focus.**

LANE COUNTY OREGON

# COMPREHENSIVE ANNUAL FINANCIAL REPORT
# LANE COUNTY, OREGON

## FOR THE FISCAL YEAR ENDED JUNE 30, 2020

REPORT PREPARED BY LANE COUNTY
OPERATIONS DIVISION - FINANCIAL SERVICES

Lane County, Oregon
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020

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# INTRODUCTORY SECTION

November 30, 2020

To the Board of County Commissioners and the Citizens of Lane County, Oregon:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of Lane County, Oregon for the fiscal year ended June 30, 2020, together with the report of our independent certified public accountants, Moss Adams LLP. Financial Services, as part of the Operations Division of County Administration, prepares this report. This report is published to provide the Board of County Commissioners, citizens, County staff, and other readers with detailed information about the financial position and results of operations of the County, and to demonstrate fiscal and operational accountability in the use of County resources.

The report consists of management's representations concerning the finances of Lane County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, County management has established a comprehensive internal control framework designed to protect Lane County's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls is designed to provide reasonable assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

## THE REPORT

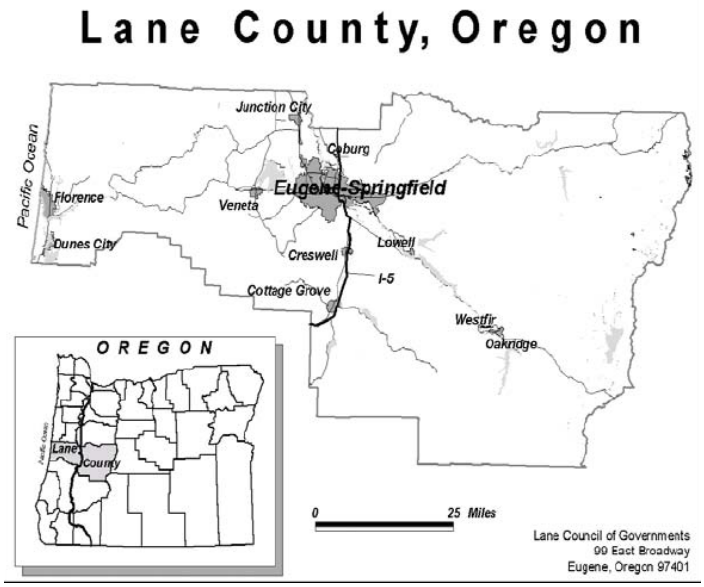
In accordance with Oregon law and Lane County Code, Moss Adams LLP has audited the County's basic financial statements. The objective of the audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2020, are free of material misstatement. The audit was conducted in accordance with auditing standards generally accepted in the United States of America, standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and Minimum Standards for Audits of Oregon Municipal Corporations as prescribed by the Secretary of State, State of Oregon. The unmodified opinion rendered in this report indicates that the financial statements were prepared in accordance with generally accepted accounting principles (GAAP) accepted in the United States of America and meet the standards prescribed by the Secretary of State. The auditor's report on these financial statements is located in the Financial Section of this report.

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

## PROFILE OF THE COUNTY

Lane County was established in 1851 and is geographically situated on the west side of Oregon, about midway down the state's coastline. The county encompasses 4,722 square miles and, in many ways, typifies Oregon. The county's lands are geographically a microcosm of the state, ranging from rugged glaciated mountains in the east, through a broad valley spreading across the Willamette River mid-county, to a beautiful and rugged coastline along the western edge. Portland State University's Population Research Center's estimate of the 2019 population for Lane County is 378,880. Although 90 percent of the county is forestland, Lane County is the fourth most populous county in Oregon and the third most populous metropolitan statistical area (MSA) in the state.

Lane County government operates under a home rule charter approved by voters in 1962. The Charter grants authority to a full-time compensated, five-person Board of County Commissioners to legislate and administer County government within the limits of that non-partisan authority. Lane County voters individually elect commissioners from specific geographic regions for four-year terms. The County operates under the provisions of the County Charter and the Lane County Code, as well as the Oregon Constitution and State law (Oregon Revised Statutes). Board action is effected by a simple majority vote of three of the five Board members.




As a general purpose government, the mission of Lane County is to responsibly manage available resources to deliver vital, community-centered services with passion, drive, and focus.

Lane County consists of services grouped into three categories: Public Services (Assessment and Taxation, Health & Human Services, Public Works); Public Safety (District Attorney, Department of Public Safety, Health & Human Services – Youth Services, County Administration – Parole and Probation, Lane County Office of Emergency Management); and Support Services (Board of Commissioners, County Administration, County Counsel, Human Resources, Technology Services).

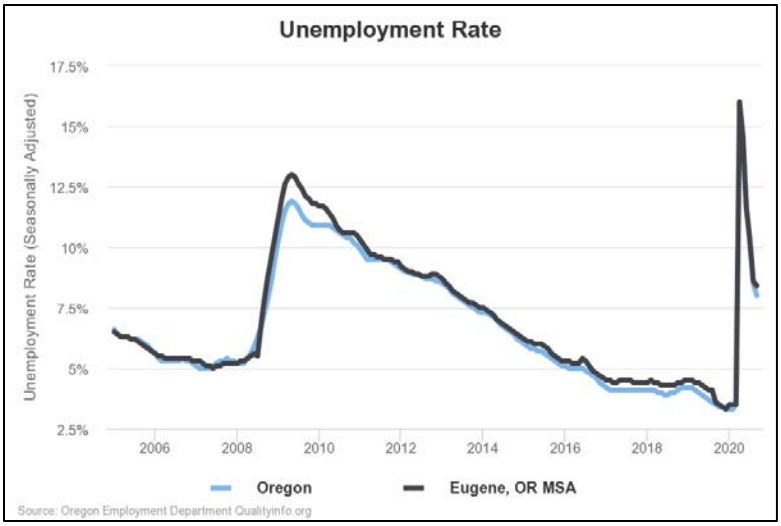
As the foundation of the County's annual financial planning and control, the budget is prepared and adopted for all County funds as required by Oregon Local Budget Law (Chapter 294 of the Oregon Revised Statutes). The board order adopting the budget establishes appropriations for expenditures within each fund which cannot legally be exceeded. The expenditure appropriations lapse at the end of the fiscal year. Additional resources and corresponding expense appropriations may be added to the budget during the fiscal year through a supplemental budget process. Original and supplemental budgets may be modified during the fiscal year by the use of appropriation transfers between categories.

Budget and actual comparisons are presented in this report for each individual fund for which an appropriated annual budget has been adopted. For the General Fund, Road Fund, Special Revenue / Services Fund, Health and Human Services Fund, LaneCare Fund, and Local Option Tax Levy Fund, the budget and actual comparisons are presented in this report in the Required Supplementary Information section. For all other funds the budget and actual comparisons are presented in the Other Supplementary Information section of the report. Additional information on the County's budgetary process is contained in Note II.A. of the Notes to Basic Financial Statements in this report.

For financial reporting purposes, the County is a primary government under the provisions of Governmental Accounting Standards Board Statement No. 14, as amended by GASB 61 and 80. This report also includes all organizations and activities for which the elected officials exercise financial control. The County reports one discretely presented component unit - Homes for Good Housing Agency (Agency). The financial information of this entity is included in this report as appropriate to its relationship to the County. More information on the reporting entity and its component unit can be found in Note I.A. of the Notes to Basic Financial Statements in this report.

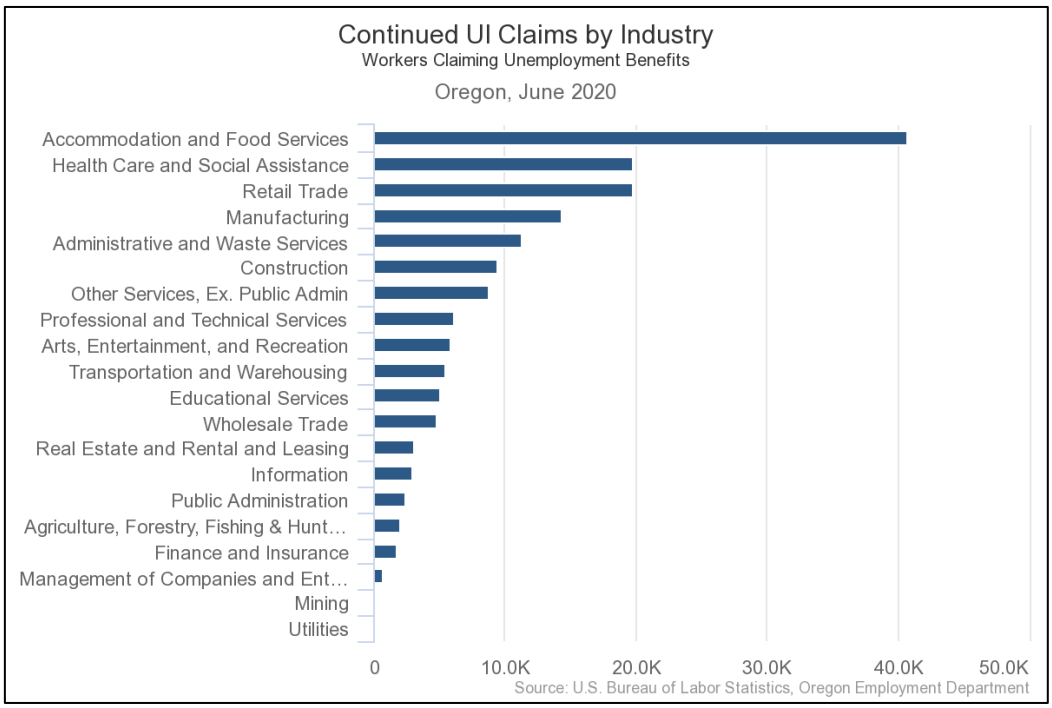
## FINANCIAL CONDITIONS AND OUTLOOK

**Local Economy** – The COVID-19 pandemic and the measures put in place to prevent the spread of the virus have had a significant negative economic impact on the community. Through the use of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, Lane County has provided economic assistance to small businesses impacted by COVID-19 to support regional economic resiliency, retain and create jobs, and facilitate a more effective economic recovery.




According to the State of Oregon Employment Department, Lane County's unemployment rate in June 2020 was 11.6 percent, up from 4.2 percent in June 2019, and consistent with the statewide rate (11.6 percent). The unemployment rate has recently dropped significantly, but has yet to return to pre-pandemic levels and uncertainty remains due to the ongoing impacts to the economy.

By end of fiscal year, the top three industries with continued unemployment insurance claims were: Accommodation and Food Services, Health Care and Social Assistance, and Retail Trade. Manufacturing, one of Lane County's most productive industries, came in fourth closely behind Retail Trade.




Lane County's travel and tourism spending has proven strong since the recession in 2009, but was also disrupted by the pandemic. Travel and tourism spending was on track for another year of growth, and a tenth consecutive year of transient room tax growth. However, COVID-19 had a significant impact on the hospitality industry. Travel Lane County reported that over one-third of Lane County hotel rooms went vacant for months. Hotel stays in rural areas bounced back slightly since March 2020 as people traveled to less populated areas. However, hotel stays in metro areas of the county continue to be much lower than normal levels. Historically, travel spending in Lane County grew throughout the 1990s and peaked in 2008 at $717 million. As the Great Recession took hold in 2009, travel spending dropped $39.7 million, or 5.5 percent to reach $677.3 million. Since then, travel spending has grown each year until the pandemic, reaching the $1 billion mark for the first time in 2018.

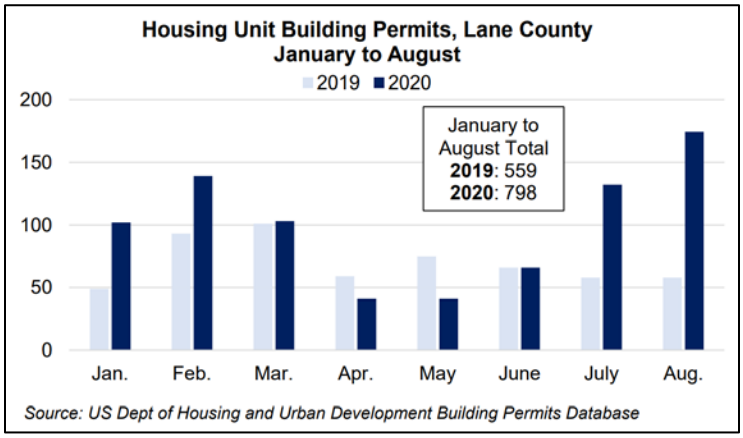
Despite the losses and ongoing impacts of the pandemic, the Oregon Employment Department projects an 8 percent increase in employment over the next ten-year period. This is down slightly from the 11 percent increase that was projected for the previous ten-year period. The only industries with projected decreases are mining and logging, and wood product manufacturing.

**Industry Employment Projections, 2019-2029**
**Lane County**

| | 2019 | 2029 | Change | % Change |
|---|---|---|---|---|
| **Total employment** | **173,800** | **188,300** | **14,400** | **8%** |
| Total payroll employment | 165,000 | 178,800 | 13,800 | 8% |
| Total private | 135,500 | 147,500 | 12,000 | 9% |
| Natural resources and mining | 2,400 | 2,500 | 100 | 4% |
| Mining and logging | 900 | 800 | -100 | -11% |
| Construction | 7,400 | 8,300 | 900 | 12% |
| Manufacturing | 14,200 | 15,000 | 800 | 6% |
| Durable goods | 9,300 | 9,700 | 400 | 4% |
| Wood product manufacturing | 3,600 | 3,500 | -100 | -3% |
| Transportation equipment manufacturing | 700 | 800 | 100 | 14% |
| Nondurable goods | 4,900 | 5,300 | 400 | 8% |
| Trade, transportation, and utilities | 30,100 | 31,700 | 1,600 | 5% |
| Wholesale trade | 6,200 | 6,900 | 700 | 11% |
| Retail trade | 20,300 | 20,900 | 600 | 3% |
| Transportation, warehousing, and utilities | 3,600 | 3,900 | 300 | 8% |
| Information | 2,300 | 2,300 | 0 | 0% |
| Financial activities | 8,100 | 8,200 | 100 | 1% |
| Professional and business services | 17,900 | 19,700 | 1,800 | 10% |
| Administrative and support services | 8,200 | 9,000 | 800 | 10% |
| Private educational and health services | 28,600 | 33,700 | 5,100 | 18% |
| Private educational services | 1,900 | 2,000 | 100 | 5% |
| Health care and social assistance | 26,600 | 31,600 | 5,000 | 19% |
| Health care | 21,000 | 24,900 | 3,900 | 19% |
| Leisure and hospitality | 17,800 | 19,100 | 1,300 | 7% |
| Accommodation and food services | 15,700 | 16,900 | 1,200 | 8% |
| Accommodation | 1,900 | 2,000 | 100 | 5% |
| Food services and drinking places | 13,800 | 14,800 | 1,000 | 7% |
| Other services | 6,700 | 7,000 | 300 | 4% |
| Government | 29,500 | 31,300 | 1,800 | 6% |
| Federal government | 1,900 | 2,000 | 100 | 5% |
| State government | 1,700 | 1,800 | 100 | 6% |
| Local government | 25,900 | 27,500 | 1,600 | 6% |
| Local education | 18,100 | 19,500 | 1,400 | 8% |
| Self-employment | 8,800 | 9,500 | 600 | 7% |

*Source: Oregon Employment Department*

A bright spot during the recent economic turmoil, the Lane County housing market has been very strong in 2019. The median price of an area home has been trending upward since 2011 and has now passed pre-recession peaks. The median price of $326,000 at end of the fiscal year represents an increase of about 8 percent since July 2019, upwards from the 6 percent reported last year. Lane County's prices are above the nationwide median price of $241,000 and is comparable to other mid-sized Oregon metropolitan areas like Medford and Salem, but well short of markets like Bend and Portland. The Oregon employment Department also reports that housing



unit building permits have actually increased from 2019 to 2020, despite concerns that the 2020 recession would decrease construction activity.

Looking forward, Lane County Economic Development (LCED) partners with organizations to support the economic recovery of the region. Improving economic resiliency through the creation of a strong, diverse, and sustainable economy has proven all the more critical by the pandemic and ensuing recession. Creating “Vibrant Communities” is one of four strategic priorities for Lane County.

**Financial Outlook** – For the fourth year in a row, the fiscal year 2021 budget is structurally balanced in its primary operating funds, including the General Fund, without the use of reserves and includes no layoffs nor reductions in services. The strategic focus and financial discipline that Lane County has exhibited over the past several years has resulted in structurally balanced budgets, increased reserves, enhanced stability and greater responsiveness to community needs. This progress has been made, not with layoffs or cuts in services, but rather with thoughtful and diligent management of resources and debt, including controlling expenses such as pension and health insurance costs.

The unprecedented global pandemic of 2020 emphasizes why focus and discipline is so important. Lane County has and will continue to call upon the stability created over the past several years to respond, recover and rebuild. The County has long faced scarcity of resources, due to a unique combination of having the seventh lowest county property tax rate in the state and a steep, 90 percent decline in federal timber revenue. This scarcity of resources, paired with an abundance of talent, has created a resiliency that pervades in the culture of the organization. Lane County remains committed to a singular purpose: to improve lives. Work is carried out by exhibiting a passion to serve our community, a drive to connect with others, and a focus on solutions to challenges.

It remains unclear the full extent of the effect that COVID-19 will have on our local communities, our state, our nation and our world. There is no question that few, if any, single events in recent memory have had such a swift and vast impact. The widespread social and economic impacts, as well as the scale of deaths, has touched everyone in our country in some way.

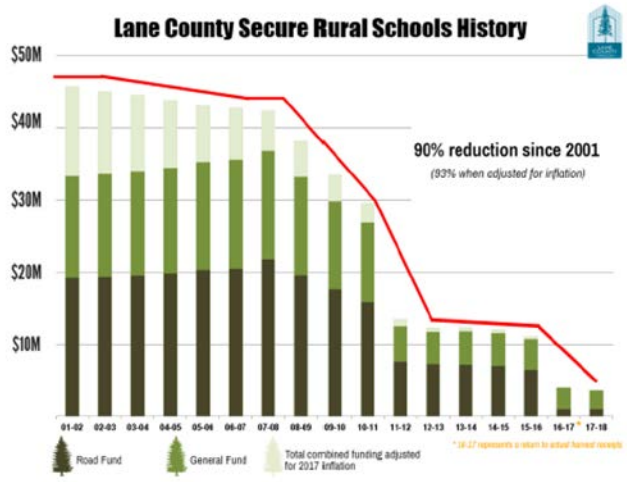
Lane County is actively preparing for the local economic recovery and support for vulnerable populations that will be critical to rebuilding our local community in the aftermath of this public health crisis. The County is monitoring impacts on resources, particularly in the areas of behavioral health, parks, lane events center, roads, and parole and probation. Lane County is also developing workforce re-entry plans for employees to ensure a smooth transition back to on-site work in the future.

Property Tax revenue is anticipated to represent 14.2 percent of the County’s total revenue in fiscal year 2021. Lane County's permanent tax rate under voter approved Measure 50 is $1.2793 per $1,000 of Assessed Value (AV). The current AV is increased by a constitutionally restricted limit of 3 percent plus additions for estimated new construction. It is estimated that the County will receive $44.3 million from its permanent rate and a total of $64 million from all of its property tax levies in fiscal year 2021. Overall, property tax growth is estimated at 3.75 percent due to a strong local housing market. Property values are set as of January each calendar year, and therefore, the County does not expect a change in taxable values for fiscal year 2021 as a result of COVID-19. However, there may be a slowing down of payments made due to individual circumstances and high unemployment. The projection for this revenue will be revisited and adjusted as needed after the November 2020 payments are received.

The fiscal year 2021 General Fund budget maintains its structural balance for the fourth consecutive year after achieving it for the first time in seven years beginning in fiscal year 2018. However, due to the County’s low permanent property tax rate, and limited growth under the Oregon constitution, a structural deficit continues to be projected for future years in the General Fund. This is due to expenditures typically growing at a faster rate than revenue. Historically the General Fund revenues have grown between 3-3.5 percent a year while expenses have grown at between 4 percent and 5 percent. Most recently these growth numbers have been lower for both revenue and expenditures, as State and Federal revenues have remained relatively flat, or offset each other. The focus on control of internal costs has maintained stability for the short term; however, without additional revenue the County’s General Fund will again face a structural imbalance in the next couple of years. Overall for the next five years, revenue growth within the General Fund is projected at 2.8 percent annually. However, during the same period, operating expenditures growth within the General Fund is projected at 2.06 percent before any cost of living increases are applied. While the forecast appears fairly stable, the full impacts of COVID-19 and future wage growth put the forecast at risk. The next projection will be updated as information becomes available.

For many years the County was the recipient of timber payments under federal legislation. These payments were made by the federal government in recognition of the fact that, with more than 50 percent of property in the County

under federal ownership, the federal government generated significant costs for local governments, but paid no taxes to help cover the cost of services. From fiscal year 2000 through 2016, Lane County relied on a federal guarantee called the Secure Rural Schools (SRS) and Community Self-Determination Act of 2000. In April 2015, Congress passed an additional two-year extension of the SRS payments, at a continued 5 percent step down each year. In March 2018, SRS was again renewed for a two year period, with the 5 percent reduction each year. The most recent passage of SRS funding again renewed the legislation for a two year period, providing one-time funding for fiscal years 2020 and 2021.




As shown to the left, in a chart prepared prior to the last SRS renewal, the elimination of the Secure Rural Schools legislation and payments has had dramatic impacts on the County's revenue. These funds were critical to providing adequate levels of public safety (through the General Fund) and maintaining our roads and bridges (through the Road Fund).

Lane County's financial stability is the result of focused and diligent efforts over many years, and will require constant vigilance from all levels of the organization, in an environment where federal timber revenue has all but evaporated and the tax rate does not keep pace with the increasing cost to provide services. Responsible management of taxpayer resources is necessary to create accountability to Lane County residents. As the foundation of financial stability settles, the County is called to expand the focus of work to fill existing gaps and enhance critical service needs in the community. The annual budget represents the single most comprehensive policy statement issued by Lane County each year and is an incredible opportunity to focus and align financial resources with strategic priorities.

**Long-term Financial Planning** - Lane County's focus on long-term financial planning begins with policies to guide both current and future decision making. The policies are intended to support the County's Strategic Plan and provide guidance in day to day operations to ensure overall long-term financial stability. Long-term strategic and financial planning is an important part of ensuring excellent service and stewardship of taxpayer resources. The County makes use of three primary financial planning models. The first model is a multi-year forecast for the County's General Fund, the second is a similar model prepared for the Road Fund, and the third is a Capital Improvement Plan (CIP). The forecast models are designed to predict over a multi-year horizon the outcome of certain policy choices, ranging from policy-driven expenditure reductions and revenue enhancements to externally-driven factors such as rising health care costs and fluctuating levels of timber receipts. While these financial models can be very helpful, they are not without limitations. The models are thoughtfully built on a series of assumptions that represent, at one point in time, the best judgments of information available to preparers of the model. A tolerance of a mere one or two percent can alter the model significantly when resources are scarce. Lane County developed a 5-year Countywide Capital Improvement Plan (CIP) for fiscal years 2021 to 2025. The CIP outlines planned and needed capital improvement projects across all departments. Capital needs exceed available funds, but preparing the CIP is the beginning of an important planning process to identify, prioritize and fund needed improvements to critical public assets. Overall, the County's long term financial planning efforts are focused on maintaining a structurally balanced budget, ensuring that recurring expenditures are at or below recurring revenues which ultimately provides that one-time revenues are available for one-time expenditures or projects.

**Major Initiatives** – The Board of Commissioners adopted the Lane County Strategic Plan in March of 2018. The 2018-2021 Strategic Plan lays out a vision of the future, focusing on the priorities of a Safe, Healthy County; Vibrant Communities; Robust Infrastructure; and Our People and Partnerships. Under each of these Priorities, there are Key Strategic initiatives and from there, Key Activity Areas, which are similar to tactics.

In January of 2019, Lane County welcomed two new commissioners to the Board and ultimately felt the need to revisit the Strategic Plan to ensure the County was focusing on the overarching priorities of the current Board. The Board of County Commissioners met in September and October of 2019 to discuss goals and priorities for the next two years. Together, along with the executive leadership of the County, the following actions were taken:

1) Incorporated the newly identified priorities of the Board
2) Updated existing items to reflect changes to progress and/or scope
3) Streamlined the number of items to create more focus

The priorities in the Revised Strategic Plan reflect areas of focus that will best help accomplish the vision of Lane County. The relationship among these priorities is expressed in the Lane County Strategic Plan logo. Over the remaining two years, Lane County will continue to use this strategic plan as the blueprint for work while striving to serve residents with passion, connection and a focus on solutions.

This Plan builds upon prior efforts that have established a strong foundation for achieving Lane County's mission. This Strategic Plan identifies ways to continue to expand on current priorities by taking into account the drivers of change that will likely impact the accomplishment of goals, and to take the progress achieved over the last few years to the next level. One of the ways to take it to the next level is by incorporating measures. The goal is to create accountability for the work being produced (outputs) and determine whether that work is making a difference (outcomes). This allows Lane County to evaluate how it is progressing towards achieving its goals. The Board of County Commissioners is updated quarterly on progress, as well as through annual work sessions.

**Safe, Healthy County**

Protect and enhance the safety and health of Lane County residents with a focus on enhancing and managing re-sources, improving access to, preven-tion programs, and collaborative initia-tives.

**Vibrant Communities**

Manage equitable services for urban and rural residents to enhance opportunities and access by embracing efficient systems and processes, collaboration with partners, and innovative approaches to solving problems.

**Robust Infrastructure**

Focus on strategic infrastructure maintenance and investments that have the highest return for safety, vibrant communities, and long term environmental benefit.

**Our People & Partnerships**

Provide a safe, healthy, and inclusive work environment that attracts and retains a diverse, highly skilled workforce with a deeply embedded commitment to delivering value and service to the residents of Lane County through fiscal resilience and partnerships.

The plan identifies 14 key initiatives that fall under the priority areas, including:

- Increase housing options for residents to reduce homelessness and increase affordability
- Increase access to prevention and treatment services and develop programs and policy focused on behavioral health, community health, and youth
- Maintain and enhance public safety funding and service delivery, focusing on improvements to outlying and rural areas
- Pursue effective diversion, corrections, probation, and parole programs and practices to reduce detainment and incarceration in youth and adults
- Reduce fatalities and severe injuries on County roads
- Invest in a resilient, diverse, and sustainable regional economy
- Protect and enhance our natural and built environments
- Enhance equity and access in service delivery and representation in governance
- Enhance safe transportation facilities and operations
- Maintain existing facilities and identify efficiencies in capital assets
- Fund and develop new facilities that support safety and livability
- Pursue strategies to enhance fiscal resilience and operational effectiveness
- Enhance employee engagement and resilience
- Embrace internal and external partnerships to leverage and extend county goals

The complete 2018–2021 Strategic Plan is available at www.lanecounty.org/strategicplan.

In the past few years, Lane County's structurally balanced budgets and increased reserves have allowed additional General Fund investments in several strategic priorities. The County has invested General Fund resources in enhanced mental health services in the Jail, a $2 million Housing Improvement Program (HIP), a $1 million investment in a behavioral crisis center, several new Permanent Supportive Housing projects, the purchase of a new office for Parole and Probation, investment in new space for Developmental Disabilities, and the recent purchase of the former Veterans Administration clinic for emergency public health response and possible future shelter needs for approximately $1.8 million.

The fiscal year 2021 budget includes $1.3 million in General Funds to operate a new shelter and navigation center, as well as additional housing and shelter recommendations such as rapid resolution/rehousing/tenant supports. The proposed shelter and navigation center is a low barrier public shelter for unhoused residents that will provide shelter and supportive services that connect individuals to permanent housing. The shelter and navigation center operational funding was identified as part of the priority-based budgeting process to fulfill the commitment from the Board of Commissioners to implement the recommendations of the Shelter Feasibility Study. The Study is a roadmap to end homelessness with specific investments in shelter, housing and supportive services. The Study was approved by the Board and Eugene City Council in May 2019. The proposed $1.3 million represents Lane County's commitment to open and operate the facility. Homelessness is a community crisis and Lane County cannot solve this crisis alone. Therefore, fully funding the operation of the shelter and navigation center will require additional community partners to step up and provide matching funds.

**Relevant Financial Policies** – The County has adopted financial and budget policies to support the County's strategic goals, ensure stability in service delivery and promote the efficient use of public funds. It is Lane County's policy to establish reserve funds which can be used to reduce the impact of substantial revenue fluctuations, thus providing for a more stable delivery of services to Lane County citizens. Reserves can be observed as part of cash and cash equivalents, as well as fund balance. Lane County has worked to solidify the foundation that enables a focus on the future and leverage vital partnerships. One of the key policy initiatives is the requirement to attain a 20 percent minimum reserve in the General Fund. The County has exceeded that goal in the fiscal year 2021 budget, at a rate of 25 percent. The additional reserves provide a safeguard in case of an emergency and ensure necessary cash flow for the General Fund, which does not receive property tax revenue until November but must pay for services beginning on July 1 of each fiscal year. County policy also indicates that one-time funds should not be spent on ongoing expenditures in order to maintain structural balance within the fund.

**Tax Abatement Program** – The four strategic priorities in the Lane County 2018-2021 Strategic Plan support the tax abatement program. The key objective is to invest in a strong, diverse, and sustainable regional economy. Tax abatement is an agreement whereby a government agrees to forgo tax revenues to which it is otherwise entitled in exchange for a promise by the counterparty to the agreement to take specific future actions that will contribute to the government's economic development, or which otherwise benefits the government or its citizens. Tax abatements are intended to improve local conditions and spur economic development that otherwise would not occur, and an important tool for redevelopment. Tax abatements are meant to encourage rehabilitation and redevelopment of distressed areas. The potential benefits of abatements include additional short and long-term employment for local residents, attracting new businesses or improving existing businesses, luring new residents which in turn can generate additional tax revenue, generating a tax-revenue stream on once vacant or under-developed property, improving safety and commerce, and increasing adjacent property values. In Note IV.G. of the Notes to Basic Financial Statements, the County provides information related to its four tax abatement programs authorized by Oregon Revised Statutes.

## AWARDS AND ACKNOWLEDGEMENTS

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

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

The County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning July 1, 2019, making this the fifteenth time the County has received this award. To qualify for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device. We believe that next year's budget document will also meet the award requirements and we have submitted it to the GFOA for evaluation.

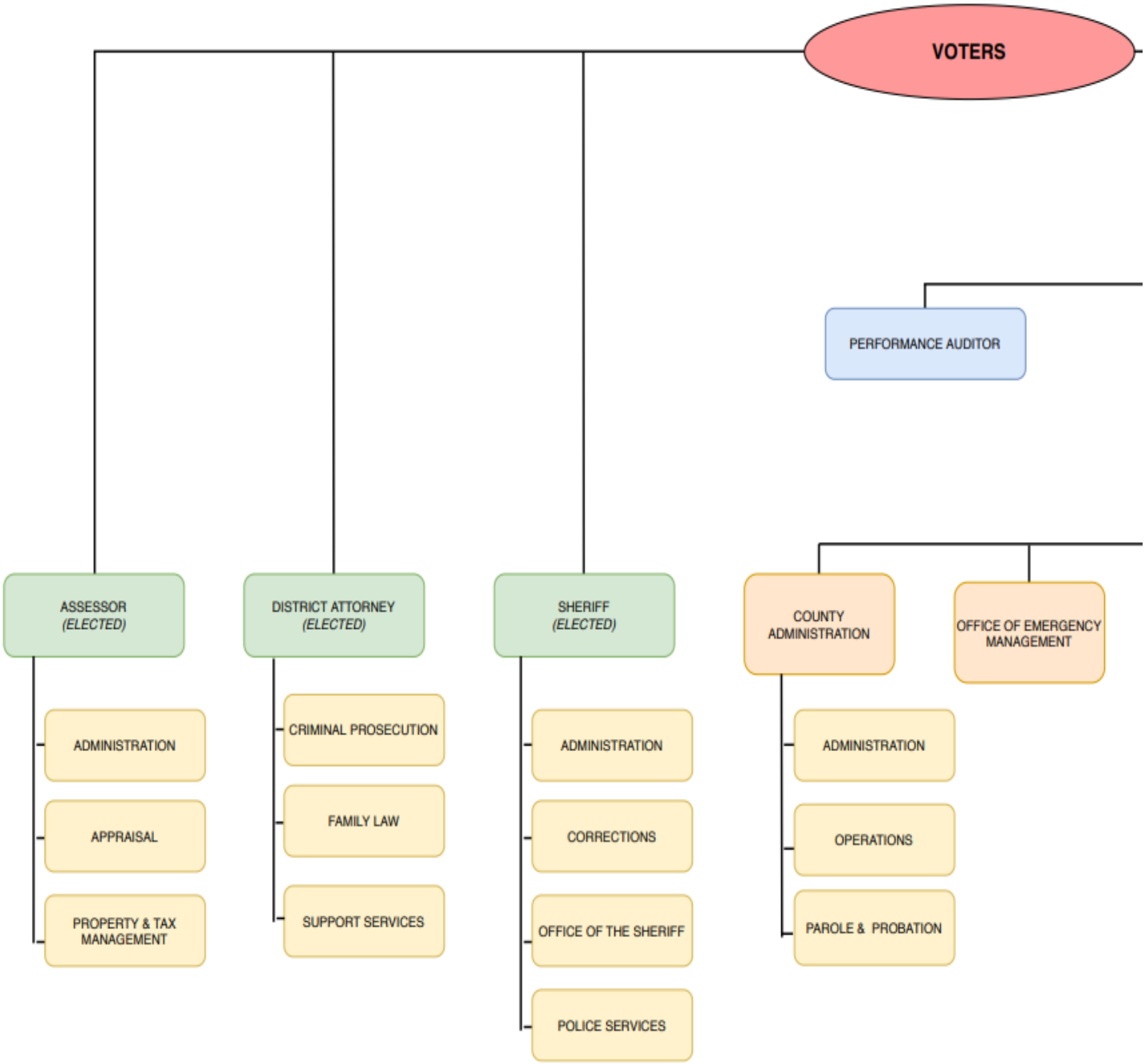
**Acknowledgements** - The preparation of this CAFR would not have been possible without the dedicated services of the Financial Services staff. We extend our sincere appreciation for their assistance in the preparation of this report. We also acknowledge the cooperation and assistance of other County staff contributing to this effort.

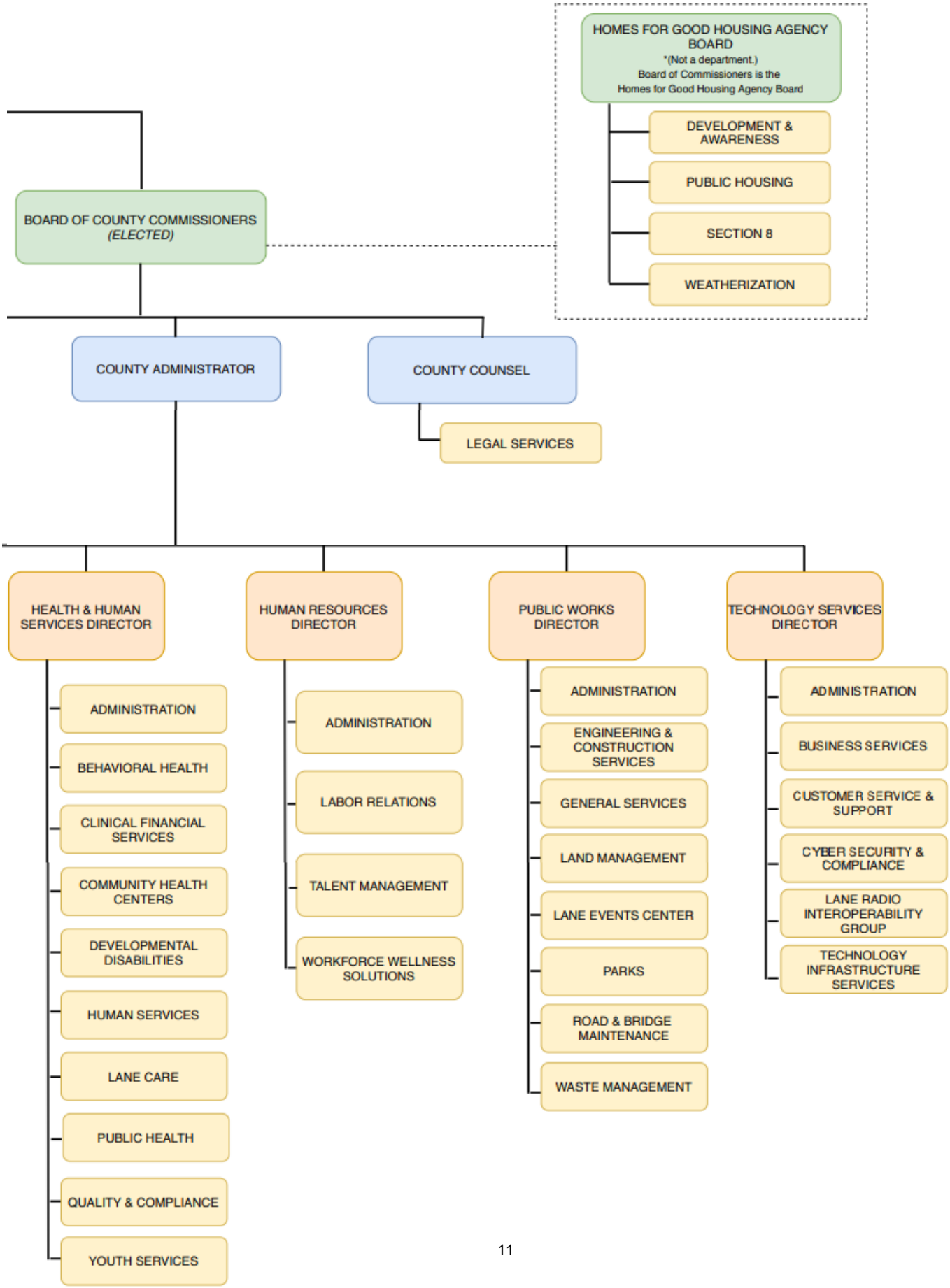
Finally, we extend appreciation to the County Administrator, the members of the Finance & Audit Committee and the Board of County Commissioners for their interest and support in managing the financial operations of Lane County.

Respectfully submitted,

| | |
|---|---|
| Greg Rikhoff | Robert Tintle |
| Director of Operations | County Treasurer / Financial Services Manager |

# Lane County Organizational Chart




HOMES FOR GOOD HOUSING AGENCY BOARD
*(Not a department.)
Board of Commissioners is the
Homes for Good Housing Agency Board
DEVELOPMENT & AWARENESS
PUBLIC HOUSING
SECTION 8
WEATHERIZATION
BOARD OF COUNTY COMMISSIONERS
(ELECTED)
COUNTY ADMINISTRATOR
COUNTY COUNSEL
LEGAL SERVICES
HEALTH & HUMAN SERVICES DIRECTOR
ADMINISTRATION
BEHAVIORAL HEALTH
CLINICAL FINANCIAL SERVICES
COMMUNITY HEALTH CENTERS
DEVELOPMENTAL DISABILITIES
HUMAN SERVICES
LANE CARE
PUBLIC HEALTH
QUALITY & COMPLIANCE
YOUTH SERVICES
HUMAN RESOURCES DIRECTOR
ADMINISTRATION
LABOR RELATIONS
TALENT MANAGEMENT
WORKFORCE WELLNESS SOLUTIONS
PUBLIC WORKS DIRECTOR
ADMINISTRATION
ENGINEERING & CONSTRUCTION SERVICES
GENERAL SERVICES
LAND MANAGEMENT
LANE EVENTS CENTER
PARKS
ROAD & BRIDGE MAINTENANCE
WASTE MANAGEMENT
TECHNOLOGY SERVICES DIRECTOR
ADMINISTRATION
BUSINESS SERVICES
CUSTOMER SERVICE & SUPPORT
CYBER SECURITY & COMPLIANCE
LANE RADIO INTEROPERABILITY GROUP
TECHNOLOGY INFRASTRUCTURE SERVICES

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**County of Lane**
**Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

Lane County, Oregon

# Listing of Principal Officials

As of June 30, 2020

**Principal County Officials**
125 East 8th Avenue
Eugene, Oregon 97401
Telephone: (541) 682-4203

## Board of County Commissioners

| Name | District | Term Expiration Date |
|---|---|---|
| Heather Buch, Chair | East Lane | January 2, 2023 |
| Joe Berney, Vice Chair | Springfield | January 2, 2023 |
| Jay Bozievich | West Lane | January 2, 2023 |
| Pat Farr | North Eugene | January 4, 2021 |
| Pete Sorenson | South Eugene | January 4, 2021 |

## Other Elected Officers

| | | |
|---|---|---|
| Mike Cowles | County Assessor | January 2, 2023 |
| Patty Perlow | County District Attorney | January 4, 2021 |
| Cliff Harrold | County Sheriff | January 4, 2021 |
| Richard Brissenden | Justice of the Peace | January 2, 2023 |

## Administrative Officials

| | |
|---|---|
| Steve Mokrohisky | County Administrator |
| Greg Rikhoff | Director of Operations |
| Steve Dingle | County Counsel |

LANE
COUNTY
OREGON

# FINANCIAL SECTION

# INDEPENDENT AUDITOR'S REPORT

MOSSADAMS

# Report of Independent Auditors

Board of County Commissioners
Lane County, Oregon

## Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Lane County, Oregon (the "County") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof 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 on pages 18 through 31, the schedules of revenues, expenditures and changes in fund balance – budget and actual and related notes ("the budgetary schedules") on pages 97 through 102, the schedule of total OPEB liability on page 103, the schedule of net OPEB liability – RHIA on page 104, the schedule of the County's contributions – RHIA on page 105, the schedule County contributions - Oregon PERS on page 106, the schedule of the County's proportionate share of the net pension liability – Oregon PERS on page 107, and the notes to required supplementary information on page 108 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 management's discussion and analysis, the schedule of total OPEB liability, the schedule of net OPEB liability – RHIA, the schedule of the County's contributions – RHIA, the schedule County contributions - Oregon PERS, the schedule of the County's proportionate share of the net pension liability – Oregon PERS, and the notes to 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The budgetary schedules described above 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. The budgetary schedules have 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 budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other supplementary information on pages 107 through 164; each as listed in the table of contents (collectively, the supplementary information), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

## Reports of 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 November 30, 2020 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County internal control over financial reporting and compliance.

### *Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations*

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 30, 2020, on our consideration of the County's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

For Moss Adams LLP Eugene, Oregon November 30, 2020

# Management's Discussion and Analysis

The management of Lane County, Oregon (County) presents this narrative overview to facilitate both a short-term and long-term analysis of the financial activities of the County for the fiscal year ended June 30, 2020. This Management's Discussions and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report. Additional information outside the scope of this analysis can be found in the Letter of Transmittal.

## FINANCIAL HIGHLIGHTS

- The County's total assets and deferred outflows of resources at June 30, 2020 increased $24.4 million from $783 million to $807.4 million. The primary change was due to an increase of $12.9 million in pooled cash and investments, an increase of $10.8 million in capital assets, an increase of $2.8 million related to other postemployment benefits (OPEB) and pensions, an increase of $0.5 million in inventories, and an increase of $0.5 million in prepaids. This was offset by a decrease in receivables of $3.1 million.

- The County's total liabilities and deferred inflows of resources increased $39.1 million from $354 million to $393.1 million. The primary changes were due to a $31.5 million increase in net pension liability, an increase of $7.2 million in total OPEB liability, an increase of $2.4 million in accounts payable, an increase of $1.3 million in liabilities due within one year, and $0.9 million increase in wages and benefits payable. This was offset by a decrease of $4.5 million in other noncurrent liabilities due in more than one year.

- The County reported a net pension liability of $198.5 million at June 30, 2020 and recognized net pension expense of $48.3 million, an increase of $18.2 million over the prior year. The net pension liability remains the most significant noncurrent liability for the County. See Note IV.B. Pension Plan in the Notes to Basic Financial Statements section of this report for additional information. In August 2020, Lane County established a PERS Side Account of $10 million and received a $2.5 million match from the State of Oregon's Employer Incentive Fund. These funds will offset future pension rates.

- The County reported a total OPEB liability of $63.4 million and recognized OPEB expense of $11.2 million for the County's single employer plan, an increase of $2.6 million over the prior year. See Note IV.C. Other Postemployment Benefits in the Notes to Basic Financial Statements section of this report for additional information.

- The total net position of the County (assets and deferred outflows of resources less liabilities and deferred inflows of resources) at June 30, 2020 decreased $14.6 million from $428.9 million to $414.3 million. The County's unrestricted portion of net position is a negative $22.6 million, while restricted net position is $95 million, of which may be used to meet the County's ongoing obligations to citizens and creditors.

- At June 30, 2020, the General Fund's fund balance was $35.7 million, an increase of $1.4 million from the previous year. Spendable, non-restricted fund balance for the General Fund is $35.5 million or 46.4 percent of General Fund total revenues.

- At June 30, 2020, the County's governmental funds reported combined ending fund balances of $192.4 million, an increase of $0.3 million. Approximately $106.2 million is available for spending by the board.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The *Statement of Net Position* presents information on all of Lane County's assets, deferred outflows of resources, liabilities and deferred inflows of resources. Assets and deferred outflows of resources less liabilities and deferred inflows of resources are reported as total 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 County's net position changed during fiscal year ended June 30, 2020. Changes in net position are reported when 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 result in cash flows in a future fiscal period. Examples include property taxes and accrued compensated absences.

Each of these government-wide financial statements, Statement of Net Position and Statement of Activities, 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 charges for services (business-type activities).

The governmental activities of the County include the following:

- General government
- Public health and welfare
- Roads and bridges
- Public safety
- Parks
- Community development

The business-type activities of the County include the following:

- Lane events center
- Corrections commissary
- Solid waste disposal
- Land management

The government-wide financial statements include not only Lane County, the primary government, but also the legally separate Homes for Good Housing Agency ("Homes for Good" or the "Agency") for which Lane County is financially accountable. Although the Agency is legally separate and provides no financial benefit or burden to Lane County, the Agency's governing body is substantially identical to Lane County's. As a result, the Agency's financial statements are discretely presented in the County's financial statements. See pages 47 and 72-73 of this report for more information. The government-wide financial statements also include the Lane Events Center, a division of Public Works. The operation of the Lane Events Center is managed by a director who reports to the county administrator, while the County Fair is governed by a separate Fair Board appointed by the Board of County Commissioners.

The government-wide financial statements can be found on pages 33-35 of this report.

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

***Governmental funds.*** Governmental funds are used to account for many of 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 the acquisition and use of current 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 the County's near-term 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 County's near-term financial decisions. Both the governmental fund balance sheet and statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this

comparison between governmental funds and governmental activities. These reconciliations can be found on pages 39 and 42 of this report.

The County maintains 21 individual governmental funds made up of 1 general fund, 16 special revenue funds, 3 debt service funds, and 1 capital projects fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Road, Special Revenue/Services, Health and Human Services, LaneCare, and Local Option Tax Levy special revenue funds, all of which are considered to be major funds. Data from the other 15 governmental funds are combined into a single, aggregated presentation. Summary data by fund-type for these nonmajor governmental funds is provided in the form of combining statements on pages 109-110 of this report. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements on pages 112-115, 127-128 and 133-134. The basic governmental fund financial statements can be found on pages 36-37 and 40-41.

***Proprietary funds.*** The County maintains two different types of proprietary funds – enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The County uses enterprise funds to account for the events center, solid waste disposal operations, corrections commissary operations, and land management functions. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insurance and employee benefits activities, pension bond servicing, motor pool operations, intergovernmental services activities, technology replacement and technology services activities, and retiree medical benefits. Because internal service funds predominantly benefit governmental rather than business-type functions, these fund assets, deferred outflows, liabilities, and deferred inflows have been included with governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as reported for the business-type activities in the government-wide financial statements, but in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal operations and land management functions, which are both considered to be major funds of the County. Conversely, the two remaining enterprise funds are combined into a single, aggregated presentation in the proprietary fund financial statements, as are all internal service funds. Individual fund data for the two nonmajor enterprise funds and each of the internal service funds is provided in the form of combining statements on pages 137-139 and 146-151 of this report. The basic proprietary fund financial statements can be found on pages 43-45 of this report.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support the County's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 46 of this report. The statement of changes in assets and liabilities in agency funds can be found on page 161.

**Budgetary comparisons.** The County adopts an annual appropriated budget for all its funds except for agency funds. To demonstrate compliance, budgetary comparison statements have been provided for major funds as part of the basic financial statements on pages 97-102 of this report. Budgetary comparisons for all other funds are provided on pages 116-126, 129-131, 135,140-143 and 152-159 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 financial statements can be found on pages 47-96 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Budget-to-actual comparisons for the General Fund and the Road, Special Revenue/Services, Health and Human Services, LaneCare, and Local Option Tax Levy special revenue funds are presented in this section, along with reconciliations between the budgetary basis of accounting and Generally Accepted Accounting Principles (GAAP). The schedules of total OPEB liability, net OPEB liability (asset) –RHIA, and County's contributions-RHIA are presented in this section concerning the County's obligation to provide OPEB to its employees. The information related to the pension plan is also presented as the schedule of County

contributions, and the schedule of the County's proportionate share of the net pension liability. This required supplementary information is found on pages 103-107 of this report.

The combining statements for the nonmajor governmental funds, enterprise funds, and internal service funds are presented immediately following the required supplementary information as Other Supplementary Information.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. Lane County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $417.7 million at June 30, 2020.

The largest portion, approximately 82 percent, of the Lane County's net position is its investment in capital assets (land, buildings and improvements, equipment, and infrastructure), less any outstanding debt used to acquire those assets. Lane County uses these capital assets to provide services to citizens, and as a result is 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 as the capital assets themselves will not be liquidated to service the debt.

An additional 23 percent of the Lane County's net position represents resources that are subject to external restrictions on how those resources may be used. The remaining represents a negative balance of unrestricted net position of $22.6 million.

**Lane County's Net Position**
(In thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| **ASSETS** | | | | | | |
| Current and other assets | $294,632 | $289,964 | $64,815 | $57,646 | $359,447 | $347,610 |
| Capital assets | 333,227 | 323,444 | 29,635 | 28,623 | 362,862 | 352,067 |
| Total assets | 627,859 | 613,408 | 94,450 | 86,269 | 722,309 | 699,677 |
| **DEFERRED OUTFLOWS OF RESOURCES** | 78,418 | 76,762 | 6,669 | 6,522 | 85,087 | 83,284 |
| **LIABILITIES** | | | | | | |
| Current liabilities | 44,449 | 40,768 | 2,364 | 2,050 | 46,813 | 42,818 |
| Noncurrent liabilities | 305,172 | 274,078 | 26,346 | 23,188 | 331,518 | 297,266 |
| Total liabilities | 349,621 | 314,846 | 28,710 | 25,238 | 378,331 | 340,084 |
| **DEFERRED INFLOWS OF RESOURCES** | 13,748 | 13,009 | 1,013 | 954 | 14,761 | 13,963 |
| **NET POSITION** | | | | | | |
| Net investment in capital assets | 312,334 | 301,419 | 29,635 | 28,622 | 341,969 | 330,041 |
| Restricted | 89,125 | 88,778 | 5,846 | 5,603 | 94,971 | 94,381 |
| Unrestricted | (58,551) | (27,882) | 35,915 | 32,374 | (22,636) | 4,492 |
| Total net position | $342,908 | $362,315 | $71,396 | $66,599 | $414,304 | $428,914 |

At the end of the current and prior fiscal years, the County is able to report positive balances in net position in the net investment in capital assets category and the restricted category for both the government as a whole and for its

separate governmental and business-type activities. At June 30, 2020, the governmental activities reported a negative balance in unrestricted net position of $58.6 million.

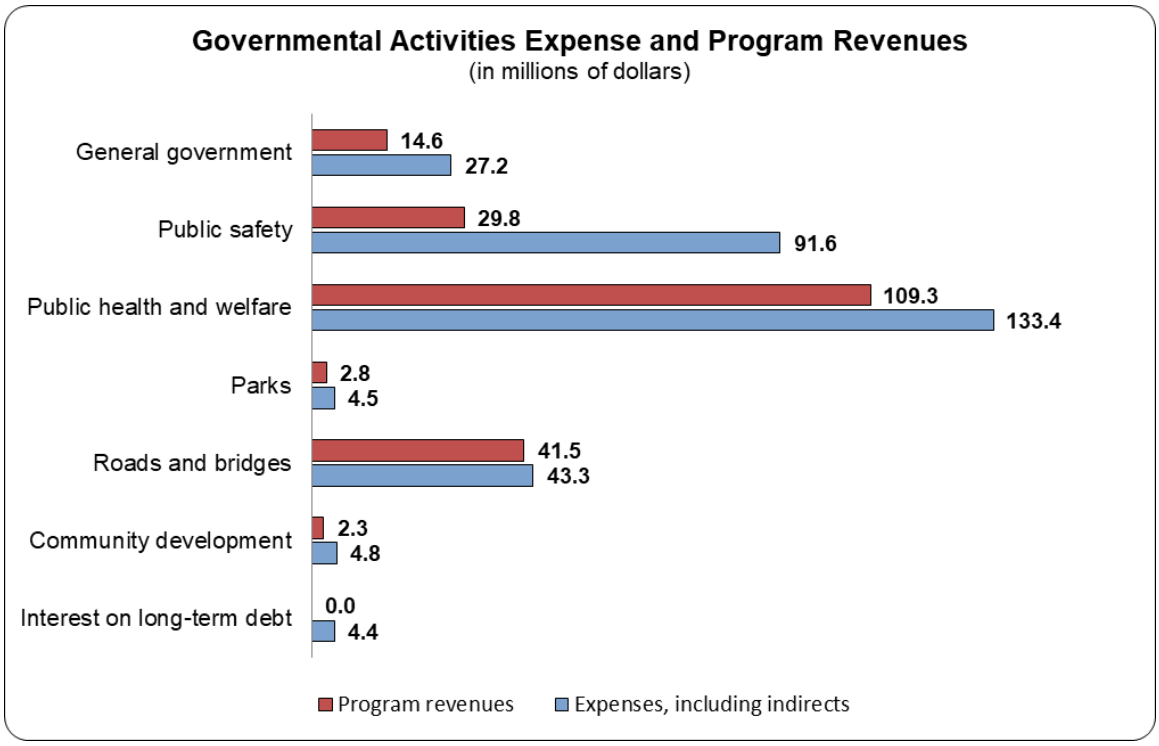
**Lane County's Changes in Net Position**
(In thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 75,994 | $ 79,191 | $ 31,422 | $ 31,414 | $107,416 | $110,605 |
| Operating grants and contributions | 124,365 | 134,550 | 409 | 99 | 124,774 | 134,649 |
| General revenues: | | | | | | |
| Taxes | 70,912 | 66,777 | 1,423 | 1,921 | 72,335 | 68,698 |
| O&C timber receipts | 3,291 | 3,546 | - | - | 3,291 | 3,546 |
| Unrestricted investment earnings | 4,584 | 4,333 | 1,379 | 1,065 | 5,963 | 5,398 |
| Grants not restricted to specific programs | 11,069 | 7,827 | - | - | 11,069 | 7,827 |
| Total revenues | 290,215 | 296,224 | 34,633 | 34,499 | 324,848 | 330,723 |
| Expenses*: | | | | | | |
| General government | 27,159 | 22,641 | - | - | 27,159 | 22,641 |
| Public safety | 91,640 | 83,385 | - | - | 91,640 | 83,385 |
| Public health and welfare | 133,364 | 118,435 | - | - | 133,364 | 118,435 |
| Parks | 4,518 | 3,998 | - | - | 4,518 | 3,998 |
| Roads and bridges | 43,340 | 38,624 | - | - | 43,340 | 38,624 |
| Community development | 4,773 | 3,810 | - | - | 4,773 | 3,810 |
| Interest on long-term debt | 4,380 | 4,709 | - | - | 4,380 | 4,709 |
| Lane events center | - | - | 4,254 | 4,230 | 4,254 | 4,230 |
| Solid waste disposal | - | - | 19,420 | 18,491 | 19,420 | 18,491 |
| Corrections commissary | - | - | 124 | 109 | 124 | 109 |
| Land management | - | - | 6,486 | 5,897 | 6,486 | 5,897 |
| Total expenses | 309,174 | 275,602 | 30,284 | 28,727 | 339,458 | 304,329 |
| Change in net position before transfers | (18,959) | 20,622 | 4,349 | 5,772 | (14,610) | 26,394 |
| Transfers in (out) | (448) | (58) | 448 | 58 | - | - |
| Change in net position | (19,407) | 20,564 | 4,797 | 5,830 | (14,610) | 26,394 |
| Net position July 1 | 362,315 | 341,751 | 66,599 | 60,769 | 428,914 | 402,520 |
| Net position June 30 | $342,908 | $362,315 | $ 71,396 | $ 66,599 | $414,304 | $428,914 |

* Expenses include the indirect expense allocation as presented in the Statement of Activities.

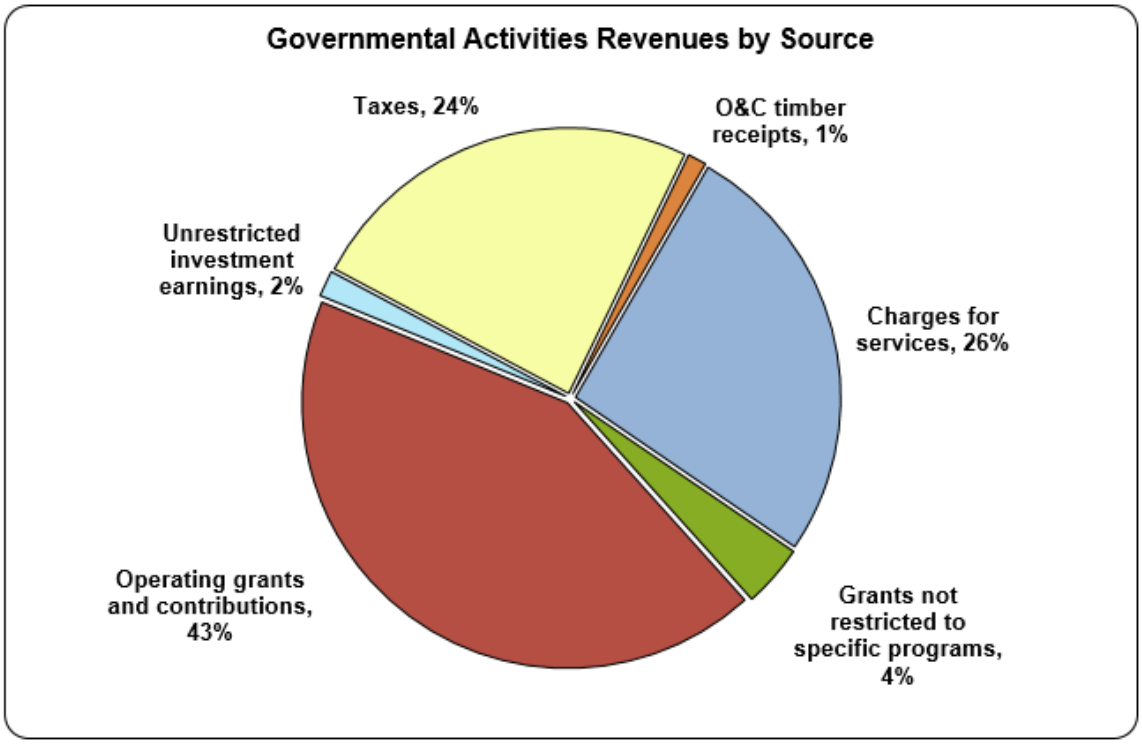
**Governmental activities.** Governmental activities during the fiscal year decreased the County's net position by $19.4 million. A contributing factor to the decrease in net position was the reduction in program revenues by $13.4 million over the prior year due to changes in medical billings, decreased grant funding for DMAP Open card, Medicaid Wrap, and Coordinated Care. Additionally, there was a decrease in state highway funds received. Conversely, general revenues increased by $7.4 million over the prior year. Tax revenues increased by $4.1 million, a large portion due to the assessed value growth, and grant revenue increased by $3.2 million. Unrestricted investment earnings still realized a slight increase in the most recent interest rate environment.

Net position was decreased by an increase in governmental activities expenses of $33.6 million. The largest increase in expenditures of $14.9 million occurred in public health and welfare, followed by $8.3 million in public safety. The COVID-19 pandemic caused an overall increase in expenditures in response to the public health emergency along with personnel costs. Similarly, the number of roads and bridges projects and their related costs continued to increase by $4.7 million due to the additional funding previously received from the state. Within these program areas, the County recognized $41.8 million in pension expense related to the County's multiple-employer defined public employee pension plan, an increase of $15.9 million over the prior year. Additional information about the pension expense may be found in Note IV.B. in the Notes to Basic Financial Statements section of this report.

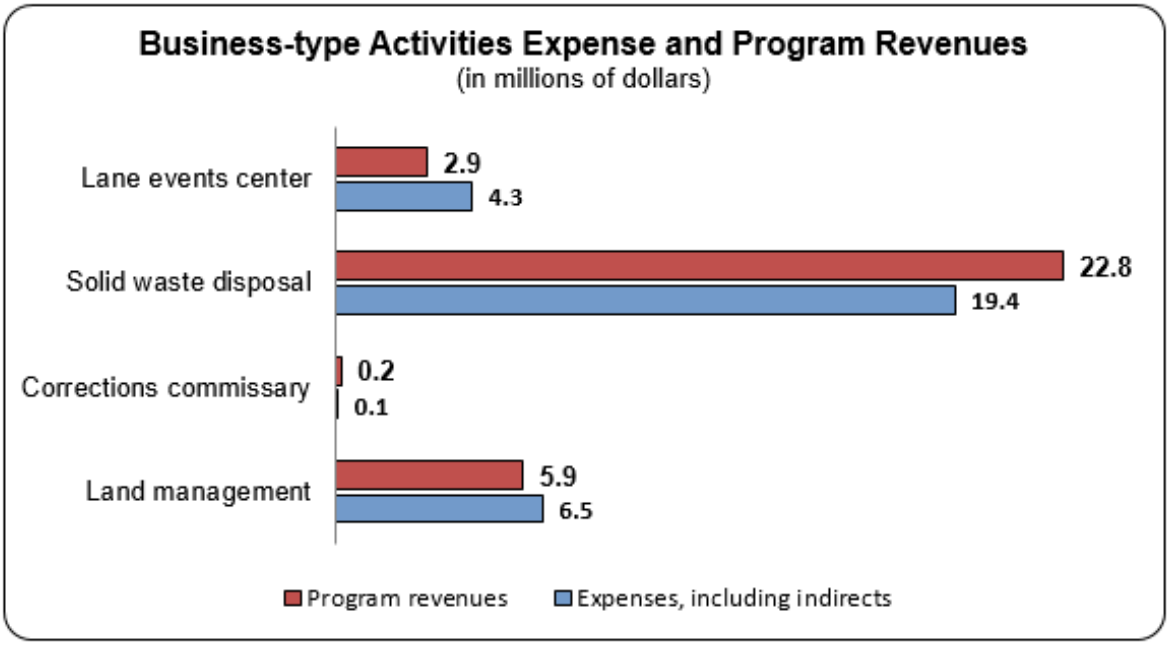



All governmental activities relied on general revenues to support the function.

As illustrated on the next page, 43 percent of revenues for governmental activities come from operating grants and contributions which includes, among other items, national forest timber sale proceeds of $6.8 million (down slightly from $7.3 million in fiscal year 2019), public health and welfare grants and contributions of $74.4 million (a decrease of $6.3 million over the prior fiscal year), state gas tax of $24.3 million (a decrease of $1.3 million over the prior fiscal year), and road grant revenues of $5.2 million. Approximately one-quarter of the revenue comes from charges for services. Taxes make up only 24 percent of overall revenues for governmental activities. Slightly decreased O&C timber receipts of $3.3 million make up another 1 percent of governmental revenues.

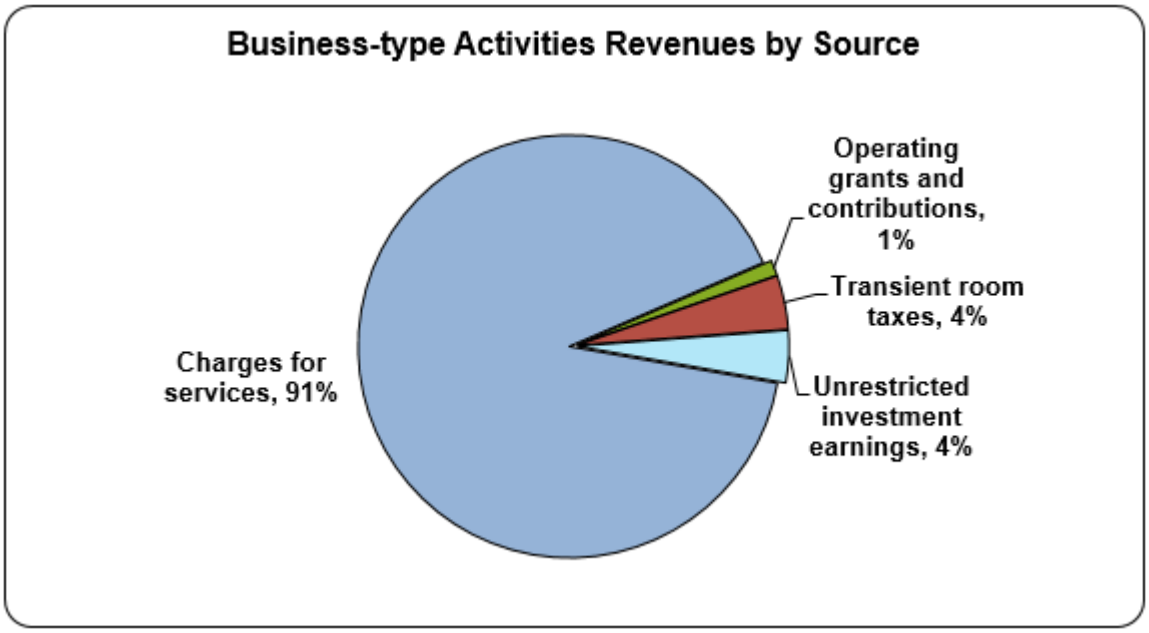



**Business-type activities.** Business–type activities during the fiscal year increased the County's net position by $4.8 million. Program and general revenues of $35.1 million increased slightly by $0.6 million over the prior year mainly due to activity from an increase in user fees of $0.8 million in the Solid Waste Disposal fund, an increase of $0.3 million in investment earnings, but offset by a decrease in land management fees of $0.5 million. Conversely, net position was decreased by total expenses of $30.3 million. This is an increase in costs of $1.6 million over the prior year largely due to increased operating costs of the landfill of $0.9 million and in land management of $0.6 million.



Within the business-type activities, the lane events center and land management activities did not generate sufficient program revenues during fiscal year 2020 to cover operating expenses. Net expense in the lane events center activity was $1.4 million prior to general revenue of transient room taxes of $1.4 million.

Approximately 91 percent of the revenues for business-type activities come from charges for services, as illustrated below, with only about 4 percent generated by transient room taxes.




## FUND-BASED FINANCIAL ANALYSIS

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, spendable, non-restricted fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of June 30, 2020, Lane County's governmental funds reported combined ending fund balances of $192.4 million, an increase of $0.3 million over fiscal year 2019. Approximately $106.2 million, 55.2 percent, constitutes spendable, non-restricted fund balance which is available for appropriation in the subsequent year by the Board of County Commissioners. The remaining fund balance is either externally restricted by creditors, grantors, contributors, or laws/regulations, or internally restricted by law through constitutional provisions or enabling legislation ($83.9 million), or is not available for new spending because it represents amounts that have already been spent ($2.3 million in inventories).

The ***General Fund*** is the chief operating fund of the County. At June 30, 2020, total fund balance for the General Fund was $35.7 million. Of this amount, $35.5 million is reported as unassigned. As a measure of the General Fund's ability to liquidate fund liabilities, it may be useful to compare both spendable, non-restricted fund balance to total fund revenues. At the end of the current fiscal year, spendable, non-restricted fund balance represented 46.4 percent of total General Fund revenues and total fund balance represents 46.6 percent of those same revenues.

The fund balance of the ***General Fund*** increased $1.4 million from the prior year. Revenues and transfers from other funds totaled $78.8 million while expenditures and transfers to other funds totaled $77.4 million. Fiscal year 2020 reported a decrease in taxes and assessments revenue of $1.2 million and reported an increase in intergovernmental revenue of $2.9 million due to funding from the CARES Act Coronavirus Relief Fund. Increases in expenditures and transfers are largely due to a $1.0 million investment in the new Lane County Housing Improvement Program grants, $1.1 million provided for the human services program, increased PERS retirement rates, and costs related to capital improvements and a new Developmental Disabilities building.

During fiscal year 2020, the ending fund balance of the ***Road Fund*** decreased slightly by $0.5 million to $47.1 million. Total revenues were $39.9 million and expenditures were comparable at $39.2 million. Revenues decreased over the prior year by $5.0 million due to two large one-time road grants from the State previously received. Personnel costs increased by $3.4 million and capital outlay costs increased by $5.1 million due to general construction costs associated with road re-pavements and reconstructions.

The ***Special Revenue/Services Fund*** accounts for dedicated revenue sources and programs. During fiscal year 2020, the fund balance remained relatively stable with an increase of only $0.07 million. Revenues of $25.7 million were reduced by $25.2 million of expenditures and $0.5 million of transfers. Intergovernmental revenue experienced a $1.4 million increase but was offset by the $1.5 million increase in public safety expenditures.

In fiscal year 2020, the fund balance of the ***Health and Human Services (H&HS) Fund*** experienced a decrease of $8.5 million. Revenues decreased over the prior year by $3.9 million mainly due to a reduction in funding for DMAP Open Card, Medicaid Wrap and Coordinated Care as a result of closures due to COVID-19. This was offset by a decrease in transfers out by $0.6 million over the prior year. Operating expenditures increased by $11.4 million, $7.4 million due to additional 28 FTE hired to support the programs and ongoing personnel costs. There was an increase in capital outlay of $4.0 million largely due to the purchase of a medically assisted treatment clinic building.

The **LaneCare Fund** accounts for mental health services for county residents. During fiscal year 2020, the ending fund balance increased by $1.2 million. Revenues were $7.4 million while expenditures and transfers out were $6.2 million. Intergovernmental revenue decreased by $1.0 million over the prior fiscal year. The majority of the decrease is a direct result of the reduction in the mental health funding. LaneCare bills on a per member per month basis which decreased from 90,000 to 34,000. Public health and welfare expenditures increased by $0.3 million to support the program and ongoing personnel costs. Renovations to the Heeran Center increased capital expenditures by $0.2 million.

The ***Local Option Tax Levy Fund*** accounts for property tax revenues along with public safety and public health and welfare expenses from the five-year local option tax levy. During fiscal year 2020, the fund balance increased by $0.9 million to $25.1 million. The original levy was established in fiscal year 2014 and expired in fiscal year 2018. In May 2017, voters approved a renewal of the jail and critical youth services five-year levy, beginning July 1, 2018 and ending June 30, 2023 at the previous rates of 55 cents per $1,000 maximum assessed value. Revenues increased by $1.8 million largely due to the increase in the assessed value of taxable property for fiscal year 2020. Expenditures realized an increase of $1.9 million largely due to the additional staffing required to support the levy initiatives.

**Proprietary funds.** The information presented in the proprietary funds statement is similar to that in the government-wide financial statements, but provides greater detail. The ending balance of total enterprise fund net position amounts to $56.6 million, of which $5.8 million is restricted for landfill closure and postclosure care and $21.1 million is unrestricted.

At June 30, 2020, the County's proprietary funds reported unrestricted net positions as follows. Unrestricted net positions are presented both as an amount and as a percentage of total net position for each fund.

| Fund | Unrestricted Amount | | Percentage of Total |
|---|---|---|---|
| Lane events center | $ 2.9 | million | 33.0% |
| Solid waste disposal | 13.6 | million | 31.7% |
| Corrections commissary | 0.8 | million | 100.0% |
| Land management | 3.7 | million | 100.0% |
| Self insurance | (0.4) | million | 100.0% |
| Employee benefits | 23.0 | million | 100.0% |
| Pension bond | (43.5) | million | 100.0% |
| Motor and equipment pool | 30.1 | million | 76.9% |
| Intergovernmental services | 0.3 | million | 97.9% |
| Technology replacement | 2.5 | million | 52.1% |
| Technology services | (9.2) | million | 104.5% |
| Retiree medical benefit trust | 11.1 | million | 100.0% |

The County's waste management services are provided for in the ***Solid Waste Disposal Fund.*** Net position in this fund increased by $4.0 million to $43.0 million for fiscal year 2020. Total revenues increased $0.7 million over the prior year and expenses increased $1.1 million. During fiscal year 2020, revenues totaled $22.8 million and operating expenses totaled $20.1 million. Increased revenues were largely due to increased garbage, special waste and system benefit fees, offset by a decrease in industrial waste fees. Increased expenses relate to personnel services and the recording of Pension and OPEB costs. See Notes IV.B. Pension Plan and IV.C. Other Postemployment Benefits in the Notes to Basic Financial Statements section of this report.

The ***Land Management Fund*** accounts for the operations necessary for land use planning, building, subsurface sanitation and code compliance, for which the principal source of revenue is user fees. Net position in the fund decreased by $0.5 million during fiscal year 2020 to $3.9 million. Revenues totaled $5.7 million and operating expenses totaled $6.7 million. Revenues decreased by $0.6 million over the prior fiscal year largely due to an decrease in plan check fees, zoning permits, and permits. Operating expenses increased by $0.6 million in personnel costs and to account for OPEB and pension expense.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original adopted budget and the final amended budget (including amounts not allocated to organizational units) for the General Fund was a $10.2 million increase in expenditure appropriations, or approximately 11.8 percent of the adopted budget.

For fiscal year 2020, the County's actual expenditures were less than the budgeted amounts in the General Fund by $6 million. This was the result of underspent amounts in expenditure categories represented by the 2 percent required lapse from departments, transfers and unspent contingencies. The County also realized an increase in revenues over the budgeted amounts by $5.3 million. Amounts received were higher than anticipated in the following operating revenues: payments in-lieu-of taxes, current and prior year's property taxes, coronavirus relief funds, miscellaneous state, marijuana tax, recording fees, timber sales and investment earnings.

Overall fiscal year 2020 expenditures in the General Fund increased by approximately $11.9 million, or 15.1 percent, over the previous year with the largest increase in transfers out requirements, capital expenses and general government costs.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** The County's investment in capital assets for its governmental and business-type activities as of June 30, 2020 was $362.9 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and building improvements, improvements other than buildings (such as parks and park improvements), equipment, and infrastructure (roads and bridges). The County's investment in capital assets for the current fiscal year increased $10.8 million, or 3.1 percent of net capital assets.

The overall increase in net capital assets included accumulated depreciation of $13.0 million and $2.5 million in construction in progress. Investments in capital assets included additions of $4.5 million in land, $8.5 million in buildings and land improvements, $4.0 million in equipment and furniture, and $4.3 million in infrastructure before depreciation.

Lane County's Capital Assets, Net of Accumulated Depreciation
(In thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Land | $22,901 | $18,412 | $8,902 | $8,893 | $31,803 | $27,305 |
| Construction in progress | 4,574 | 3,874 | 6,581 | 4,806 | 11,155 | 8,680 |
| Buildings and land improvements | 80,504 | 78,092 | 11,800 | 13,070 | 92,304 | 91,162 |
| Equipment and furniture | 16,058 | 14,247 | 2,352 | 1,854 | 18,410 | 16,101 |
| Infrastructure | 209,190 | 208,820 | - | - | 209,190 | 208,820 |
| Total capital assets | $333,227 | $323,445 | $29,635 | $28,623 | $362,862 | $352,068 |

Additional information on the County's capital assets can be found in Note III.C. in the Notes to Basic Financial Statements section of this report.

**Long-term debt.** At the end of the current fiscal year, the County had bonds outstanding of $67.1 million, all of which is serviced by governmental activities. Of this amount, $66.0 million represents limited tax bonds outstanding backed by the full faith and credit of the County.

Lane County's Outstanding Bonds, Less Deferred Amounts
(In millions)

| | Governmental Activities | |
|---|---|---|
| | 2020 | 2019 |
| Limited tax bonds (net of deep discount) | $66.0 | $72.9 |
| Plus – net premium (discount) on issuance | 1.1 | 1.3 |
| Total bonded debt | $67.1 | $74.2 |

Lane County's total bonded debt decreased $7.1 million during fiscal year 2020. Reductions in governmental activities were due to normal, scheduled bond repayments.

Moody's Investors Service rates most of the Lane County's bond issues. Lane County's most recent rating from Moody's as of July 2019 is Aa1 for both general obligation bonds and limited tax bonds. Lane County's rating of

"Aa" is defined by Moody's as demonstrating "high quality and subject to very low credit risk." The numerical modifier of "1" reflects the "highest end" within the "Aa" rating category.

Oregon Revised Statutes set the following debt limits:

- General obligation debt issues are limited to 2 percent of the real market value of all taxable property within the County's boundaries. Lane County had no general obligation debt at June 30, 2020 and is $1.1 billion below the statutory ceiling.
- Limited tax obligation debt issues are limited to 1 percent of the real market value of all taxable property within the County's boundaries. The $17.7 million in limited tax obligation debt is $530 million below the statutory ceiling.
- Limited tax pension debt issues are limited to 5 percent of the real market value of all taxable property within the County's boundaries. The $48.2 million in limited tax obligation debt is $2.7 billion below the statutory ceiling.

At the end of the current fiscal year, the County had notes outstanding of $4.2 million, an increase of $2.6 million over the previous fiscal year, all of which is serviced by governmental activities.

Lane County's Outstanding Notes
(In millions)

| | Governmental Activities | |
|---|---|---|
| | 2020 | 2019 |
| Oregon Department of Revenue | $1.4 | $1.6 |
| Wilson Investments, LLC | 2.8 | - |
| Total notes payable | $4.2 | $1.6 |

Additional information on the County's long-term debt can be found in Note III.E. in the Notes to Basic Financial Statements section of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The title of the fiscal year 2021 Budget Message was *Respond, Recover and Rebuild.* The strategic focus and financial discipline that Lane County has exhibited over the past several years has resulted in structurally balanced budgets, increased reserves, enhanced stability and greater responsiveness to community needs. This progress has been made, not with layoffs or cuts in services, but rather with thoughtful and diligent management of resources and debt, including controlling expenses such as pension and health insurance costs.

The unprecedented global pandemic of 2020 is a reminder why focus and discipline is so important. Lane County has and will continue to call upon the stability created over the past several years to respond, recover and rebuild. The County has long faced scarcity of resources, due to a unique combination of having the seventh lowest county property tax rate in the state and a steep, 90 percent decline in federal timber revenue. This scarcity of resources, paired with an abundance of talent, has created a resiliency that pervades in the culture of the organization. Lane County remains committed to a singular purpose: to improve lives. Work is carried out by exhibiting a passion to serve the community, a drive to connect with others and a focus on solutions to challenges.

It remains unclear the full extent of the effect that COVID-19 will have on the local communities, state, nation and the world. There is no question that few, if any, single events in recent memory have had such a swift and vast impact. The widespread social and economic impacts, as well as the scale of deaths, has touched everyone in the country in some way. The early, swift and coordinated response by highly skilled and dedicated Lane County officials and partners has so far been effective at keeping the community safe and healthy. Just as the County was prepared to respond to the local public health emergency created by COVID-19, Lane County is actively preparing

for the local economic recovery and support for vulnerable populations that will be critical to rebuilding our local community in the aftermath of this public health crisis.

Following are the major factors and assumptions used in developing the fiscal year 2021 budget:

- The Adopted Budget is $774.9 million, including expenditures, transfers and reserves for all funds. Resources overall decreased by $6.4 million, or 0.82 percent, compared to the fiscal year 2020 final budget. Revenues have been adjusted based upon anticipated or reported funding and current financial projections. Total requirements also decreased by $6.4 million, or 0.82 percent compared to the fiscal year 2020 final budget. This amount matches available resources and therefore meets Oregon State Budget Law requirement for a balanced budget.
- Property tax collections are based on the County's permanent tax rate under voter approved Measure 50 is $1.2793 per $1,000 of Assessed Value (AV). The County also has two local option levies appearing within its budget. The first being the Public Safety Levy with an authorized rate of $.055 per $1,000 AV most recently renewed by voters in 2017 for restoration of jail beds and critical youth services. The second levy, passed in May 2016, is for 4H Extension Services at a rate of $0.015 cents per $1,000 AV. While the 4H funds appear within the Lane County budget, they are paid directly to the OSU Extension Service which is a separate entity for Lane County government to provide the services. The County is expecting to see property tax revenues grow by approximately 3.75 percent due to a strong housing market.
- Federal revenue is projected to decrease by $1.8 million or 3.17 percent due in part to the 5 percent decrease occurring for Secure Rural Schools (SRS) Act payments to the General Fund and Road Fund. Those payments are meant to replace decreasing timber revenue to counties resulting from changes in federal logging practices. Given the volatility of the SRS funds, the County now budgets any authorized SRS payments above the anticipated timber revenue as one-time funds.
- State revenue of $66.9 million consists of 24.6 percent of total County revenue and comes primarily in the form of specific use grants. Total state revenue is increasing by $1.1 million, or 1.02 percent, as compared to fiscal year 2020. State shared revenues (cigarette, liquor, and amusement device tax, and a recreational vehicle fee) are stable and expected to total $3.6 million. Liquor tax and video lottery tax revenues are mostly impacted by COVID-19 due to limitations put on bars and restaurants. State marijuana tax receipts are fairly stable through the COVID-19 pandemic and the annual projected revenue remains at $1.2 million. Following declaration of the COVID-19 pandemic, the State Legislature held a special session to address several projected State budget shortfalls. This will likely result in some areas receiving less State funding than currently budgeted, while at the same time the CARES Act Funding, passed by the Federal Government with money passing through the State, will provide for increased revenue in other areas. As with all revenues likely to experience volatility due to COVID-19, these revenue sources will be closely monitored and adjusted as needed through supplemental budgets.
- Fees and charges for services rendered to residents, a few examples being Short Mountain Landfill fees, Land Management permit fees and recording fees within Deeds and Records, will total $51.1 million in fiscal year 2021, which in an increase of 6.6 percent over fiscal year 2020 revenue.
- Personnel services which consists of employee wages and benefits, totals $207.4 million, or 40.85 percent of the County's total expenditure budget. County's services, like most governmental agencies, are labor intensive. Of this amount, $83.6 million is for employer taxes and benefit costs such as social security, Medicare, medical insurance, retirement, deferred compensation and other employer paid benefits. Health insurance costs continue to remain fairly steady following the County's move to a self-funded model in 2015. Public Employee Retirement System (PERS) employer rates last increased for the 2019-2021 state biennium. The County's employer rate is different for each employee's tier enrollment in PERS (set by the State and based upon hire date). Current projections show that the County will continue to experience additional rate increases in future biennia due to the overall unfunded liability level of PERS. The County deposited one-time funds in a PERS Side Account to prepay a portion of the County's PERS debt, thereby decreasing fiscal year 2022 potential PERS employer rate increases. The County's Side Account receive a 25 percent match from the State of Oregon as part of an Employer Incentive Account created by the State Legislature to encourage prepayment of PERS debt in an effort to increase the funding level of the system.

- Materials and services total $223.7 million and represents 44.05 percent of the overall expenditure budget, a decrease of $15.1 million from the fiscal year 2020 final budget. The decrease is attributed to the spending of one-time costs in fiscal year 2020 for items such as the $2 million Housing Improvement Plan Initiative, as well as a continued focus on cost containment to maintain the personnel needed to provide direct services to citizens.
- Capital outlay and projects expenditures are cyclical and can vary greatly from year to year. Capital outlay is budgeted at $61.9 million for various capital purchases that make up 12.2 percent of the County's overall expenditure budget. The majority of the projects in this category are found in the Five-Year Capital Improvements Plan (CIP). The increase over the four year period is largely attributed to increased road and bridge projects resulting from additional State funding from the Transportation Package passed in 2017. Additionally, several building projects are budgeted including a new Development Disabilities Building, a remodel of a property for use by the Parole & Probation Division of County Administration and a remodel of Technology Services office space. The Countywide CIP can be viewed on the County's website at www.lanecounty.org under Government, Budget & Finance, Capital Projects.
- Debt service (bond principal and interest payments) are budgeted at $14.7 million. Payments are currently being made for the following major bonds: Heating, Ventilating and Air Conditioning (HVAC) and Fairgrounds' capital improvements bonds; Mental Health Building; Public Health Building; the PERS Limited Tax Pension bond; and 2011 Improvements (Riverstone, Marina, Customer Service Center, Lane Events Center roof and PSB HVAC).
- Reserves for all funds are estimated to total $179.4 million by the end of fiscal year 2021 with an additional amount of $33.9 million budgeted for contingency.
- In fiscal year 2021, the County is projecting total expenditures of $507.9 million. Expenditures account for 65.7 percent of all County budget requirements. Total requirements for fiscal year 2021 total $774.9 million. This figure is important because it is compared to total revenue when reviewing the budget for structural balancing. The County continues to have a goal of structurally balancing all funds.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Robert Tintle, County Treasurer/Financial Services Manager
Lane County Financial Services
125 East 8th Avenue
Eugene, OR 97401

Email: Robert.Tintle@lanecountyor.gov
Website: www.lanecounty.org/finance

# BASIC FINANCIAL STATEMENTS

LANE
COUNTY
OREGON

Lane County, Oregon

## Statement of Net Position

June 30, 2020

| | Primary Government | | | Component Unit |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Homes for Good Housing Agency |
| **ASSETS** | | | | |
| Pooled cash and investments | $ 257,338,179 | $ 46,973,405 | $ 304,311,584 | $ 6,733,602 |
| Investments - Homes for Good | - | - | - | 328,571 |
| Receivables (net of uncollectibles) | 45,740,660 | 2,929,830 | 48,670,490 | 1,380,544 |
| Internal balances | (14,594,946) | 14,594,946 | - | - |
| Notes receivable | - | - | - | 17,048 |
| Inventories | 3,459,166 | - | 3,459,166 | 156,540 |
| Prepaids | 824,924 | 167,035 | 991,959 | 429,668 |
| Restricted assets: | | | | |
| Cash and cash equivalents | - | - | - | 11,467,514 |
| Investments in limited partnerships | - | - | - | 903,814 |
| Other | - | - | - | 1,095,084 |
| Deposits | 235,000 | - | 235,000 | 430,989 |
| Loans receivable | - | - | - | 8,002,646 |
| Net OPEB asset - RHIA | 1,628,835 | 149,497 | 1,778,332 | - |
| Capital assets: | | | | |
| Land and construction in progress | 27,474,844 | 15,483,502 | 42,958,346 | 27,745,790 |
| Other capital assets (net of accumulated depreciation) | 305,752,066 | 14,151,879 | 319,903,945 | 63,670,534 |
| Total assets | 627,858,728 | 94,450,094 | 722,308,822 | 122,362,344 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Deferred charge for debt refunding | 844,188 | - | 844,188 | - |
| Pension plan | 56,328,104 | 4,713,812 | 61,041,916 | 11,247 |
| OPEB - RHIA | 18,155 | 1,671 | 19,826 | - |
| OPEB - county plan | 21,227,995 | 1,953,726 | 23,181,721 | - |
| Total deferred outflows of resources | 78,418,442 | 6,669,209 | 85,087,651 | 11,247 |
| **LIABILITIES** | | | | |
| Accounts payable | 13,125,973 | 1,092,776 | 14,218,749 | 1,151,667 |
| Wages and benefits payable | 5,873,254 | 360,940 | 6,234,194 | 104,082 |
| Due to other governments | 14,461 | - | 14,461 | - |
| Interest payable | 378,561 | - | 378,561 | 103,313 |
| Unearned revenue | 28,128 | 46,834 | 74,962 | 1,106,991 |
| Customer deposits | 884,803 | 150,778 | 1,035,581 | 794,865 |
| Noncurrent Liabilities: | | | | |
| Due within one year | 24,143,520 | 712,781 | 24,856,301 | 4,467,498 |
| Due in more than one year - other | 63,751,751 | 5,845,370 | 69,597,121 | 30,577,260 |
| Due in more than one year - net pension liability | 183,307,513 | 15,189,354 | 198,496,867 | - |
| Due in more than one year - total OPEB liability - county plan | 58,113,121 | 5,310,899 | 63,424,020 | 167,077 |
| Total liabilites | 349,621,085 | 28,709,732 | 378,330,817 | 38,472,753 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Pension plan | 13,394,264 | 981,340 | 14,375,604 | 5,035 |
| OPEB - RHIA | 353,746 | 32,354 | 386,100 | - |
| Total deferred inflows of resources | 13,748,010 | 1,013,694 | 14,761,704 | 5,035 |
| **NET POSITION** | | | | |
| Net investment in capital assets | 312,334,537 | 29,635,381 | 341,969,918 | 57,387,271 |
| Restricted for: | | | | |
| Capital projects | 12,215,179 | - | 12,215,179 | - |
| Debt service | 4,659,742 | - | 4,659,742 | - |
| Landfill closure and postclosure care | - | 5,845,370 | 5,845,370 | - |
| Special revenue / services | 1,454,716 | - | 1,454,716 | - |
| Roads | 28,739,138 | - | 28,739,138 | - |
| Title III projects | 4,841,589 | - | 4,841,589 | - |
| Lane Care | 20,717,307 | - | 20,717,307 | - |
| Housing and community services | - | - | - | 11,371,904 |
| Public safety local option tax levy | 14,268,303 | - | 14,268,303 | - |
| Other purposes | 2,229,216 | - | 2,229,216 | - |
| Unrestricted | (58,551,652) | 35,915,126 | (22,636,526) | 15,136,628 |
| Total net position | $ 342,908,075 | $ 71,395,877 | $ 414,303,952 | $ 83,895,803 |

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

Lane County, Oregon

## Statement of Activities

For the Fiscal Year Ended June 30, 2020

| Functions/Programs | Direct Expenses | Indirect Expenses Allocation |
|---|---|---|
| **Primary government:** | | |
| Governmental activities: | | |
| General government | $ 45,346,564 | $ (18,188,145) |
| Public safety | 85,992,275 | 5,648,106 |
| Public health and welfare | 125,144,492 | 8,219,685 |
| Parks | 4,239,674 | 278,468 |
| Roads and bridges | 40,668,644 | 2,671,180 |
| Community development | 4,479,066 | 294,192 |
| Interest on long-term debt | 4,379,729 | - |
| Total governmental activities | 310,250,444 | (1,076,514) |
| Business-type activities: | | |
| Lane events center | 4,140,991 | 112,536 |
| Solid waste disposal | 18,922,648 | 497,322 |
| Corrections commissary | 120,765 | 3,076 |
| Land management | 6,022,628 | 463,580 |
| Total business-type activities | 29,207,032 | 1,076,514 |
| Total primary government | $ 339,457,476 | $ - |
| **Component Unit:** | | |
| Homes for Good Housing Agency | $ 39,067,835 | $ - |

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

| Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|---|---|---|
| | | | Primary Government | | | Component Unit |
| Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total | Homes for Good Housing Agency |
| $ 9,772,593 | $ 4,867,328 | $ - | $ (12,518,498) | $ - | $ (12,518,498) | |
| 25,101,373 | 4,729,238 | - | (61,809,770) | - | (61,809,770) | |
| 34,923,960 | 74,390,466 | - | (24,049,751) | - | (24,049,751) | |
| 1,931,528 | 877,061 | - | (1,709,553) | - | (1,709,553) | |
| 4,082,924 | 37,394,541 | - | (1,862,359) | - | (1,862,359) | |
| 182,308 | 2,106,538 | - | (2,484,412) | - | (2,484,412) | |
| - | - | - | (4,379,729) | - | (4,379,729) | |
| 75,994,686 | 124,365,172 | - | (108,814,072) | - | (108,814,072) | |
| 2,781,761 | 111,506 | - | - | (1,360,260) | (1,360,260) | |
| 22,767,928 | 72,238 | - | - | 3,420,196 | 3,420,196 | |
| 188,049 | 48,540 | - | - | 112,748 | 112,748 | |
| 5,684,149 | 176,223 | - | - | (625,836) | (625,836) | |
| 31,421,887 | 408,507 | - | - | 1,546,848 | 1,546,848 | |
| $ 107,416,573 | $ 124,773,679 | $ - | (108,814,072) | 1,546,848 | (107,267,224) | |
| $ 8,424,383 | $ 32,221,615 | $ 10,975,969 | | | | $ 12,554,132 |
| General Revenues: | | | | | | |
| Property taxes | | | 64,563,655 | - | 64,563,655 | - |
| Transient room taxes | | | 4,484,377 | 1,422,642 | 5,907,019 | - |
| Car rental taxes | | | 1,864,019 | - | 1,864,019 | - |
| O&C timber receipts | | | 3,291,017 | - | 3,291,017 | - |
| Unrestricted investment earnings | | | 4,583,614 | 1,378,872 | 5,962,486 | - |
| Grants and contributions not restricted to specific programs | | | 11,068,922 | - | 11,068,922 | - |
| Transfers | | | (448,421) | 448,421 | - | - |
| Total general revenues and transfers | | | 89,407,183 | 3,249,935 | 92,657,118 | - |
| Change in net position | | | (19,406,889) | 4,796,783 | (14,610,106) | 12,554,132 |
| Net position, June 30, 2019 | | | 362,314,964 | 66,599,094 | 428,914,058 | 71,341,671 |
| Total net position, June 30, 2020 | | | $ 342,908,075 | $ 71,395,877 | $ 414,303,952 | $ 83,895,803 |

Lane County, Oregon

## Balance Sheet

Governmental Funds

June 30, 2020

| | General | Road | Special Revenue / Services |
|---|---|---|---|
| **ASSETS** | | | |
| Pooled cash and investments | $ 30,363,979 | $ 44,887,058 | $ 15,524,195 |
| Receivables (net of uncollectibles): | | | |
| Investment earnings | 355,165 | 270,705 | 86,705 |
| Property taxes | 1,819,623 | - | - |
| Accounts | 6,665,211 | 1,441,720 | 373,660 |
| Intergovernmental | 5,224,555 | 1,842,709 | 1,199,743 |
| Interest on balances | 5,146,457 | - | - |
| Inventories | 172,774 | 1,944,037 | - |
| Total assets | $ 49,747,764 | $ 50,386,229 | $ 17,184,303 |
| **LIABILITIES** | | | |
| Accounts payable | $ 758,999 | $ 2,381,569 | $ 1,639,454 |
| Wages and benefits payable | 1,517,743 | 498,305 | 296,755 |
| Due to other funds | 899,851 | 321,262 | 196,505 |
| Due to other governments | 14,461 | - | - |
| Unearned revenue | - | 49,175 | - |
| Customer deposits | 307,794 | 81,927 | - |
| Total liabilities | 3,498,848 | 3,332,238 | 2,132,714 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Deferred Inflows - other | 10,541,349 | - | - |
| Total deferred inflows of resources | 10,541,349 | - | - |
| **FUND BALANCES** | | | |
| Nonspendable | 172,774 | 1,944,037 | - |
| Restricted | - | 19,355,535 | 8,522,793 |
| Committed | - | - | - |
| Assigned | - | 25,754,419 | 6,528,796 |
| Unassigned | 35,534,793 | - | - |
| Total fund balances | 35,707,567 | 47,053,991 | 15,051,589 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 49,747,764 | $ 50,386,229 | $ 17,184,303 |

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

| Health and Human Services | LaneCare | Local Option Tax Levy | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| $ 10,435,360 | $ 22,973,697 | $ 25,751,571 | $ 25,745,950 | $ 175,681,810 |
| 72,109 | 145,353 | 186,080 | 124,275 | 1,240,392 |
| - | - | 651,784 | 18,033 | 2,489,440 |
| 698,793 | 2,712 | - | 378,593 | 9,560,689 |
| 12,902,047 | 776,542 | 80,159 | 3,901,980 | 25,927,735 |
| - | - | 116,543 | 2,476 | 5,265,476 |
| 198,002 | - | - | - | 2,314,813 |
| $ 24,306,311 | $ 23,898,304 | $ 26,786,137 | $ 30,171,307 | $ 222,480,355 |
| $ 2,452,153 | $ 49,109 | $ 338,646 | $ 2,639,265 | $ 10,259,195 |
| 1,742,575 | 112,436 | 384,841 | 177,108 | 4,729,763 |
| 1,061,093 | 68,600 | 242,256 | 107,986 | 2,897,553 |
| - | - | - | - | 14,461 |
| 290 | - | - | - | 49,465 |
| 477,039 | - | - | 11,300 | 878,060 |
| 5,733,150 | 230,145 | 965,743 | 2,935,659 | 18,828,497 |
| - | - | 710,301 | 18,011 | 11,269,661 |
| - | - | 710,301 | 18,011 | 11,269,661 |
| 198,002 | - | - | - | 2,314,813 |
| - | 23,667,497 | 25,110,053 | 7,238,636 | 83,894,514 |
| - | - | - | 7,503 | 7,503 |
| 18,375,159 | 662 | 40 | 19,971,498 | 70,630,574 |
| - | - | - | - | 35,534,793 |
| 18,573,161 | 23,668,159 | 25,110,093 | 27,217,637 | 192,382,197 |
| $ 24,306,311 | $ 23,898,304 | $ 26,786,137 | $ 30,171,307 | $ 222,480,355 |

LANE
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Lane County, Oregon

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

June 30, 2020

| | | |
|---|---|---|
| Total fund balances - governmental funds | | $ 192,382,197 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | $ 25,660,292 | |
| An adjustment is required to eliminate the change in net position of internal service funds back to the governmental activities that helped finance them. The adjustment related to enterprise activities is required in this reconciliation. | (14,845,453) | 10,814,839 |
| Capital assets are not financial resources in governmental funds, but are reported in the statement of net position at their depreciable value: | | |
| Land | 22,900,894 | |
| Construction in progress | 2,911,652 | |
| Buildings and land improvements | 177,036,706 | |
| Equipment and furniture | 22,795,799 | |
| Infrastructure | 367,392,082 | |
| Total capital assets | 593,037,133 | |
| Less accumulated depreciation | (271,540,455) | 321,496,678 |
| Prepaid expenses are not financial assets in governmental funds, but are reported in the statement of net position. | | 461,801 |
| Certain assets will be collected after year-end but are not available soon enough to pay for the current period's expenditures, and therefore are deferred inflows of resources in governmental funds: | | |
| Receivables: | | |
| Property taxes and interest - general fund | 2,171,138 | |
| Property taxes and interest - public safety local option tax levy | 728,312 | |
| Court fines | 8,370,211 | 11,269,661 |
| Road assessments - unearned | | 21,337 |
| Deferred amounts on refunded debt in governmental funds are expensed in the year paid, but are capitalized on the statement of net position as deferred outflows of resources and amortized over the life of the debt. | | 844,188 |
| Deferred inflows - pension | | (12,362,616) |
| Deferred outflows - pension | | 52,015,657 |
| Deferred inflows - OPEB | | (331,374) |
| Deferred outflows - OPEB | | 19,938,297 |
| Certain liabilities are not due and payable in the current period and are therefore not reported in governmental funds: | | |
| Net pension liability | (169,372,010) | |
| Total OPEB liability | (52,898,816) | |
| Compensated absences payable | (8,094,804) | |
| Interest payable | (103,704) | |
| Notes payable | (4,240,655) | |
| Bonds payable, net of premiums and discounts | (18,932,601) | (253,642,590) |
| Net Position - governmental activities | | $ 342,908,075 |

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

Lane County, Oregon

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

Governmental Funds

For the Fiscal Year Ended June 30, 2020

| | General | Road | Special Revenue / Services |
|---|---|---|---|
| **REVENUES** | | | |
| Taxes and assessments, net of refunds | $ 46,861,474 | $ 6,388 | $ 3,096,647 |
| Licenses and permits | 1,004,178 | 155,150 | - |
| Intergovernmental | 23,055,359 | 36,545,013 | 19,576,263 |
| Charges for services | 3,200,868 | 1,337,438 | 2,342,281 |
| Fines, forfeitures and penalties | 718,843 | - | 132,155 |
| Administrative and facility charges | - | - | - |
| Investment earnings | 1,460,732 | 1,326,502 | 394,672 |
| Sale and rental of property | 351,285 | 507,990 | 203,719 |
| Total revenues | 76,652,739 | 39,878,481 | 25,745,737 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General government | 11,993,478 | (36,570) | 491,835 |
| Public safety | 44,677,761 | - | 19,429,306 |
| Public health and welfare | - | - | 26,647 |
| Parks | - | - | 4,821 |
| Roads and bridges | 172,817 | 25,912,240 | 252,216 |
| Community development | - | - | 4,349,338 |
| Debt service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Debt issuance costs | - | - | - |
| Capital outlay | 2,150,807 | 13,364,118 | 621,744 |
| Total expenditures | 58,994,863 | 39,239,788 | 25,175,907 |
| Excess (deficiency) of revenues over (under) expenditures | 17,657,876 | 638,693 | 569,830 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers in | 2,117,611 | - | 1,558,273 |
| Transfers out | (18,396,094) | (1,320,426) | (2,053,448) |
| Long-term notes issued | - | - | - |
| Total other financing sources (uses) | (16,278,483) | (1,320,426) | (495,175) |
| Net change in fund balances | 1,379,393 | (681,733) | 74,655 |
| Fund balance, June 30, 2019 | 34,326,297 | 47,471,171 | 14,976,934 |
| Increase (decrease) in inventories | 1,877 | 264,553 | - |
| Fund balance, June 30, 2020 | $ 35,707,567 | $ 47,053,991 | $ 15,051,589 |

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

| Health and Human Services | LaneCare | Local Option Tax Levy | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| $ - | $ - | $ 18,782,665 | $ 2,677,640 | $ 71,424,814 |
| 1,219,157 | - | - | 232,130 | 2,610,615 |
| 62,532,088 | 6,765,004 | 489,362 | 22,455,320 | 171,418,409 |
| 17,202,891 | 21,382 | - | 1,601,055 | 25,705,915 |
| 323,736 | - | - | 47,032 | 1,221,766 |
| - | - | - | 3,303,185 | 3,303,185 |
| 291,782 | 660,040 | 797,586 | 554,123 | 5,485,437 |
| 305,735 | 662 | - | 1,302,170 | 2,671,561 |
| 81,875,389 | 7,447,088 | 20,069,613 | 32,172,655 | 283,841,702 |
| | | | | |
| - | - | - | 4,714,892 | 17,163,635 |
| - | - | 16,959,256 | 12,215 | 81,078,538 |
| 94,955,509 | 5,768,229 | 2,189,894 | 19,413,987 | 122,354,266 |
| - | - | - | 3,862,703 | 3,867,524 |
| - | - | - | 428,804 | 26,766,077 |
| - | - | - | - | 4,349,338 |
| | | | | |
| - | - | - | 2,994,345 | 2,994,345 |
| - | - | - | 861,007 | 861,007 |
| - | - | - | 1,192 | 1,192 |
| 4,266,142 | 233,133 | 46,345 | 6,226,706 | 26,908,995 |
| 99,221,651 | 6,001,362 | 19,195,495 | 38,515,851 | 286,344,917 |
| | | | | |
| (17,346,262) | 1,445,726 | 874,118 | (6,343,196) | (2,503,215) |
| | | | | |
| 9,569,415 | - | - | 10,732,788 | 23,978,087 |
| (708,845) | (209,673) | - | (1,563,873) | (24,252,359) |
| - | - | - | 2,800,000 | 2,800,000 |
| 8,860,570 | (209,673) | - | 11,968,915 | 2,525,728 |
| | | | | |
| (8,485,692) | 1,236,053 | 874,118 | 5,625,719 | 22,513 |
| | | | | |
| 27,025,005 | 22,432,106 | 24,235,975 | 21,591,918 | 192,059,406 |
| 33,848 | - | - | - | 300,278 |
| $ 18,573,161 | $ 23,668,159 | $ 25,110,093 | $ 27,217,637 | $ 192,382,197 |

Lane County, Oregon

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

For the Fiscal Year Ended June 30, 2020

| | | |
|---|---|---|
| Net change in fund balances - governmental funds | | $ 22,513 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in internal service fund net position is included with governmental activities in the statement of activities: | | |
| Change in net position | $ 5,401,621 | |
| An adjustment is required to eliminate the change in net position of internal service funds back to the governmental activities that helped finance them. The adjustment related to enterprise activities is required in this reconciliation. | (1,158,399) | 4,243,222 |
| Governmental funds report capital outlays as expenditures; in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense: | | |
| Land | 3,912,879 | |
| Construction in progress | 2,263,148 | |
| Buildings and land improvements | 7,015,423 | |
| Equipment and furniture | 1,178,663 | |
| Infrastructure | 12,490,168 | |
| Depreciation expense | (19,320,484) | 7,539,797 |
| Governmental funds do not report prepaid expenses and deposits; in the statement of activities prepayments are expensed when incurred. | | 271,177 |
| Certain revenues may not be collected for several months after year end; they are not considered "available" and are deferred inflows of resources in the governmental funds: | | |
| Receivables: | | |
| Property taxes | 360,302 | |
| Court fines | (1,843,074) | |
| Road assessments | (6,382) | (1,489,154) |
| The issuance of long-term debt (notes, bonds, capital leases) provides current financial resources to governmental funds; the repayment of long-term debt consumes current financial resources in the governmental funds. Current period long-term debt transactions were: | | |
| Notes issued | (2,800,000) | |
| Note principal payments | 159,345 | |
| Bond principal payments | 2,835,000 | 194,345 |
| Increase (decrease) in inventory in governmental funds | | 300,278 |
| Note and bond premiums and discounts are reported in governmental funds in the year received or paid, but are capitalized on the statement of net position and amortized over the life of the notes and bonds: | | |
| Bond premium amortization | 220,198 | |
| Deferred outflows of resources - deferred amounts on refunding bonds | (159,148) | 61,050 |
| Conversion of reporting pension and OPEB information to a full accrual basis of accounting: | | |
| Pension expense (governmental funds only) | (26,403,180) | |
| OPEB expense (governmental funds only) | (9,373,554) | |
| Miscellaneous Fees/Reimbursement OPEB payment (governmental funds only) | 4,049,039 | (31,727,695) |
| Some items 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: | | |
| Decrease (increase) in accrued interest | 20,569 | |
| Decrease (increase) in accrued compensated benefits | (1,077,286) | (1,056,717) |
| The net effect of various miscellaneous transactions involving capital assets (sales and dispositions, trade-ins, and donations) | | 2,234,295 |
| Change in net position - governmental activities | | $(19,406,889) |

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

Lane County, Oregon

## Statement of Fund Net Position

Proprietary Funds

June 30, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Solid Waste Disposal | Land Management | Other Enterprise Funds | Total Enterprise Funds | Governmental Activities- Internal Service Funds |
| **ASSSETS** | | | | | |
| Current assets | | | | | |
| Pooled cash and investments | $ 33,982,536 | $ 7,771,133 | $ 5,219,736 | $ 46,973,405 | $ 81,656,369 |
| Receivables (net of uncollectibles): | | | | | |
| Investment earnings | 214,620 | 50,634 | 39,264 | 304,518 | 561,986 |
| Accounts | 2,202,666 | 23,287 | 187,188 | 2,413,141 | 155,835 |
| Intergovernmental | 70,303 | 34,989 | 106,879 | 212,171 | 539,108 |
| Due from other funds | - | - | - | - | 3,340,538 |
| Inventories | - | - | - | - | 1,144,353 |
| Prepaids | 77,146 | 53 | 89,836 | 167,035 | 363,122 |
| Total current assets | 36,547,271 | 7,880,096 | 5,642,903 | 50,070,270 | 87,761,311 |
| Noncurrent assets | | | | | |
| Deposits | - | - | - | - | 235,000 |
| Net OPEB asset - RHIA | 95,696 | 37,540 | 16,261 | 149,497 | 101,473 |
| Capital assets: | | | | | |
| Land | 7,982,761 | - | 919,328 | 8,902,089 | - |
| Buildings and land improvements | 22,083,941 | 100,697 | 23,754,120 | 45,938,758 | 525,370 |
| Equipment and furniture | 5,298,309 | 208,532 | 2,091,850 | 7,598,691 | 31,308,978 |
| Construction in progress | 5,765,704 | - | 815,709 | 6,581,413 | 1,662,299 |
| Accumulated depreciation | (17,624,953) | (162,541) | (21,598,076) | (39,385,570) | (21,766,414) |
| Total noncurrent assets | 23,601,458 | 184,228 | 5,999,192 | 29,784,878 | 12,066,706 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Pension plan | 3,062,538 | 1,260,331 | 390,943 | 4,713,812 | 4,312,447 |
| OPEB - RHIA | 1,061 | 426 | 184 | 1,671 | 1,117 |
| OPEB - county plan | 1,240,882 | 497,584 | 215,260 | 1,953,726 | 1,306,736 |
| Total deferred outflows of resources | 4,304,481 | 1,758,341 | 606,387 | 6,669,209 | 5,620,300 |
| Total assets and deferred outflows of resources | 64,453,210 | 9,822,665 | 12,248,482 | 86,524,357 | 105,448,317 |
| **LIABILITIES** | | | | | |
| Current liabilities | | | | | |
| Accounts payable | 643,721 | 94,126 | 354,929 | 1,092,776 | 2,866,778 |
| Wages and benefits payable | 228,635 | 103,084 | 29,221 | 360,940 | 1,143,491 |
| Compensated absences payable | 501,282 | 162,644 | 48,855 | 712,781 | 635,314 |
| Claims payable | - | - | - | - | 7,883,000 |
| Due to other funds | 160,167 | 68,116 | 22,224 | 250,507 | 192,478 |
| Interest payable | - | - | - | - | 274,857 |
| Unearned revenue | 1,989 | - | 44,845 | 46,834 | - |
| Customer deposits | - | - | 150,778 | 150,778 | 6,743 |
| Bonds payable | - | - | - | - | 4,800,000 |
| Total current liabilities | 1,535,794 | 427,970 | 650,852 | 2,614,616 | 17,802,661 |
| Noncurrent liabilities | | | | | |
| Total OPEB liability-county plan | 3,440,845 | 1,304,041 | 566,013 | 5,310,899 | 3,686,943 |
| Net pension liability | 9,971,451 | 3,967,168 | 1,250,735 | 15,189,354 | 13,935,504 |
| Bonds payable (net of unamortized discounts) | - | - | - | - | 43,308,897 |
| Landfill closure and postclosure care liability | 5,845,370 | - | - | 5,845,370 | - |
| Total noncurrent liabilities | 19,257,666 | 5,271,209 | 1,816,748 | 26,345,623 | 60,931,344 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Pension plan | 671,194 | 223,850 | 86,296 | 981,340 | 1,031,648 |
| OPEB - RHIA | 20,917 | 7,976 | 3,461 | 32,354 | 22,372 |
| Total deferred inflows of resources | 692,111 | 231,826 | 89,757 | 1,013,694 | 1,054,020 |
| Total liabilities and deferred inflows of resources | 21,485,571 | 5,931,005 | 2,557,357 | 29,973,933 | 79,788,025 |
| **NET POSITION** | | | | | |
| Net investment in capital assets | 23,505,762 | 146,688 | 5,982,931 | 29,635,381 | 11,730,233 |
| Restricted for landfill closure and postcolosure liability | 5,845,370 | - | - | 5,845,370 | - |
| Unrestricted | 13,616,507 | 3,744,972 | 3,708,194 | 21,069,673 | 13,930,059 |
| Total net position | $ 42,967,639 | $ 3,891,660 | $ 9,691,125 | 56,550,424 | $ 25,660,292 |
| Adjustment to reflect consolidation of internal service fund activities related to enterprise funds | | | | 14,845,453 | |
| Net position of business-type activities | | | | $ 71,395,877 | |

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

Lane County, Oregon

## Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the Fiscal Year Ended June 30, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Solid Waste Disposal | Land Management | Other Enterprise Funds | Total Enterprise Funds | Governmental Activities - Internal Service Funds |
| **OPERATING REVENUES** | | | | | |
| Licenses and permits | $ - | $ 2,033,577 | $ - | $ 2,033,577 | $ - |
| Charges for services | 21,815,663 | 3,555,645 | 1,836,896 | 27,208,204 | 102,902,953 |
| Fines, forfeitures and penalties | - | 19,730 | - | 19,730 | 6,852 |
| Administrative and facility charges | - | 15,000 | - | 15,000 | 376,425 |
| Sale and rental of property | 952,265 | 60,198 | 1,132,914 | 2,145,377 | 211,930 |
| Total operating revenues | 22,767,928 | 5,684,150 | 2,969,810 | 31,421,888 | 103,498,160 |
| **OPERATING EXPENSES** | | | | | |
| Personnel services | 10,891,650 | 4,693,439 | 1,659,268 | 17,244,357 | 14,012,415 |
| Materials and services | 7,581,057 | 2,018,252 | 2,479,046 | 12,078,355 | 81,725,288 |
| Landfill closure and postclosure care costs | 242,747 | - | - | 242,747 | - |
| Depreciation | 1,447,365 | 22,628 | 406,494 | 1,876,487 | 1,948,770 |
| Total operating expenses | 20,162,819 | 6,734,319 | 4,544,808 | 31,441,946 | 97,686,473 |
| Operating income (loss) | 2,605,109 | (1,050,169) | (1,574,998) | (20,058) | 5,811,687 |
| **NONOPERATING REVENUES (EXPENSES)** | | | | | |
| Taxes and assessments, net of refunds | - | - | 1,422,642 | 1,422,642 | - |
| Intergovernmental | 72,238 | 176,223 | 160,046 | 408,507 | 2,206,168 |
| Contributions to other governments | - | - | - | - | (2,236,237) |
| Investment earnings | 968,166 | 233,393 | 177,313 | 1,378,872 | 2,862,847 |
| Interest expense | - | - | - | - | (3,598,400) |
| Gain (loss) on capital asset disposal | - | - | - | - | 529,704 |
| Total nonoperating revenues (expenses) | 1,040,404 | 409,616 | 1,760,001 | 3,210,021 | (235,918) |
| Income (loss) before contributions and transfers | 3,645,513 | (640,553) | 185,003 | 3,189,963 | 5,575,769 |
| Transfers in | 402,270 | 151,064 | - | 553,334 | 300,170 |
| Transfers out | - | - | (104,913) | (104,913) | (474,318) |
| Change in net position | 4,047,783 | (489,489) | 80,090 | 3,638,384 | 5,401,621 |
| Total net position, June 30, 2019 | 38,919,856 | 4,381,149 | 9,611,035 | | 20,258,671 |
| Total net position, June 30, 2020 | $ 42,967,639 | $ 3,891,660 | $ 9,691,125 | | $ 25,660,292 |

| | |
|---|---|
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | 1,158,399 |
| Change in net position of business-type activities | $ 4,796,783 |

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

Lane County, Oregon

## Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2020

| | Business-Type Activities - Enterprise Funds | | | | |
|---|---|---|---|---|---|
| | Solid Waste Disposal | Land Management | Other Enterprise Funds | Total Enterprise Funds | Governmental Activities - Internal Service Funds |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | |
| Receipts from customers and users | $ 21,912,344 | $ 5,627,292 | $ 2,136,123 | $ 29,675,759 | $ 19,000,144 |
| Receipts from facilities rent | 952,265 | 60,198 | 1,132,914 | 2,145,377 | 211,930 |
| Receipts from interfund services | - | - | - | - | 83,531,565 |
| Payments to employees | (5,217,288) | (2,345,395) | (864,916) | (8,427,599) | (7,139,496) |
| Payments to suppliers | (4,433,734) | (1,587,745) | (2,225,454) | (8,246,933) | (81,204,405) |
| Payments for interfund services | (6,908,609) | (2,034,930) | (649,637) | (9,593,176) | (4,953,046) |
| Net cash provided by (used for) operating activities | 6,304,978 | (280,580) | (470,970) | 5,553,428 | 9,446,692 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | |
| Intergovernmental subsidies | 1,934 | 141,234 | 53,167 | 53,167 | 1,667,059 |
| Principal paid on pension bonds | - | - | - | - | (4,405,000) |
| Interest paid on pension bonds | - | - | - | - | (3,321,565) |
| Interfund loan repayments received | 692,804 | - | - | 692,804 | - |
| Interfund loan repayments made | - | - | - | - | (692,804) |
| Transfers in | - | 151,064 | - | 151,064 | 300,170 |
| Transfers out | - | - | (104,913) | (104,913) | (72,048) |
| Net cash provided by (used for) noncapital financing activities | 694,738 | 292,298 | (51,746) | 792,122 | (6,524,188) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | | |
| Transient room tax | - | - | 1,422,642 | 1,422,642 | - |
| Interest paid on long-term debt | - | - | - | - | (7,656) |
| Proceeds from sale of property | - | - | - | - | 586,820 |
| Purchases of capital assets | (1,535,895) | (100,697) | (850,399) | (2,486,991) | (4,650,558) |
| Net cash provided by (used for) capital and related financing activities | (1,535,895) | (100,697) | 572,243 | (1,064,349) | (4,071,394) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | |
| Investment earnings | 858,274 | 207,004 | 159,795 | 1,225,073 | 2,704,381 |
| Net cash provided by (used for) investing activities | 858,274 | 207,004 | 159,795 | 1,225,073 | 2,704,381 |
| Net increase (decrease) in pooled cash and investments | 6,322,095 | 118,025 | 209,322 | 6,649,442 | 1,555,491 |
| Pooled cash and investments, June 30, 2019 | 27,660,441 | 7,653,108 | 5,010,414 | 40,323,963 | 80,100,878 |
| Pooled cash and investments, June 30, 2020 | $ 33,982,536 | $ 7,771,133 | $ 5,219,736 | $ 46,973,405 | $ 81,656,369 |
| **Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:** | | | | | |
| Operating income (loss) | $ 2,605,109 | $ (1,050,169) | $ (1,574,998) | $ (20,058) | $ 5,811,687 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | | | |
| Landfill closure and postclosure care costs | 242,747 | - | - | 242,747 | - |
| Depreciation | 1,447,365 | 22,628 | 406,494 | 1,876,487 | 1,948,770 |
| (Increase) decrease in receivables | 96,681 | 3,340 | 362,752 | 462,773 | (80,476) |
| (Increase) decrease in due from other funds | - | - | - | - | (675,415) |
| (Increase) decrease in inventories | - | - | - | - | (161,585) |
| (Increase) decrease in prepaids | (77,146) | 4,147 | (47,271) | (120,270) | (130,187) |
| (Increase) decrease in deposits | - | - | - | - | (135,000) |
| Increase (decrease) in accounts payable | 108,087 | (61,131) | 209,336 | 256,292 | 742,884 |
| Increase (decrease) in wages and benefits payable | 33,901 | 21,571 | (2,504) | 52,968 | (211,009) |
| Increase (decrease) in compensated absences payable | 38,812 | 26,834 | 2,987 | 68,633 | 49,401 |
| Increase (decrease) in due to other funds | 24,514 | 14,410 | 1,039 | 39,963 | 41,246 |
| Increase (decrease) in unearned revenue | - | - | (82,788) | (82,788) | - |
| Increase (decrease) in customer deposits | - | - | 19,263 | 19,263 | 1,371 |
| Increase (decrease) in total OPEB liability | 340,273 | 136,745 | 59,150 | 536,168 | 358,081 |
| Increase (decrease) in net pension liability | 1,501,014 | 624,371 | 182,897 | 2,308,282 | 1,958,253 |
| Increase (decrease) in deferred inflows | 38,710 | 16,013 | 5,050 | 59,773 | 48,885 |
| (Increase) decrease in deferred outflows | (95,089) | (39,339) | (12,377) | (146,805) | (120,214) |
| Net cash provided by (used for) operating activities | $ 6,304,978 | $ (280,580) | $ (470,970) | $ 5,553,428 | $ 9,446,692 |
| **Noncash investing, capital, and financing activities:** | | | | | |
| Net contributions of capital assets (to) from governmental funds | $ - | $ - | $ - | $ - | $ (2,236,237) |
| Net transfers of capital assets (to) from other proprietary funds | 402,270 | - | - | 402,270 | (402,270) |
| Increase (decrease) in fair value of investments | 355,642 | 84,108 | 65,403 | 505,153 | 876,188 |

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

Lane County, Oregon

## Statement of Fiduciary Net Position

Property Tax Agency

June 30, 2020

| | Property Tax Agency |
|---|---|
| **ASSETS** | |
| Pooled cash and investments | $ 3,399,402 |
| Receivables (net of uncollectibles): | |
| Property taxes | $ 19,146,811 |
| Accounts | 2,357,101 |
| Other | 4,082,957 |
| Total assets | $ 28,986,271 |
| | |
| **LIABILITIES** | |
| Accounts payable | $ 121,797 |
| Due to other governments | 28,864,474 |
| Total liabilities | $ 28,986,271 |

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

# NOTES TO BASIC FINANCIAL STATEMENTS

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity

Lane County, Oregon (County) was established in 1851 and is organized under the Oregon Revised Statutes (ORS) as a municipal corporation. In 1962, Lane County voters approved a Home Rule Charter under which to operate. Under that Charter, a Board of County Commissioners governs the County and consists of five independently elected members who serve full-time and are compensated.

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

Component Units

As required by GAAP, these financial statements present the County and its component units - legally separate entities for which the County is considered to be financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's governing board, and (a) the ability to impose its will on the organization, or (b) the organization provides a financial benefit to, or imposes a specific financial burden on, the primary government.

Component units may be either blended into the County's operations or reported discretely in a separate column based on the closeness of their relationship to the County. The County reports the following component units:

Discretely Presented Component Units

Homes for Good Housing Agency ("Homes for Good" or the "Agency") is the public housing authority of Lane County, Oregon. Its mission is to provide affordable, decent, safe, and sanitary housing to low- and moderate- income families and households. The Agency's Board of Commissioners includes the Lane County Board of Commissioners and two appointed commissioners who are public housing residents. Although the Homes for Good governing body is substantially the same as Lane County's, there is no financial benefit or burden relationship between Lane County and Homes for Good, nor does Lane County management exercise operational responsibility over the Agency. Therefore, the financial statements of Homes for Good are discretely presented from those of the County for its fiscal year ended September 30, 2019.

Complete financial statements may be obtained at the following administrative office:

Homes for Good Housing Agency
177 Day Island Road
Eugene, Oregon 97401

New Accounting Pronouncements

During the fiscal year ended June 30, 2020, the County implemented the following GASB pronouncements:

- *GASB Statement No. 95 – Postponement of the Effective Dates of Certain Authoritative Guidance.* The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. There is no impact in the current year as a result of the application of this Statement.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

GASB has issued the following pronouncements that may affect future financial position, results of operations, cash flows, or financial presentation of the County upon implementation. These pronouncements have not yet been implemented by the County.

| GASB Statement No. | GASB Accounting Standard | Effective Fiscal Year |
|---|---|---|
| 84 | *Fiduciary Activities* | 2021 |
| 87 | *Leases* | 2022 |
| 90 | *Majority Equity Interests* | 2021 |
| 91 | *Conduit Debt Obligations* | 2023 |
| 92 | *Omnibus 2020* | 2022 |
| 93 | *Replacement of Interbank Offered Rates* | 2022 |
| 94 | *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* | 2023 |
| 96 | *Subscription-Based Information Technology Arrangements* | 2023 |
| 97 | *GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 (paragraphs 6-9)* | 2022 |

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. *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 charges for services.

The statement of activities demonstrates the degree to which the direct and allocated indirect expenses of a given function or program are offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or program. *Indirect expenses* are those costs, usually administrative in nature, that support all County functions and enable direct services to be provided. Indirect expenses are allocated to business-type activities in an amount equal to their actual indirect charges paid. The balance of indirect expense is allocated to governmental activities as a percentage of direct expenses. *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 program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not included in program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to “what” is being measured by a fund. Basis of accounting refers to “when” revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of presentation refers to the application of measurement focus and basis of accounting to financial statement types.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Government-wide, Proprietary, and Fiduciary Fund Financial Statements

The government-wide, proprietary fund and fiduciary fund financial statements are accounted for using the *economic resources measurement* focus, whereby all assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in the Statement of Net Position, the Statement of Fund Net Position, and the Statement of Fiduciary Net Position. The increases and decreases in net position are presented in the government-wide Statement of Activities and in the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position. These funds use the *accrual basis of accounting* whereby 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 the eligibility requirements imposed by the provider have been met. An exception to these rules exists for agency funds (a type of fiduciary fund) which account for resources held in a purely custodial capacity. Although agency funds use the *accrual basis of accounting* and are reported in the Statement of Fiduciary Net Position, they have no measurement focus and do not present a Statement of Changes in Fiduciary Net Position.

Interfund activity consists of transfers, services provided and/or used, reimbursements, advances, and loans. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include interfund services provided and/or used, and are accounted for as revenues and expenses since the elimination of such revenues and expenses would distort the direct costs and program revenues reported for the various functions.

Amounts reported as *program revenues* in the Statement of Activities include 1) charges to customers or applicants for goods, services, or privileges provided, including exchange transactions with other governments, 2) operating grants and contributions, and 3) capital grants and contributions. Dedicated resources not restricted to specific programs are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing activities. Significant operating revenues include charges for services, admissions, concessions, fees, and rental of property. Significant expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The County has the following major proprietary funds:

The *Solid Waste Disposal Fund* accounts for the operations of the County's solid waste disposal sites and facilities, for which the principal source of revenue is user fees. The fund allocates a portion of the user fees collected for the construction of County solid waste sites and facilities such as landfill replacements and transfer sites. Additionally, the fund accumulates long-term resources for the payment of future costs related to closure and post-closure care of County solid waste sites.

The *Land Management Fund* accounts for revenue for the Land Management Division of Public Works that is generated from building permit, zoning, and user fees for land use planning, building, electrical subsurface sanitation, and code compliance services to the public and cities within the county.

Additionally, the County reports the following fund types:

*Internal service funds* account for activities and services performed primarily for other organizational units within the County, or to other governments, on a cost-reimbursement basis. The County's internal service funds provide risk management, employee benefits, pension bond debt service, motor and equipment pool, intergovernmental services, internal and regional information technology and replacement services, and retiree medical benefits.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

*Fiduciary funds* reporting focuses on net position and changes in net position. The County's agency fund is established to account for the collection and disbursement of property taxes and timber receipts on behalf of other government agencies.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus*. The Balance Sheet reports current assets, current liabilities, and deferred inflows of resources; and the Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases and decreases in net fund balance. These funds use the *modified accrual basis of accounting* whereby revenues are recorded only when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter to liquidate liabilities of the current period. Expenditures, other than interest on noncurrent obligations, are recorded when the fund liability is incurred.

Taxes and assessments are recognized as revenues of the current fiscal period if received within 60 days of year-end. Intergovernmental revenues (exchange transactions, entitlements, shared revenues, and grants from other governmental entities) are recorded at the time of receipt or earlier if susceptible to accrual. Revenues on expenditure-driven grants are recognized when both the eligibility requirements have been met by the incurrence of qualifying expenditures, and the revenue is received soon enough after year end to liquidate grant related payables recorded as of year-end. Investment earnings are recognized when earned since they are considered both measurable and available at that time. All other receipts are recognized as revenues of the current fiscal period if susceptible to accrual and received within 45 days of year-end.

The County has the following major governmental funds:

The *General Fund* is the County's primary operating fund and accounts for all the financial resources of the general government, except those that are accounted for and reported in another fund. Principal sources of revenue are taxes and assessments, charges for services, licenses and permits, and intergovernmental revenues. Primary expenditures of the General Fund are made for public safety, public health and welfare, and general government.

The *Road Fund* accounts for the receipt and expenditure of resources dedicated to the construction, maintenance and preservation of the County's road-and-bridge system. Major revenues are the state gas tax and highway user fees, along with National Forest timber receipts.

The *Special Revenue/Services Fund* is consistently treated as one of the County's major funds, in comparison to 10 percent of total governmental funds as the measurement criteria for reporting purposes. The fund accounts for several dedicated revenue sources and programs:

- Transient Room Tax for tourism programs
- Sale of tax-foreclosed real property for the management of affected properties
- Intergovernmental revenues for the Short Mountain training facility, drug enforcement, and rural and community development projects
- Courthouse security operations
- Grants awarded to the District Attorney and Sheriff's Office departments
- Video lottery revenue for economic development projects
- Systems development charges for park improvements
- Permitting for manufactured structures
- Elections equipment replacement

The *Health and Human Services Fund* accounts for resources received from Federal, state, and local governments, enabling the County to provide a wide variety of health and human services to the community.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

The *LaneCare Fund* accounts for the administration of behavioral health benefits to Oregon Health Plan members, which are funded through contracts with Trillium Community Health and PacificSource Health Plans, the two Coordinated Care Organizations (CCO) for Lane County.

The *Local Option Tax Levy Fund* accounts for property tax revenue received from the local option tax levy for the restoration of jail beds and critical youth services.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. <u>Pooled cash and Investments</u>**

The County's pooled cash and investments consist of cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and equity in the County's common cash and investments pool.

The County's common cash and investments pool is utilized by all County funds. Interest earned on the pool is allocated monthly based on each fund's average daily cash and investment balance in proportion to the County's total pooled cash and investments. For purposes of the statement of cash flows, the County considers "pooled cash and investments" to include pooled cash and investments since the pool has the general characteristics of a demand deposit account, in that any participating fund may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty.

ORS 294.035 authorizes the County to invest in general obligations of the United States and its agencies, debt obligations of the state of Oregon, California, Idaho, and Washington and their political subdivisions, banker's acceptances, corporate indebtedness, commercial paper, repurchase agreements, time certificates of deposit, fixed or variable life insurance contracts, and the State Treasurer's Local Government Investment Pool. For bank balances in excess of federal depository insurance, the County participates in Oregon's Public Funds Collateralization Program and the Oregon Credit Union Public Funds Collateralization Program.

The County reports, at amortized cost, all short-term highly liquid money market investments and participating interest-bearing investment contracts with a remaining maturity at purchase of one year or less. Such investments are stated at cost, increased by the accretion of discounts and reduced by amortization of premiums; both computed using the straight-line method. Investments with a remaining maturity at time of purchase of more than one year are valued at fair value using quoted market prices.

**2. <u>Receivables and Payables</u>**

Receivables represent claims held against others for money, goods, or services. The County carries receivables for investment earnings, property taxes, accounts, intergovernmental, other, and interest on balances, all net of an allowance for uncollectibles when appropriate. Property tax receivables are deemed to be substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is deemed necessary. As of June 30, 2019, an allowance was recorded in the General Fund equal to 1 percent of outstanding justice court current year receivables not yet turned over to a collection agent and an average of 59 percent of the aged receivables turned over to a collection agent. All adjustments to the allowance accounts are charged against the related revenues of the current period.

Intergovernmental receivables include uncollected grant revenues where all eligibility and timing requirements have been met. Eligibility requirements usually mandate monies be expended on the specific purpose or project before any amounts will be paid to the County; therefore, all eligibility requirements are considered met when the underlying expenditures are recorded. Timing requirements are usually met at the time when the allowable use of the monies has begun.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

In 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/to other funds". Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivable/payable", or internal services provided by internal service funds to other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds reported in the governmental fund financial statements are offset by nonspendable fund balance to indicate that they are not available for appropriation and are not expendable available financial resources.

Real and personal property taxes attach as an enforceable lien on July 1 for each fiscal year on values assessed as of January 1. Taxes are levied July 1 and are payable in three installments on November 15, February 15, and May 15. The County levies, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, and reports the activity in an agency fund. Taxes unpaid as of May 16 are considered delinquent. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise, they are reported as deferred inflows of resources.

**3. <u>Inventories and Prepaid Items</u>**

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased. However, significant inventories in governmental funds are reported as an asset with a corresponding offset to nonspendable fund balance. In the government-wide and proprietary fund financial statements, inventory is capitalized upon purchase and expensed as the materials and supplies are used.

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

**4. <u>Capital Assets</u>**

Capital assets, which include land, buildings and improvements, machinery and equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and assets received in a service concession agreement, if any, are recorded at acquisition value.

Infrastructure, which includes construction, bridges and culverts, roads and road improvements, and right-of-ways, are those capital assets that are stationary in nature and can be preserved for a significantly greater number of years than most other capital assets. As permitted by GASB, the County has limited the retroactive capitalization of governmental fund infrastructure to fiscal years ending after June 30, 1980. Although the majority of infrastructure was placed in service before that date, it has not been included in these financial statements.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Per GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* interest cost incurred before the end of a construction period should be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. No interest cost was incurred before the end of a construction period during fiscal year 2020.

Capital assets are depreciated unless they are inexhaustible in nature (e.g., land and right-of-ways). Depreciation is an accounting process used to allocate the cost of capital assets in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair value, nor is capital assets, net of accumulated depreciation, intended to represent an estimate of the current condition of the assets, or the maintenance requirements needed to maintain the assets at their current level of condition.

Capital assets of the County are depreciated using the straight-line method over the following estimated lives:

| Capital Asset | Years |
|---|---|
| Buildings and related improvements | 24 – 60 |
| Certain other improvements | 8 – 30 |
| Machinery and equipment | 3 – 10 |
| Infrastructure: | |
| Bridges and culverts | 80 |
| Roads | 7 – 40 |

**5. <u>Compensated Absences</u>**

Vested vacation and time management benefits are recognized as a liability when earned in the government-wide and proprietary fund financial statements. In the governmental funds, the liability is recognized only when due and payable, i.e. as a result of employee resignations and retirements.

**6. <u>Long-Term Obligations and Bond Discounts/Premiums</u>**

Long-term obligations and rebatable arbitrage are reported in the government-wide and proprietary fund financial statements as liabilities. The governmental fund financial statements do not report long-term obligations because they do not require the use of current financial resources. Rebatable arbitrage is only reported in the governmental fund financial statements when due and payable. There is no rebatable arbitrage reported as of June 30, 2020.

Bond premiums and discounts are deferred and amortized over the term of the bonds using the bonds-outstanding method in the government-wide and proprietary fund financial statements, but are recognized during the current period in the governmental fund financial statements. The bonds-outstanding method does not differ significantly from the effective interest rate method.

Bond issuance costs, other than prepaid insurance, are reported as expenses/expenditures when incurred.

Interest accretion on deep discount obligations is calculated based on the initial yield to maturity as set forth in the bond's Official Statement. Accreted interest increases bonds payable and interest expense as reported in the government-wide and proprietary fund financial statements. Interest accretion is not reported in the governmental fund financial statements.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**7. Pensions**

The County is a participating employer in the Oregon Public Employee Retirement System (PERS), a cost-sharing multiple-employer defined public employee pension plan, and maintains a defined contribution plan for the purpose of individual retirement savings through PERS. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of PERS, and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**8. Other Postemployment Benefits (OPEB)**

The County's total OPEB obligation is recognized as a long-term liability in the government-wide financial statements, the amount of which is actuarially determined.

**9. Deferred Outflows/Inflows of Resources**

In addition to assets and liabilities, the statement of financial position reports separate sections for deferred outflows of resources and deferred inflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The separate financial statement element, *deferred inflows of resources*, represents a generation of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

**10. Leases**

Leases which meet certain criteria established by the Governmental Accounting Standards Board are classified as capital leases, and the assets and related liabilities are recorded at amounts equal to the lesser of the present value of minimum lease payments or the fair value of the leased property at the beginning of the respective lease term. Leases which do not meet the criteria of a capital lease are classified as operating leases.

**11. Net Position**

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. The County reports the following subcategories of net position:

*Net investment in capital assets* represents the difference between capital assets less accumulated depreciation, deferred outflows of resources, and the outstanding balance of debt (excluding unexpended proceeds) directly attributable to the acquisition, construction, or improvement of those assets. See Note III.F for a detailed computation.

*Restricted net positions* are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. The following are major classes of restricted net positions:

*Capital projects* represents funds legally restricted by debt covenants for the acquisition, construction, or improvement of specified capital assets.

*Debt service* represents funds legally restricted by Oregon statute for payment of principal and interest on outstanding general obligation and limited tax bonds.

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

*Health and human services* represents funds generated by grant revenue restricted to approved activities.

*Special revenue / services* represents funds generated by federal, state, and local grants restricted to approved activities.

*Roads* represents funds generated by fuel tax and related revenues legally restricted by Oregon statute for road and road related projects.

*Title III projects* represents funds generated by grant revenue legally restricted by Federal law to services on federally owned forest land within the County.

*LaneCare* represents funds generated by per capita revenue legally restricted by State statue to mental health services for County residents participating in the Oregon Health Plan.

*Housing and community services* represents funds generated by federal grants restricted to approved activities.

*Public safety local option tax levy* represents funds legally restricted to the restoration of jail beds and critical youth services.

*Other purposes* represents other restrictions for all other funds of the County.

*Unrestricted* represents all other net positions that are not restricted and do not meet the definition of net investment in capital assets.

**12. Fund Balances**

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The Board of County Commissioners approved the following fund balance polices as documented in Lane Manual Chapter 4.010, Section 5:

- 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. Resources in nonspendable form are all inventories.

- 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 provision or enabling legislation.

- Lane County's highest decision-making level of authority rests with the five-member Board of County Commissioners. As such, fund balance is reported as committed when the Board passes a Board Order that places specific constraints on how the resources may be used. The Board can modify or rescind the Order at any time through passage of an additional Order.

- It is the policy of the Board of County Commissioners to report as assigned fund balance any unrestricted or uncommitted resources that are constrained by the government's intent to use them for a specific purpose. Intent may be expressed by the Board of Commissioners, Lane County advisory committees or boards, or officials the Board has delegated authority to. All Budget

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Committee and Finance Committee decisions and policies in the Administrative Procedures Manual are considered assigned.

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

When expenditures are incurred and both restricted and unrestricted resources are available, it is the County's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned as they are needed.

The County has a budgetary fund balance reserve policy that directs the General Fund to establish and strive to maintain a minimum 20 percent reserve of anticipated operating revenues, to ensure adequate cash flow, a strong standing with bond rating agencies, and protection of service levels to the community in the event of unforeseen events, revenue volatility, or economic downturns. This reserve is in addition to contingency amounts and has two components: Emergency Reserve and Service Stabilization Reserve. All other funds are directed to have a minimum 5 percent prudent person reserve.

A summary of fund balances by fund and specific purpose can be found at Note III.H.

**13. Use of Estimates**

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

## NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### A. Budgetary Information

Legally required budgets are adopted for all funds except the Property Tax Agency Fund, which is exempted from Oregon Local Budget Law (ORS 294). The budget is adopted on a modified accrual basis with the exception of the following:

- Unrealized changes in the fair value of investments are not recognized on a budget basis.
- Investment earnings are not accrued on a budget basis.
- Intrafund transfers are recognized on a budget basis.
- The Lane Events Center reports prepaid expenditures for the County Fair on a budget basis.

The Board of County Commissioners adopts a resolution by June 30 of each year authorizing appropriations for the next fiscal year beginning July 1. This resolution establishes appropriations at the department level within each fund and sets the spending level by which expenditures cannot legally be exceeded. A detailed budget is also prepared, containing more in-depth information than the above-mentioned expenditure appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget as allowed by state statute. A supplemental budget follows Oregon Local Budget Law requirements found in ORS 294 with regard to specific changes allowable in the form of a Resolution approved by the County Commissioners and is based on the type of funding and level of fund change which further determines whether a public hearing and/or special publication of meeting is required.

The County's department directors may transfer appropriations between categories within a department so long as the overall appropriation does not exceed that authorized by the original budget resolution plus any supplemental budget. Transfers of appropriations between departments or funds require a resolution or ordinance adopted by the governing board. For fiscal year 2020, the County Commissioners adopted four supplemental budget resolutions. Appropriations lapse at fiscal year-end.

The County does not utilize encumbrance accounting.

### B. Excess of Expenditures over Appropriations

For the year ended June 30, 2020, expenditures (on a budgetary basis) exceeded appropriations authorized by the Board of County Commissioners as follows:

| Capital Improvements Fund | Appropriations | Expenditures | Over Expenditure |
|---|---|---|---|
| Not allocated to organizational units: debt service | $ - | $ 93,585 | $ 93,585 |

### C. Deficit Fund Balances/Net Position

The Self Insurance internal service fund reported negative net position of $0.37 million due primarily to the increase in the general liability insurance premiums and claims. The Pension Bond internal service fund reported negative net position of $43.5 million. A large portion of the negative net position is related to the implementation of GASB 68 in fiscal year 2016, which effectively removed deposits with PERS from the Statement of Fund Net Position previously reported as a "net pension asset". The deficit fund balance does not affect the fund's ability to pay debt service because departmental charges are budgeted and collected to coincide with debt service requirements on an annual basis. Over the life of the bond as debt service increases, the deficit will be eliminated. Additionally, the Technology Services fund also reported negative net positon of $8.8 million due primarily to the fund's share of the net pension liability of $11.3 million and the fund's share of the total OPEB liability of $2.8 million.

## NOTE III - DETAILED NOTES ON ALL FUNDS

### A. Pooled Cash and Investments

Total pooled cash and investments by financial statement reporting unit at June 30, 2020 are as follows:

| | Government-wide Statement of Net Position | Statement of Fiduciary Net Position | Total |
|---|---|---|---|
| Total Cash and Investments | $ 304,311,584 | $ 3,399,402 | $ 307,710,986 |

Total cash and investments at June 30, 2020 are comprised of the following:

| | | |
|---|---|---|
| Pooled Cash and Investments | | |
| Cash on hand | | $ 92,316 |
| Deposits: | | |
| Demand deposits | 5,345,032 | |
| Certificates of deposit | 37,554,689 | |
| Money market accounts | 10,534,194 | |
| Total deposits | | 53,433,915 |
| Investments | | 254,184,755 |
| Total cash and investments | | $ 307,710,986 |

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 - Unadjusted quoted prices for identical instruments in active markets.
Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.
Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

As of June 30, 2020, the County's investments in U.S. Treasury Securities are classified as Level 1. All other securities, excluding the Local Government Investment Pool which is not in the leveling hierarchy, are classified as Level 2.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

| | | Fair Value Measurement Using | |
|---|---|---|---|
| Investments | Fair Value | Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) |
| United States treasuries | $ 75,610,895 | $ 75,610,895 | $ - |
| United States agencies notes: | | | |
| Federal Agricultural Mortgage Corporation | 2,059,484 | - | 2,059,484 |
| Federal Farm Credit Bank | 30,774,034 | - | 30,774,034 |
| Federal Home Loan Bank | 20,407,550 | - | 20,407,550 |
| Federal Home Loan Mortgage Corporation | 19,143,238 | - | 19,143,238 |
| Federal National Mortgage Association | 20,561,220 | - | 20,561,220 |
| Resolution Funding Corp | 531,294 | - | 531,294 |
| Municipals | 35,899,421 | - | 35,899,421 |
| Corporate indebtedness: Promissory notes | 10,145,965 | - | 10,145,965 |
| | 215,133,101 | $ 75,610,895 | $ 139,522,206 |
| Local government investment pool | 39,051,654 | | |
| Total investments | $ 254,184,755 | | |

Money market securities classified in Level 1 of the fair market hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair market value hierarchy are valued using a variety of pricing techniques, including but not limited to fundamental analytical data related to the securities, values of baskets of securities, market interest rates, matrix calculated prices, and purchase price. The County does not hold any securities that would be classified as Level 3, significant unobservable inputs, for fair value measurement.

Policies

Lane County has adopted investment policies to address credit risk, concentration of credit risk, and custodial credit risk – deposits which mirror parameters for the investment of public funds set forth in the ORS. However, where statute limits investment maturities to 18 months, Lane County may invest up to three years.

Interest Rate Risk

The County reports the following investments and maturities at June 30, 2020. For purpose of this schedule, the County assumes its callable investments will not be called.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

| | | Investment Maturities | | | |
|---|---|---|---|---|---|
| Investments | Fair Value | 0 - 6 Months | 6 - 12 Months | 1 - 2 Years | 2 - 3 Years |
| United States treasuries | $ 75,610,895 | $12,042,038 | $ 12,147,954 | $22,534,595 | $28,886,308 |
| United States agencies notes: | | | | | |
| Federal Agricultural Mortgage Corporation | 2,059,484 | - | - | 2,059,484 | - |
| Federal Farm Credit Bank | 30,774,034 | 4,022,716 | 4,049,434 | 12,385,859 | 10,316,025 |
| Federal Home Loan Bank | 20,407,550 | 8,037,776 | 2,048,254 | 6,165,537 | 4,155,983 |
| Federal Home Loan Mortgage Corporation | 19,143,238 | - | 2,028,106 | 3,103,069 | 14,012,063 |
| Federal National Mortgage Association | 20,561,220 | 4,006,037 | 2,036,752 | 10,355,458 | 4,162,973 |
| Strips: Resolution Funding Corp | 531,294 | 531,294 | - | - | - |
| Municipals | 35,899,421 | 2,287,420 | 14,739,499 | 9,449,980 | 9,422,522 |
| Corporate indebtedness: Promissory notes | 10,145,965 | - | 10,145,965 | - | - |
| Sub-total | 215,133,101 | $30,927,281 | $ 47,195,964 | $66,053,982 | $70,955,874 |
| Local government investment pool | 39,051,654 | | | | |
| Total investments | $254,184,755 | | | | |

As a means of limiting exposure to fair value losses arising from rising interest rates, the County's investment policy limits its investment maturities to a percent of the *investment portfolio*, which includes total investments plus unrestricted certificates of deposit and money market accounts. For purposes of the computation, 100 percent of the amounts in Oregon's local government investment pool are considered to be less than 180 days to maturity.

| Maturity | Minimum Percent | Actual Percent at June 30, 2020 |
|---|---|---|
| Less than 6 months | 20% | 27.5% |
| Less than 1 year | 30% | 46.1% |
| Less than 2 years | 50% | 72.1% |
| Less than 3 years | 100% | 100.0% |

Concentration of Credit Risk

State law and County policy require investments not exceed the following as a percent of all monies available for investment in the investment portfolio as determined on the settlement date:

- 33% in general obligations of the United States or any one of its agencies
- 25% in bankers acceptances
- 35% in corporate indebtedness, or 5% in any single corporate issuer

The County does not hold any securities in a single organization in excess of 5 percent of net investments.

Credit Risk

The County relies on both Standard and Poor's and Moody's Investors Service to rate certain debt securities to assess risk and reflect the ability of the debtor to meet promised principal and interest payments. The upper echelons of ratings are defined as follows: "AAA" = Highest Quality, "AA" = High Quality, and "A" = Upper medium quality. All ratings below "A" are considered medium or low grade investments.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

State law and County policy require that minimum ratings be maintained for certain debt securities. At June 30, 2020, the minimum ratings and actual ratings for the County's investment portfolio are:

| Debt Security | Minimum Rating | Actual Rating |
|---|---|---|
| United States treasuries | None | AAA |
| United States agencies: | | |
| Federal Agricultural Mortgage Corporation | None | None |
| Federal Farm Credit Bank | None | AAA |
| Federal Home Loan Bank | None | AAA |
| Federal Home Loan Mortgage Corporation | None | AAA |
| Federal National Mortgage Association | None | AAA |
| Financing Corporation (FICO) | None | AAA |
| State of Oregon and its political subdivisions | A | AA |
| States of Washington and California and their political subdivisions | AA | AA |
| Corporate Indebtedness, promissory notes: | | |
| Oregon | A | A to AA |
| Non-Oregon | AA | AA |

The Local Government Investment Pool is unrated.

Custodial Credit Risk - Deposits

Custodial credit risk on deposits is the risk that in the event of a bank or credit union failure, the County's deposits may not be returned. In order to minimize this risk, Lane County policy and state statutes require banks and credit unions holding public funds become members of the Oregon Public Funds Collateralization Program (PFCP), a multiple financial institution collateral pool created by the Office of the State Treasurer. To qualify, participating banks and credit unions must pledge collateral against any public fund deposits in excess of deposit insurance. The amount of collateral is set by the PFCP between 10 percent and 110 percent of each bank's public fund deposits based on their net worth and level of capitalization. Although the PFCP creates a shared liability structure for participating bank and credit union depositories, it does not guarantee that all funds are 100 percent protected. Of the County's June 30, 2020 bank balance of $44,141,497, $1,315,254 was insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund of the National Credit Union Administration (NCUA), and $42,826,243 was collateralized by the PFCP.

Custodial Credit Risk - Investments

Custodial credit risk on investments is the risk that, in the event of a failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the County's investments, except the State of Oregon local government investment pool, which is not evidenced by securities, are held in safekeeping by the financial institutions' trust department in the County's name.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

Local Government Investment Pool

The Oregon State Treasurer maintains the Oregon Short-term Fund (OSTF), of which the Local Government Investment Pool (LGIP) is a part. The OSTF is a cash and investment pool available for use by all state funds and eligible local governments. The OSTF is managed by the Investment Division of the Oregon State Treasury within the guidelines established in the OSTF Portfolio Rules. The LGIP is an open-ended, no-load diversified portfolio offered to eligible participants who by law are made custodian of, or have control over, any public funds. At June 30, 2020, the fair value of the County's position in the pool is the same as the value of the pool shares, which approximates cost. The OSTF financial statements and the OSTF Portfolio Rules can be obtained at https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/pages/default.aspx.

## B. Receivables and Deferred Inflows of Resources

Receivables at June 30, 2020, including the applicable allowance for uncollectible accounts, are as follows:

| Receivables | General | Road | Special Revenue / Services | Health and Human Services | LaneCare | Local Option Tax Levy | Other Governmental Funds |
|---|---|---|---|---|---|---|---|
| Investment earnings | $ 355,165 | $ 270,705 | $ 86,705 | $ 72,109 | $ 145,353 | $ 186,080 | $ 124,275 |
| Property taxes | 1,819,623 | - | - | - | - | 651,784 | 18,033 |
| Accounts | 10,046,246 | 1,441,720 | 373,660 | 698,793 | 2,712 | - | 378,593 |
| Intergovernmental | 5,224,555 | 1,842,709 | 1,199,743 | 12,902,047 | 776,542 | 80,159 | 3,901,980 |
| Interest on balances | 9,198,203 | - | - | - | - | 116,543 | 2,476 |
| Gross receivables | 26,643,792 | 3,555,134 | 1,660,108 | 13,672,949 | 924,607 | 1,034,566 | 4,425,357 |
| Less: allowance for uncollectibles | (7,432,782) | - | - | - | - | - | - |
| Net total receivables | $ 19,211,010 | $ 3,555,134 | $ 1,660,108 | $ 13,672,949 | $ 924,607 | $ 1,034,566 | $ 4,425,357 |

| Receivables (continued) | Solid Waste Disposal | Land Management | Other Enterprise Funds | Internal Service Funds | Fiduciary Funds | Total |
|---|---|---|---|---|---|---|
| Investment earnings | $ 214,620 | $ 50,634 | $ 39,264 | $ 561,986 | $ - | $ 2,106,896 |
| Property taxes | - | - | - | - | 19,146,811 | 21,636,251 |
| Accounts | 2,202,666 | 23,287 | 187,188 | 155,835 | 6,440,058 | 21,950,758 |
| Intergovernmental | 70,303 | 34,989 | 106,879 | 539,108 | - | 26,679,014 |
| Interest on balances | - | - | - | - | - | 9,317,222 |
| Gross receivables | 2,487,589 | 108,910 | 333,331 | 1,256,929 | 25,586,869 | 81,690,141 |
| Less: allowance for uncollectibles | - | - | - | - | - | (7,432,782) |
| Net total receivables | $ 2,487,589 | $ 108,910 | $ 333,331 | $ 1,256,929 | $ 25,586,869 | $ 74,257,359 |

Interest on balances is computed on outstanding property taxes and accounts at the Lane County justice court. Allowance for doubtful accounts is computed on accounts at the justice court only.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. As of June 30, 2020, deferred inflows of resources included $2,899,451 related to property taxes receivable and $8,370,210 related to court fine receivables.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

## C. Capital Assets

Capital assets activity for the year ended June 30, 2020 is as follows:

| **Governmental activities** | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Capital assets not being depreciated: | | | | | |
| Land | $ 18,411,541 | $ 3,912,879 | $ - | $ 576,474 | $ 22,900,894 |
| Construction in progress | 3,873,927 | 2,603,358 | - | (1,903,335) | 4,573,950 |
| Total capital assets not being depreciated | 22,285,468 | 6,516,237 | - | (1,326,861) | 27,474,844 |
| Capital assets being depreciated: | | | | | |
| Buildings and land improvements | 169,219,792 | 7,015,423 | - | 1,326,861 | 177,562,076 |
| Equipment and furniture | 51,017,576 | 5,489,009 | (1,999,538) | (402,270) | 54,104,777 |
| Infrastructure | 363,122,826 | 12,490,169 | (8,220,913) | - | 367,392,082 |
| Total capital assets being depreciated | 583,360,194 | 24,994,601 | (10,220,451) | 924,591 | 599,058,935 |
| Less accumulated depreciation for: | | | | | |
| Building and land improvements | (91,127,999) | (5,930,473) | - | - | (97,058,472) |
| Equipment and furniture | (36,770,446) | (3,218,963) | 1,942,423 | - | (38,046,986) |
| Infrastructure | (154,302,506) | (12,119,818) | 8,220,913 | - | (158,201,411) |
| Total accumulated depreciation | (282,200,951) | (21,269,254) | 10,163,336 | - | (293,306,869) |
| Total capital assets being depreciated, net | 301,159,243 | 3,725,347 | (57,115) | 924,591 | 305,752,066 |
| Governmental activities capital assets, net | $ 323,444,711 | $ 10,241,584 | $ (57,115) | $ (402,270) | $ 333,226,910 |

| **Business-type activities** | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Capital assets not being depreciated: | | | | | |
| Land | $ 8,892,639 | $ 9,450 | $ - | $ - | $ 8,902,089 |
| Construction in progress | 4,805,988 | 2,192,531 | - | (417,106) | 6,581,413 |
| Total capital assets not being depreciated | 13,698,627 | 2,201,981 | - | (417,106) | 15,483,502 |
| Capital assets being depreciated: | | | | | |
| Buildings and land improvements | 45,737,608 | 125,937 | - | 75,213 | 45,938,758 |
| Equipment and furniture | 6,695,454 | 159,074 | - | 744,163 | 7,598,691 |
| Total capital assets being depreciated | 52,433,062 | 285,011 | - | 819,376 | 53,537,449 |
| Less accumulated depreciation for: | | | | | |
| Building and land improvements | (32,667,354) | (1,470,873) | - | - | (34,138,227) |
| Equipment and furniture | (4,841,729) | (405,614) | - | - | (5,247,343) |
| Total accumulated depreciation | (37,509,083) | (1,876,487) | - | - | (39,385,570) |
| Total capital assets being depreciated, net | 14,923,979 | (1,591,476) | - | 819,376 | 14,151,879 |
| Business-type activities capital assets, net | $ 28,622,606 | $ 610,505 | $ - | $ 402,270 | $ 29,635,381 |

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

Depreciation was charged as a direct expense to the following functions for the year ended June 30, 2020:

| | |
|---|---|
| Governmental Activities | |
| General government | $ 5,891,256 |
| Public safety | 760,777 |
| Public health and welfare | 706,058 |
| Parks | 492,809 |
| Roads and bridges | 13,411,454 |
| Community development | 6,900 |
| Total depreciation expense - governmental activities | $ 21,269,254 |
| | |
| Business-type Activities | |
| Lane events center | $ 406,494 |
| Solid waste disposal | 1,447,365 |
| Land management | 22,628 |
| Total depreciation expense - business-type activities | $ 1,876,487 |

## D. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables at June 30, 2020 are as follows:

*Due To/From Other Funds*

| Receivable Fund | Payable Fund | |
|---|---|---|
| Internal Service Fund | General | $ 899,851 |
| Internal Service Fund | Road | 321,262 |
| Internal Service Fund | Special Revenue / Services | 196,505 |
| Internal Service Fund | Health and Human Services | 1,061,093 |
| Internal Service Fund | LaneCare | 68,600 |
| Internal Service Fund | Other Governmental Funds | 107,986 |
| Internal Service Fund | Other Enterprise Funds | 22,224 |
| Internal Service Fund | Solid Waste | 160,167 |
| Internal Service Fund | Land Management | 68,116 |
| Internal Service Fund | Internal Service Funds | 192,478 |
| Internal Service Fund | Local Option Tax Levy | 242,256 |
| Total Due To/From Other Funds | | $ 3,340,538 |

The outstanding balances between funds result mainly from the lag time between the accrual and subsequent payment of payroll and related benefit charges to internal service funds at June 30, 2020.

Interfund Loans Receivable/Payable

During fiscal year 2018 the Board of County Commissioners authorized an interfund capital loan up to $1,673,430 from the Solid Waste Disposal enterprise fund to the Technology Replacement internal service fund. The loan was for capital costs of the Telephone System Upgrade project, repaid over a three-year period no later than June 30, 2020, and at an interest rate equivalent to the County's actual earnings rate in the investment pool. During fiscal year 2020, the Technology Replacement Fund paid off the interfund loan in the amount of $700,460, of which $692,804 was principal and $7,656 was interest. The outstanding interfund loan balance was zero as of June 30, 2020. There were no other interfund loans outstanding as of June 30, 2020.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. Interfund transfers for the year ended June 30, 2020 are as follows:

| Fund | General | Road | Special Revenue / Services | Health and Human Services | LaneCare |
|---|---|---|---|---|---|
| General | $ - | $ 1,268,023 | $ 220,402 | $ 19,763 | $ - |
| Special revenue/services | 344,330 | 52,403 | 1,161,540 | - | - |
| Health and human services | 8,794,158 | - | 162,740 | 96,915 | 209,673 |
| Other governmental funds | 8,996,558 | - | 357,702 | 592,167 | - |
| Solid waste disposal | - | - | - | - | - |
| Land management | - | - | 151,064 | - | - |
| Internal service funds | 261,048 | - | - | - | - |
| Total transfers out | $ 18,396,094 | $ 1,320,426 | $ 2,053,448 | $ 708,845 | $ 209,673 |

| Fund (continued) | Other Governmental Funds | Other Enterprise Funds | Internal Service Funds | Total |
|---|---|---|---|---|
| General | $ 576,496 | $ - | $ 32,927 | $ 2,117,611 |
| Special revenue/services | - | - | - | 1,558,273 |
| Health and human services | 305,929 | - | - | 9,569,415 |
| Other governmental funds | 681,448 | 104,913 | - | 10,732,788 |
| Solid waste disposal | - | - | 402,270 | 402,270 |
| Land management | - | - | - | 151,064 |
| Internal service funds | - | - | 39,122 | 300,170 |
| Total transfers out | $ 1,563,873 | $ 104,913 | $ 474,319 | $ 24,831,591 |

Transfers are routinely made for the following purposes:

- To move revenues from the fund in which statute or budget requires them to be collected to the fund from which statute or budget requires them to be expended;
- To move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due;
- To move unrestricted revenues collected in the General Fund to finance various programs and activities accounted for in other funds in accordance with budgetary authorizations; and
- To move revenues collected from restricted sources to other funds to pay for direct expenses.

During fiscal year 2020, no non-routine transfers were made.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

**E. Noncurrent Liabilities**

Limited Tax Bonds

The County issues limited tax bonds in governmental activities. All limited tax bonds are backed by the full faith and credit of the County, within the limitations of Article XI of the Oregon Constitution, and are to be repaid from existing revenue sources. Descriptions of outstanding limited tax bonds are as follows:

*Full Faith and Credit Obligations, Series 2002A* - Original issue amount $7,615,000 used to refund the 1998 Municipal Loan Agreement issued to finance public improvements to the County fairgrounds. In June 2011, all but $1,170,000 was refunded with the issuance of Series 2011R. Remaining annual principal and semi-annual interest payments range from $110,450 to $115,500 per year (increasing) with final payment scheduled on June 1, 2022. Payment of principal and interest was originally insured by MBIA, and the policy is now held by the National Public Finance Guarantee Corp (NPFG).

*Full Faith and Credit Obligations, Series 2003B* - Original issue amount $5,655,000 used in part to refund the Special Obligations, Series 1993 and Limited Tax Revenue, Series 1995 bonds issued to finance public improvements to the County courthouse and jail, and to finance new costs of a facility for the County Elections division and the plaza/free Speech area at the County courthouse. Remaining annual principal and semi-annual interest payments are $216,338 in fiscal year 2021 and then average $221,304 per year thereafter with final payment scheduled on June 1, 2023. Payment of principal and interest was originally insured by MBIA, and the policy is now held by NPFG.

*Limited Tax Pension Bonds, Series 2002* – Original issue amount $71,408,377 ($14,853,377 in deferred interest bonds and $56,555,000 in current interest bonds) used to finance a portion of the estimated unfunded actuarial liability with the Oregon Public Employees Retirement System. Remaining annual principal and semi-annual interest payments fluctuate from $8.1 million to $11.2 million per year (increasing) with final payment scheduled on June 1, 2028. Payment of principal and interest is insured by AMBAC.

*Full Faith and Credit Obligations, Series 2009A* – Issued in the amount of $27,930,000 on November 2, 2009 and used to refund a majority of the Series 2000 obligations and to finance the purchase and improvements to the Public Health Facility, the purchase of the Riverstone Health Clinic building, additional AIRS conversion costs, and upgrades to the heating and air conditioning system at the County correctional facility. In May 2017, all but $4,935,000 was advance refunded with the issuance of Series 2017 bonds. Before the refunding, the annual principal and semi-annual interest payments were approximately $2.3 million through 2021, and dropped down to $1.9 million in 2022 and thereafter. After the refunding, the final principal and semi-annual interest payment is scheduled on November 1, 2020 for $476,625. The bonds are not insured.

*Full Faith and Credit Obligations, Series 2011* – Issued in the amount of $10,345,000 on March 30, 2011 and used to finance improvements to the Riverstone Health Clinic building, Richardson Park Marina, the Public Works Customer Service Center, the Lane Events Center Convention Center roof, and the Public Services Building steam conversion. Annual principal and semi-annual interest payments average $751,000 with the final payment scheduled on June 1, 2031. The bonds are not insured.

*Full Faith and Credit Refunding Obligations, Series 2011R* – Issued in the amount of $4,945,000 on June 2, 2011 and used to refund a majority of the Series 2002A obligations. Remaining annual principal and semi-annual interest payments average $575,000 with the final payment scheduled on June 1, 2022. The bonds are not insured.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

*Full Faith and Credit Refunding Obligations, Series 2017* – Issued in the amount of $8,870,000 on May 31, 2017 and used to advance refund a majority of the Series 2009A obligations. Annual principal and semi-annual interest payments are $1,048,056 in fiscal year 2021. Thereafter, remaining annual principal and semi-annual interest payments are approximately $1.05 million with the final payment scheduled on November 1, 2029. The bonds are not insured.

Limited tax bonds outstanding as of June 30, 2020 are as follows:

| Governmental Activities | Interest Rates (%) | Unamortized Premium (Discount) on Bonds | Ending Balance |
|---|---|---|---|
| Limited tax bonds: | | | |
| Limited Tax Full Faith & Credit Bonds, Series 2002A | 4.950% to 5.000% | $ 123 | $ 210,000 |
| Limited Tax Full Faith & Credit Bonds, Series 2003B | 4.250% to 4.450% | - | 605,000 |
| Limited Tax Full Faith & Credit Bonds, Series 2009A | 5.00% | 367,911 | 465,000 |
| Limited Tax Full Faith & Credit Bonds, Series 2011 | 4.000% to 4.250% | 81,006 | 6,565,000 |
| Limited Tax Full Faith & Credit Bonds, Series 2011R | 4.000% | 15,267 | 1,085,000 |
| Limited Tax Full Faith & Credit Bonds, Series 2017 | 5.000% to 5.000% | 668,294 | 8,870,000 |
| | | 1,132,601 | 17,800,000 |
| Limited Tax Pension Bonds, Series 2002 | 6.85% | (41,103) | 48,150,000 |
| Total limited tax bonds | | $ 1,091,498 | $ 65,950,000 |

The deep discount amortization for Limited Tax Pension Bonds, Series 2002 was fully amortized as of June 30, 2020.

Annual debt service requirements to maturity for limited tax bonds are as follows:

| | Governmental Activities | | | | | |
|---|---|---|---|---|---|---|
| | Limited Tax Bonds, excluding Limited Tax Pension Bonds | | Limited Tax Pension Bonds | | Total Limited Tax Bonds | |
| Year Ending June 30 | Principal | Interest | Principal | Interest | Principal | Interest |
| 2021 | $ 2,520,000 | $ 659,080 | $ 4,800,000 | $ 3,298,274 | $ 7,320,000 | $ 3,957,354 |
| 2022 | 2,145,000 | 563,231 | 5,515,000 | 2,969,475 | 7,660,000 | 3,532,706 |
| 2023 | 1,540,000 | 478,582 | 6,290,000 | 2,591,697 | 7,830,000 | 3,070,279 |
| 2024 | 1,375,000 | 418,750 | 7,140,000 | 2,160,833 | 8,515,000 | 2,579,583 |
| 2025 | 1,435,000 | 363,050 | - | 1,671,743 | 1,435,000 | 2,034,793 |
| 2026-2030 | 8,065,000 | 926,884 | 24,405,000 | 3,080,446 | 32,470,000 | 4,007,330 |
| 2031 | 720,000 | 30,600 | - | - | 720,000 | 30,600 |
| | $17,800,000 | $ 3,440,177 | $48,150,000 | $15,772,468 | $65,950,000 | $19,212,645 |

The Limited Tax Pension Bonds, Series 2002 are deep discount bonds and reported net of accretion. However, the annual debt service requirements to maturity are reported on the cash basis and do not account for accreted amounts. The following table reconciles the annual debt service requirements to maturity schedule to the ending balance of limited tax bonded debt:

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

| Limited Tax Bonds | Ending Balance | Due Within One Year |
|---|---|---|
| Pension debt service requirements | $48,150,000 | $4,800,000 |
| Accretion of unamortized deep discount | - | - |
| Total limited tax pension bonds outstanding | 48,150,000 | 4,800,000 |
| Non-pension debt service requirements | 17,800,000 | 2,520,000 |
| Total limited tax bonds outstanding | $65,950,000 | $7,320,000 |

The County is subject to a legal debt limit for limited tax bonds of 1 percent of the real market value of all taxable property within the County. The County is also subject to a legal debt limit for pension bonds of 5 percent of the real market value of all taxable property within the County. As of June 30, 2020, the County is in compliance with both limits.

Internal Service Fund Debt

Based on an analysis of billings, governmental activities have been determined to be the predominant source of revenue for all internal service funds. Therefore, long-term debt in governmental activities includes those in internal service funds. As of June 30, 2020, internal service fund debt includes the Limited Tax Pension Bonds of $48,150,000, less deferred bond discounts of $41,103.

Notes Payable

The County issues notes to finance major construction projects in governmental activities. Descriptions of outstanding notes payable are as follows:

*Oregon Department of Energy's Small Scale Local Energy Loan Program* – Original issue amount of $2,080,000 to finance machinery, equipment, and improvements to the regional computer data center that will provide energy savings to the County. The note terms required the County to transfer its Qualified Energy Conservation Bond (QECB) authority of $2,041,695 to the State which the Oregon Department Energy used to finance the notes. Although the QECB's are not issued in the County's name, the County is responsible to apply for the interest subsidy with the Internal Revenue Service. Annual principal and semi-annual interest payments are approximately $200,000 per year with final payment scheduled on October 1, 2029. Notes payable are backed by the full faith and credit of the County and are to be repaid from existing revenue sources. In fiscal year 2020, the County made one principal payment of $125,000 and two interest payments on the loan in the amount of $69,131 and received interest subsidy in the amount of $42,660. Application for interest subsidy for fiscal year 2021 has been made with the Internal Revenue Service.

*Wilson Investments, LLC* - Original issue amount of $2,800,000 to finance the purchase of real property and all improvements at 2699 Roosevelt Boulevard in Eugene, Oregon during fiscal year 2020. The purchase price of $3.1 million, less the down payment and earnest money, was secured by a promissory note payable over 20 years at a five percent interest rate. Annual principal and semi-annual interest payments are $221,745 per year with final payment scheduled on January 1, 2040. Notes payable are backed by the full faith and credit of the County and are to be repaid from existing revenue sources. The County has the right to prepay the note after five years of payments at a cost ranging from 10 percent and declining to 2 percent of the remaining note balance in addition to the actual remaining note balance. In fiscal year 2020, the County made principal payments of $34,345 and interest payments of $58,048.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

Notes payable outstanding as of June 30, 2020 is as follows:

| Governmental Activities | Interest Rates (%) | Ending Balance |
|---|---|---|
| Oregon Department of Energy | 3.25% to 5.15% | $1,475,000 |
| Wilson Investments, LLC | 5.00% | 2,765,655 |
| Total Notes Payable Outstanding | | $4,240,655 |

Annual debt service requirements to maturity for notes payable are as follows:

| | Governmental Activities | |
|---|---|---|
| Year Ending June 30 | Principal | Interest |
| 2021 | $ 210,402 | $ 201,256 |
| 2022 | 219,771 | 192,164 |
| 2023 | 229,364 | 182,269 |
| 2024 | 239,192 | 171,663 |
| 2025 | 249,267 | 160,316 |
| 2026-2030 | 1,407,023 | 604,865 |
| 2031-2039 | 1,685,636 | 439,421 |
| | $4,240,655 | $1,951,954 |

Rebatable Arbitrage

Arbitrage reviews are performed annually on all County tax-exempt bonds and obligations, and rebates of interest earned on arbitrage are made as required by the federal tax code. Liabilities are reported in the government-wide and proprietary fund financial statements when incurred, but liabilities are not reported in the governmental fund financial statements until due and payable. As of June 30, 2020, there were no rebatable arbitrage liabilities to report.

Landfill Closure and Postclosure Care Cost

The County operates the Short Mountain Landfill under a Solid Waste Disposal Permit (No. 290) from the Oregon Department of Environment Quality (DEQ). The current permit was issued on August 5, 2011 and will expire on June 30, 2021.

State and federal laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although final closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these final closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The landfill closure and postclosure care liability of $5.8 million as of June 30, 2020, represents current cost estimates based on the use of 24 percent of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of final closure and post-closure care of $18.3 million as the remaining estimated capacity is filled. Cost estimates are based on what it would cost to perform all final closure and post-closure care in 2020. Actual costs may be different due to inflation, deflation, changes in technology, or changes in regulations. The County expects to close the landfill in approximately 70 years, or the year 2087.

*Site Development Plan:* In July 2006, the County updated its Site Development Plan (SDP). The plan was reviewed and approved by the ODEQ in July 2007. The ultimate footprint at full build-out is 219 acres.

*Financial Assurance:* Each year the County demonstrates financial assurance in connection with the closure and postclosure care activities for the Short Mountain Landfill by using the local government financial assurance

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

test described in Title 40 of the Code of Federal Regulations, paragraph 258.74. As of June 30, 2019 (the most recent analysis), the County is in compliance with the local government financial assurance test as required by Oregon Administrative Rule 340-94-0140. At June 30, 2020, restricted net position is held for the landfill closure and postclosure care liability.

Compensated Absences

County employees accumulate earned but unused leave with pay which combines into a time management bank. Upon termination of employment one-half of the time management bank pays out at the employees current pay rate. An analysis of vested compensated absences County-wide shows that more time management is taken the subsequent year than vests the previous year. As a result, all compensated absences are considered current.

The General Fund, Road Fund, Special Revenue / Services Fund, Health and Human Services Fund, LaneCare Fund, Local Option Tax Levy Fund, other governmental funds and internal service funds are typically used to liquidate these liabilities.

Compensated absences included in governmental activities at June 30, 2020 are as follows:

| Governmental Activities | Due Within One Year |
|---|---|
| General | $3,533,156 |
| Road | 833,599 |
| Special revenue / services | 604,405 |
| Health and human services | 1,933,210 |
| LaneCare | 147,341 |
| Local option tax levy | 702,905 |
| Other governmental funds | 340,188 |
| Internal service funds | 635,314 |
| Total | $8,730,118 |

Pension and Other Postemployment Benefits Liabilities

See Note IV.B. *Pension Plan* in the Notes to Basic Financial Statements section of this report for additional information.

See Note IV.C. *Other Postemployment Benefits* in the Notes to Basic Financial Statements section of this report for additional information.

The General Fund, Road Fund, Special Revenue / Services Fund, Health and Human Services Fund, LaneCare Fund, Local Option Tax Levy Fund, other governmental funds and internal service funds are typically used to liquidate these liabilities.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

Changes in Noncurrent Liabilities

| Governmental Activities | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Bonds payable: | | | | | |
| Limited tax bonds | $ 72,928,058 | $ 261,942 | * $ 7,240,000 | $ 65,950,000 | $ 7,320,000 |
| Deferred amounts: | | | | | |
| Issuance premiums, net of discounts | 1,302,518 | - | 211,020 | 1,091,498 | - |
| Total bonds payable | 74,230,576 | 261,942 | 7,451,020 | 67,041,498 | 7,320,000 |
| Compensated absences | 7,603,431 | 16,503,980 | 15,377,293 | 8,730,118 | 8,730,118 |
| Claims | 7,883,000 | 1,470,564 | 1,470,564 | 7,883,000 | 7,883,000 |
| Notes payable | 1,600,000 | 2,800,000 | 159,345 | 4,240,655 | 210,402 |
| Total Governmental Activities | $ 91,317,007 | $ 21,036,486 | $ 24,458,222 | $ 87,895,271 | $ 24,143,520 |
| Business-type Activities | | | | | |
| Compensated absences | $ 644,148 | $ 1,372,954 | $ 1,304,321 | $ 712,781 | $ 712,781 |
| Landfill closure and postclosure care liability | 5,602,623 | 242,747 | - | 5,845,370 | - |
| Total Business-type Activities | $ 6,246,771 | $ 1,615,701 | $ 1,304,321 | $ 6,558,151 | $ 712,781 |

* *Represents change (accretion) in deep discount on limited pension bonds.*

## F. Net Investment in Capital Assets

Net investment in capital assets in the Statement of Net Position is computed as follows:

| Net investment in Capital Assets | Governmental Activities | Business-type Activities |
|---|---|---|
| Capital assets: | | |
| Land and construction in progress | $ 27,474,844 | $ 15,483,502 |
| Other capital assets (net of accumulated depreciation) | 305,752,066 | 14,151,879 |
| Total capital assets | 333,226,910 | 29,635,381 |
| Bonds payable -- net of premiums/discounts | 67,041,497 | - |
| Notes payable | 4,240,655 | - |
| Less unrelated debt: | | |
| Limited tax pension bonds (less discount of $41,103) | (48,108,896) | - |
| | 23,173,256 | - |
| Less Capital-related deferred outfolows of resources on debt refunding | (844,188) | |
| Less unspent proceeds: | | |
| Oregon Department of Energy note payable | (1,436,695) | - |
| Related debt | 20,892,373 | - |
| Net investment in capital assets | $ 312,334,537 | $ 29,635,381 |

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

**G. Discretely Presented Component Units**

Homes for Good Housing Agency

*Cash and Investments*

Total cash and investments for Homes for Good at June 30, 2020 are comprised of the following:

| | |
|---|---|
| Unrestricted – current: | |
| Cash and cash equivalents | $ 6,733,602 |
| Investments | 328,571 |
| Restricted - current: | |
| Cash and cash equivalents | 11,467,514 |
| Investments in limited partnerships | 903,814 |
| Total cash and investments | $19,433,501 |

Unrestricted investments for Homes for Good at June 30, 2020 are comprised of the following:

| Investments | Fair Value |
|---|---|
| Local government investment pool | $328,571 |
| Unrestricted – current Investments | $328,571 |

*Capital Assets*

Annual capital assets activity is only available for Homes for Good as the primary government. Annual activity for Home for Good's discretely presented component units was not available so it is being presented here in total only.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

| Homes for Good - primary government | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Capital assets not being depreciated: | | | | | |
| Land | $ 11,593,321 | $ 876,703 | $ (768,834) | $ - | $ 11,701,190 |
| Construction in progress | 4,177,443 | 9,016,285 | (1,537,917) | (1,328,654) | 10,327,157 |
| Total capital assets not being depreciated | 15,770,764 | 9,892,988 | (2,306,751) | (1,328,654) | 22,028,347 |
| Capital assets being depreciated: | | | | | |
| Buildings and land improvements | 78,572,238 | 724,959 | (40,528) | 1,291,082 | 80,547,751 |
| Equipment and furniture | 3,262,656 | 414,241 | (98,318) | 37,572 | 3,616,151 |
| Total capital assets being depreciated | 81,834,894 | 1,139,200 | (138,846) | 1,328,654 | 84,163,902 |
| Less accumulated depreciation for: | | | | | |
| Buildings and land improvements | (46,284,280) | (1,833,628) | 27,621 | - | (48,090,287) |
| Equipment and furniture | (2,700,604) | (160,271) | 170,801 | - | (2,690,074) |
| Total accumulated depreciation | (48,984,884) | (1,993,899) | 198,422 | - | (50,780,361) |
| Total capital assets being depreciated, net | 32,850,010 | (854,699) | 59,576 | 1,328,654 | 33,383,541 |
| Total capital assets, net | $ 48,620,774 | $ 9,038,289 | $ (2,247,175) | $ - | 55,411,888 |
| Net capital assets, discretely presented component units of Homes for Good | | | | | 36,004,436 |
| Total Capital Assets of Homes for Good | | | | | $ 91,416,324 |

Depreciation of Homes for Good as the primary government was $1,993,899 for the year ended June 30, 2020. Depreciation of Homes for Good's discretely presented component units was $1,213,698. Both were charged as direct expenses in the Statement of Activities.

*Noncurrent Liabilities*

Noncurrent liabilities activity is only available for Homes for Good as the primary government. Annual activity for Homes for Good's discretely presented component units was not available so it is being presented here in total only.

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Compensated absences | $ 472,458 | $ 170,854 | $ - | $ 643,312 | $ 449,000 |
| Escrow account | 416,815 | - | 44,422 | 372,393 | - |
| Payable to component unit | 167,077 | - | - | 167,077 | - |
| Notes payable | 13,079,741 | 12,416,154 | 4,061,211 | 21,434,684 | 4,018,498 |
| | $ 14,136,091 | $ 12,587,008 | $ 4,105,633 | 22,617,466 | 4,467,498 |
| Noncurrent liabilities, discretely presented component units | | | | 12,594,369 | - |
| Total noncurrent liabilities | | | | $ 35,211,835 | $ 4,467,498 |

The County is not obligated in any manner for the debt of Homes for Good or its component units.

**NOTE III - DETAILED NOTES ON ALL FUNDS** (continued)

**H. Fund Balances**

Fund balances by specific purpose for the year ended June 30, 2020 were as follows:

| Fund balances | General | Road | Special Revenue / Services | Health and Human Services |
|---|---|---|---|---|
| Nonspendable: | | | | |
| Inventories | $ 172,774 | $ 1,944,037 | $ - | $ 198,002 |
| Restricted: | | | | |
| Debt service | - | - | - | - |
| General government | - | - | 7,391,728 | - |
| Public safety | - | - | - | - |
| Public health and welfare | - | - | - | - |
| Roads and bridges | - | 19,355,535 | 1,131,065 | - |
| Committed: | | | | |
| Capital projects | - | - | - | - |
| Assigned: | | | | |
| Capital projects | - | - | - | - |
| Debt service | - | - | - | - |
| General government | - | - | 2,711,054 | - |
| Public safety | - | - | 3,727,458 | - |
| Public health and welfare | - | - | - | 18,375,159 |
| Parks | - | - | - | - |
| Roads and bridges | - | 25,754,419 | 90,284 | - |
| Unassigned: | 35,534,793 | - | - | - |
| Total fund balances | $ 35,707,567 | $ 47,053,991 | $ 15,051,589 | $ 18,573,161 |

| Fund balances | Lane Care | Local Option Tax Levy | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| Nonspendable: | | | | |
| Inventories | $ - | $ - | $ - | $ 2,314,813 |
| Restricted: | | | | |
| Debt service | - | - | 105,631 | 105,631 |
| General government | - | - | 6,063,425 | 13,455,153 |
| Public safety | - | 25,110,053 | - | 25,110,053 |
| Public health and welfare | 23,667,497 | - | - | 23,667,497 |
| Roads and bridges | - | - | 1,069,580 | 21,556,180 |
| Committed: | | | | |
| Capital projects | - | - | 7,503 | 7,503 |
| Assigned: | | | | |
| Capital projects | - | - | 12,215,180 | 12,215,180 |
| Debt service | - | - | 3,813,625 | 3,813,625 |
| General government | - | - | 188,130 | 2,899,184 |
| Public safety | - | 40 | 62,938 | 3,790,436 |
| Public health and welfare | 662 | - | 2,507,437 | 20,883,258 |
| Parks | - | - | 1,184,188 | 1,184,188 |
| Roads and bridges | - | - | - | 25,844,703 |
| Unassigned: | - | - | - | 35,534,793 |
| Total fund balances | $ 23,668,159 | $ 25,110,093 | $ 27,217,637 | $ 192,382,197 |

## NOTE IV - OTHER INFORMATION

### A. Risk Management

The County utilizes an internal service fund to account for and finance its risk of loss. The County is self-insured for workers' compensation claims and auto/general liability claims, and carries commercial insurance for all other significant risks.

Coverage for workers' compensation claims in excess of $750,000 and auto/general liability claims in excess of $1 million is purchased from commercial insurers. Claims for catastrophic fire, earthquake, and flood insurance coverage up to $100 million is subject to a $100,000 deductible per occurrence except for earthquake which has a deductible of 2 percent. During the past three fiscal years, no settled claims have exceeded insurance coverage levels, nor has there been any significant decrease in insurance coverage.

Claims liabilities reported in the County's basic financial statements are based on a bi-annual actuarial estimate of the ultimate cost of settling claims, including incurred but not reported (IBNR) claims. The last actuarially determined liability was prepared for the year ended June 30, 2019. Claims liabilities include all incremental costs incurred directly as a result of the claim, and consider estimated recoveries on both settled and unsettled claims. Claims expense has been reduced by amounts recovered, or expected to be recovered, through excess insurance.

At June 30, 2020, a total claims liability of $7,883,000 is reported in an internal service fund. All prior and current year claims are fully reserved and have been discounted assuming a 3.58 percent interest rate and reflect the selected payment pattern. The County does not utilize annuity contracts from commercial insurers, nor are they party to any structured settlements. All known liabilities have been disclosed.

The following changes occurred in the internal service fund claims liability in the current and previous fiscal year by type of claim:

Workers' Compensation

| Year Ending June 30 | Liability Balance at Beginning of Year | Current Year Claims | Changes to Prior Year Estimates | Claim Payments | Liability Balance at End of Year |
|---|---|---|---|---|---|
| 2019 | $2,448,000 | $420,631 | $22,000 | $(420,631) | $2,470,000 |
| 2020 | $2,470,000 | $634,456 | - | $(634,456) | $2,470,000 |

General Liability

| Year Ending June 30 | Liability Balance at Beginning of Year | Current Year Claims | Changes to Prior Year Estimates | Claim Payments | Liability Balance at End of Year |
|---|---|---|---|---|---|
| 2019 | $3,808,000 | $412,242 | $1,605,000 | $(412,242) | $5,413,000 |
| 2020 | $5,413,000 | $836,108 | - | $(836,108) | $5,413,000 |

Total claims payable at June 30, 2020 are as follows:

| Governmental Activities | Amount |
|---|---|
| Internal service fund: | |
| Workers' compensation | $2,470,000 |
| General liability | $5,413,000 |
| Total claims payable | $7,883,000 |

**NOTE IV - OTHER INFORMATION** (continued)

The County renewed its annual agreement with PacificSource Health Plans to administer claims. An internal service fund is established to set aside the reserve and account for its risk of loss. Additionally the County purchased Stop/Loss coverage for large claims. In July 2020, the County renewed its self-funded medical plans with PacificSource, and fully insured dental plans with Delta Dental (co-pay) and Willamette Dental, for the policy year beginning July 1, 2020 through June 30, 2021.

## B. Pension Plan

Plan Description

The County is a participating employer in the Oregon Public Employee Retirement System (PERS), a cost-sharing multiple-employer defined public employee pension plan, and maintains a defined contribution plan for the purpose of individual retirement savings through PERS. PERS is administered under Oregon Revised Statues Chapter 238 and Internal Revenue Service 401(a) by the Public Employees Retirement Board (PERB). The authority to establish and amend the benefit provisions of the plan rests with the Oregon Legislature. County employees are eligible to participate in PERS after six months of employment and benefits vest after completing at least 600 hours in each of five years (the years do not need to be consecutive) or at normal retirement age provided the employee is an active member at the time. PERS, a component unit of the State of Oregon, issues an independently audited comprehensive annual financial report, which may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, Oregon 97281-3700, by calling (888) 320-7377, or by accessing the PERS web site at http://www.oregon.gov/PERS/.

Plan Benefits

PERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (Board) to administer and manage the System.

Tier One/Tier Two Retirement Benefit (Chapter 238). Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003. Chapter 238 plan provides pension, disability, and death benefits.

- Pension Benefits. The retirement benefits may be selected from 13 options including survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age (age 45 for police and fire employees) before ceasing employment with a participating employer. General service employees may retire after reaching age 55 (age 50 for police and fire employees). Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier two members are eligible for full benefits at age 60.

- Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided the member was employed by a PERS employer at the time of death or certain other conditions are met.

**NOTE IV - OTHER INFORMATION** (continued)

- Disability Benefits. A member with 10 years or more or creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire employees) when determining the monthly benefit.

- Benefit Changes after Retirement. Members may choose to continue participation in their Variable Account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

Oregon Public Service Retirement Plan (OPSRP), ORS Chapter 238A, provides pension, death, and disability benefits to members hired on or after August 29, 2003.

- Pension Benefits. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

  - Police and fire: 1.8 percent multiplied by the number of years of service and the final average salary. Normal retirement age is 60 or age 53 with 25 years retirement credit. To be classified as a police or fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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

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

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

- Disability Benefits. A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as to the last full month of employment before the disability occurred.

<u>Contributions</u>

All PERS participating employers are required by law to submit the contributions as adopted by the PERB. PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due.

Employer contribution rates during the period were based on the December 31, 2017 actuarial. The rates, based on a percentage of payroll, became effective July 1, 2019. For the fiscal year ended June 30, 2020, covered payroll totaled $104,324,129 and required contributions were as follows:

**NOTE IV - OTHER INFORMATION** (continued)

| | Required Rate of Contribution 7/1/2019 |
|---|---|
| Tier One/Tier Two PERS plan | 21.87% |
| OPSRP pension plan -- General service employees | 14.22% |
| OPSRP pension plan -- Police and Fire employees | 18.85% |

For the year ended June 30, 2020, the County contributed $17,792,518.

Actuarial Valuation

The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the Entry Age Normal actuarial cost method. For the Tier One/Tier Two component, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP component, this method produced an employer contribution rate consisting of (a) an amount for normal cost, (b) an amount for amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

| | |
|---|---|
| Valuation date | December 31, 2017 |
| Measurement date | June 30, 2019 |
| Actuarial assumptions: | |
| Inflation rate | 2.50 percent |
| Long-term expected rate of return | 7.20 percent |
| Discount rate | 7.20 percent |
| Projected salary increases | 3.50 percent |
| Post retirement Cost-of-Living adjustments | Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with *Moro* decision, blend based on service. |
| Mortality: | |
| Healthy retirees and beneficiaries | RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. |
| Active members | RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. |
| Disabled retirees | RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale. |

*Source: June 30, 2019 PERS CAFR, Table 25, pg. 71*

All assumptions, methods and plan provisions used in the calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even number years. The December 31, 2017 Actuarial Valuation is used to develop the GASB 67 and GASB 68 financial reporting results for the Tier 1/Tier 2 and OPSRP liabilities as of June 30, 2019.

**NOTE IV - OTHER INFORMATION** (continued)

Additional information on the actuarial assumptions is included in the 2016 Experience Study report, published July 26, 2017. Other than as described below, there were no differences between the assumptions and plan provisions used for June 30, 2019 Measurement Date calculations compared to those shown in the aforementioned reports.

A legislative change that occurred after the December 31, 2017 valuation date affected the plan provisions reflected for financial reporting purposes. Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of $195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future Tier 1/Tier 2 and OPSRP benefits for certain active members are now projected to be lower than prior to the legislation.

For GASB 67 and GASB 68, the benefits valued in the Total Pension Liability are required to be in accordance with the benefit terms legally in effect as of the relevant fiscal year-end for the plan. As a result, Senate Bill 1049 was reflected in the June 30, 2019 Total Pension Liability. The decrease in the Total Pension Liability resulting from Senate Bill 1049, measured as of June 30, 2019, is shown in the Exhibit A as the “Effect of plan changes” during the measurement period in the Milliman report. While Senate Bill 1049 also made changes to certain aspects of the System’s funding and administration, the salary limit is the only change that affects the measured Total Pension Liability. As a result, the salary limit provision is the only difference in the valuation basis used to determine the Total Pension Liability between June 30, 2018 and June 30, 2019.

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

It is PERS third-party actuary’s opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses. Detailed discussion of the alternative evaluation of sufficiency for Oregon PERS may be reviewed in the June 30, 2019 PERS CAFR (page 70).

Assumed Asset Allocation

**Oregon Investment Council (OIC)**
**Approved Asset Allocation Policy**

| Asset Class | Target Allocation |
|---|---|
| Cash | 0.0% |
| Debt securities | 20.0% |
| Public equity | 37.5% |
| Private equity | 17.5% |
| Real estate | 12.5% |
| Alternative equity | 12.5% |
| Opportunity portfolio | 0.0% |
| Total | 100.0% |

*Source: June 30, 2019 PERS CAFR, pg. 42*

**NOTE IV - OTHER INFORMATION** (continued)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

| Long-Term Expected Rate of Return [1] Asset Class | Target Allocation* | Annual Arithmetic Return [2] | Compound Annual (Geometric) Return | Standard Deviation |
|---|---|---|---|---|
| Core Fixed Income | 8.00 % | 3.59 % | 3.49 % | 4.55 % |
| Short-Term Bonds | 8.00 | 3.42 | 3.38 | 2.70 |
| Bank/Leveraged Loans | 3.00 | 5.34 | 5.09 | 7.50 |
| High Yield Bonds | 1.00 | 6.90 | 6.45 | 10.00 |
| Large/Mid Cap US Equities | 15.75 | 7.45 | 6.30 | 16.25 |
| Small Cap US Equities | 1.31 | 8.49 | 6.69 | 20.55 |
| Micro Cap US Equities | 1.31 | 9.01 | 6.80 | 22.90 |
| Developed Foreign Equities | 13.13 | 8.21 | 6.71 | 18.70 |
| Emerging Market Equities | 4.13 | 10.53 | 7.45 | 27.35 |
| Non-US Small Cap Equities | 1.88 | 8.67 | 7.01 | 19.75 |
| Private Equity | 17.50 | 11.45 | 7.82 | 30.00 |
| Real Estate (Property) | 10.00 | 6.15 | 5.51 | 12.00 |
| Real Estate (REITS) | 2.50 | 8.26 | 6.37 | 21.00 |
| Hedge Fund of Funds - Diversified | 2.50 | 4.36 | 4.09 | 7.80 |
| Hedge Fund - Event-driven | 0.63 | 6.21 | 5.86 | 8.90 |
| Timber | 1.88 | 6.37 | 5.62 | 13.00 |
| Farmland | 1.88 | 6.90 | 6.15 | 13.00 |
| Infrastructure | 3.75 | 7.54 | 6.60 | 14.65 |
| Commodities | 1.88 | 5.43 | 3.84 | 18.95 |
| Assumed Inflation - Mean | | | 2.50 % | 1.85 % |

[1] Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of June 7, 2017.

[2] The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

*Source: June 30, 2019 PERS CAFR,Table 31, pg. 74*

The rate of return increased from 5.5 percent to 7.0 percent in 1975, then to 7.5 percent in 1979, and to 8.0 percent in 1989. The assumed rate of return decreased to 7.75 percent in January 2014, and to 7.5 percent in January 2016. OPERS adopted a lower assumed earnings rate of 7.2 percent in July 2017.

**NOTE IV - OTHER INFORMATION** (continued)

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.20 percent) or 1 percentage point higher (8.20 percent) than the current rate:

| | 1% Decrease (6.20%) | Discount Rate (7.20%) | 1% Increase (8.20%) |
|---|---|---|---|
| Lane County proportionate share of the net pension liability (asset) | $317,875,121 | $198,496,867 | $98,593,715 |

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

At June 30, 2020, the County reported a liability of $198,496,867 for its proportionate share of the net pension liability. The system-wide PERS net pension liability as of June 30, 2019, was $17,297.5 million, compared to a net pension liability of $15,148.7 million as of June 30, 2018. The increase in PERS net pension liability was primarily due to a $3,025.1 million, or 3.6 percent, increase in total pension liability, offset by a lesser increase in fiduciary net position of $876.2 million, or 1.26 percent. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017 and rolled forward to June 30, 2019. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the County's actuarially calculated proportion share was 1.14753959 percent.

Detailed information about the pension plan's fiduciary net position and the Schedules of Employer Allocation and Pension Amounts by Employer is available in separately issued OPERS financial reports and online at www.oregon.gov/PERS.

**NOTE IV - OTHER INFORMATION** (continued)

Pension Expense

For the year ended June 30, 2020, the County recognized pension expense of $48,327,015. The pension expense doesn't contain any employer-paid member contributions. For the fiscal year, this amount was allocated to functions on the Statement of Activities based on the share of employer contribution as follows:

| Function/Program | Pension Expense |
|---|---|
| Governmental activities: | |
| General government | $ 3,972,481 |
| Public safety | 16,199,215 |
| Public health and welfare | 16,208,881 |
| Parks | 420,445 |
| Roads and bridges | 4,929,356 |
| Community development | 57,992 |
| Total | 41,788,370 |
| | |
| Business-type activities: | |
| Lane events center | 280,297 |
| Solid waste disposal | 2,300,366 |
| Land management | 956,875 |
| Total | 3,537,538 |
| | |
| Included in indirect expenses allocation | 3,001,107 |
| Total pension expense | $ 48,327,015 |

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 10,946,517 | $ - |
| Changes of assumptions | 26,928,365 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 5,627,184 |
| Changes in proportionate share | 5,374,516 | 864,644 |
| Differences between County contributions and proportionate share of contributions | - | 7,883,776 |
| Sub-total | 43,249,398 | 14,375,604 |
| County contributions subsequent to the measurement date | 17,792,518 | - |
| Total | $ 61,041,916 | $ 14,375,604 |

Deferred outflows of resources of $17,792,518 related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. These contributions were reported by PERS as cash contributions subsequent to the measurement date and do not include employee contributions or employer contributions for retirees health insurance considered OPEB.

**NOTE IV - OTHER INFORMATION** (continued)

Other amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized as pension expense per Lane County's GASB 68 Amortization Schedule by year as follows:

| Fiscal year ended June 30: | Deferred Outflows (Inflows) of Resources (prior to post-measurement date contributions) |
|---|---|
| 2021 | $ 17,219,960 |
| 2022 | 1,159,170 |
| 2023 | 5,384,758 |
| 2024 | 4,727,116 |
| 2025 | 382,790 |
| | $ 28,873,794 |

Payable to PERS

As of June 30, 2020, the County recorded a payable of $1,165,484 due to Oregon PERS for required employer and employee contributions related to fiscal year 2020 payroll. This amount was liquidated with expendable resources within 60 days of fiscal year end.

Changes Subsequent to the Measurement Date

GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. The actuary is not aware of any changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Defined Contribution Pension Plan – OPSRP-IAP

The defined contribution pension plan (called the Individual Account Program or IAP) is provided to all members or their beneficiaries who are PERS or OPSRP eligible. State statutes require covered employees to contribute 6 percent of their annual covered salary to the IAP plan effective January 1, 2004. Lane County has elected to pay all of the employees' required IAP contributions. Although PERS members retain their existing PERS accounts, all current member contributions are deposited into the member's IAP. The County contributed $5,916,681 to the IAP on behalf of employees in fiscal year 2020.

## C. Other Postemployment Benefits

The other postemployment benefits (OPEB) for the County includes two separate plans. The County provides an implicit rate subsidy for retiree medical insurance premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined health insurance benefit plan. The Single Employer Plan reports a total OPEB liability, while the RHIA Cost Sharing Plan reports a net OPEB asset on the Statement of Net Position.

**NOTE IV - OTHER INFORMATION** (continued)

***COUNTY RETIREE HEALTHCARE PLAN***

Plan Description

Lane County administers a single-employer defined benefit healthcare plan that provides for payment of medical insurance premiums for eligible retirees under age 65, and for payment of Medicare Part B and supplemental premiums for eligible retirees who are covered by Medicare. Benefits under the plan are limited to participants employed prior to certain dates who meet certain service and age requirements, depending on the employee's collective bargaining agreement. The age requirement is tied to eligibility for retirement under PERS, and is generally age 55 for general service employees, or age 50 for police and fire employees. Authority for the Plan can be found in Lane Code Chapter 2.500.

Eligible participants may purchase dependent coverage for the pre-Medicare coverage at the County's premium rate. Eligible participants who meet the service requirements, but not the age requirements, for county-paid coverage, may "self-pay" continuously until the age requirement is met.

Eligibility for these benefits has been phased out since 1997. Non-represented employees who worked in permanent positions on or before March 5, 1991, and who worked ten continuous years of service, become eligible for the benefits upon retirement. Eligibility for represented employees is also based on hire date and continuous years of service, with some modifications. Employees hired after June 30, 1997 will not be eligible for the benefits, thus the plan is closed to new employees.

The County's post-retirement healthcare benefits are provided in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims costs, which are generally higher in comparison to all plan members due to age, and the amount of retiree healthcare premiums represents the County's implicit employer contribution.

At the time of the most recent actuarial valuation, June 30, 2020, there were 803 inactive employees (retirees), spouses, or beneficiaries receiving benefits under the plan. There were also 1,563 active employees who are not eligible for the benefit but could receive the implicit employer contribution should they self-pay medical insurance upon retirement.

Lane County has not established an irrevocable trust (or equivalent arrangement) to account for the retiree health insurance plan. Instead, the activities of the plan are reported in the County's Retiree Medical Benefit Trust Fund that is classified as an internal service fund for financial reporting purposes. The retiree health insurance plan does not issue a separate report.

Funding Policy

The County has the authority to establish and amend contribution requirements. Lane County has adopted a pay-as-you-go approach to fund retiree healthcare by assessing County departments 3.0 percent of PERS-eligible payroll. The County pays benefits as they become due. Resources received in excess of pay-as-you-go expenditures are set aside for the payment of future benefits. For the fiscal year ended June 30, 2020, revenues to the Retiree Medical Benefit Trust Fund, an internal service fund, totaled $3,189,916 and contributions made to insurers or payments directly to retirees totaled $3,032,931.

For the fiscal year ended June 30, 2020, the County has accumulated $11,147,209 to pay for future retiree healthcare benefits, which is included in the unrestricted portion of net position in the Retiree Medical Benefit Trust internal service fund. Since the net position has not been placed in a qualified OPEB trust (or equivalent arrangement) it has not been recognized as part of the actuarial valuation.

**NOTE IV - OTHER INFORMATION** (continued)

Actuarial Assumptions and Other inputs

The Total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|---|
| Measurement date | June 30, 2020 |
| Valuation date | June 30, 2020 |
| Report date | June 30, 2020 |
| Actuarial cost method | Entry age normal |
| Inflation | 2.50% |
| Salalry increases | 3.50% |
| Discount rate | 2.45% |
| Mortality Rates | Based on SOA Mortality Studies |
| Healthcare cost trend rate | 7% Trending down to 4.04% over 55 years. Applies to calendar years. |

Changes of Assumptions

Amounts reported in 2020 reflect the following actuarial assumption changes and updates:

- Change in discount rate from 3.13 percent to 2.45 percent
- Update Census and Claims Costs
- Update in Healthcare trends
- Update in the mortality tables
- Update Benefit payments

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the single-employer OPEB plan, the total OPEB liability of $63,424,020 was measured as of June 30, 2020 and the total OPEB liability used was determined by an actuarial valuation as of that date.

Change in Total OPEB Liability

The table below shows the changes in the total OPEB liability during the measurement period ending on June 30, 2020.

| Single Employer Plan | Total OPEB Liability |
|---|---|
| **Balance as of June 30, 2019** | $56,235,979 |
| Changes for the year: | |
| Service cost | 577,013 |
| Interest | 1,704,512 |
| Differences between expected and actual experience | 5,428,179 |
| Changes of assumptions | 4,189,809 |
| Net benefit payments | (4,711,472) |
| Net changes | 7,188,041 |
| **Balance as of June 30, 2020** | $63,424,020 |

**NOTE IV - OTHER INFORMATION** (continued)

Discount Rate

The discount rate used to measure the total OPEB liability is 2.45 percent. The County's OPEB Plan is an unfunded plan; therefore the discount rate was set to the rate of the tax-exempt, high-quality 20-year municipal bonds, as of the valuation date.

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate

Changes in the discount rate affect the measurement of the total OPEB liability. Lower discount rates produce a higher total OPEB liability and higher discount rates produce a lower total OPEB liability. The following presents the total OPEB liability of the plan, calculated using the discount rate of 2.45 percent, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45 percent) or 1-percentage-point higher (3.45 percent) than the current rate:

| | 1% Decrease (1.45%) | Current Discount Rate (2.45%) | 1% Increase (3.45%) |
|---|---|---|---|
| Total OPEB Liability | $ 70,596,954 | $ 63,424,020 | $ 57,422,720 |

Changes in healthcare trends also affect the measurement of the total OPEB liability. Lower healthcare trends produce a lower total OPEB liability and higher healthcare trends produce a higher total OPEB liability. The following presents the total OPEB liability of the plan, calculated using the healthcare cost trend rate of 7.00 percent decreasing to 4.04 percent, as well as what the plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that 1-percentage-point lower (6.00 percent decreasing to 3.04 percent) or 1-percentage-point higher (8.00 percent decreasing to 5.04 percent) than the current rate:

| | Healthcare Cost Trend Rates | | |
|---|---|---|---|
| | 1% Decrease (6% Decreasing to 3.04%) | Current Discount Rate (7% Decreasing to 4.04%) | 1% Increase (8% Decreasing to 5.04%) |
| Total OPEB Liability | $ 57,356,511 | $ 63,424,020 | $ 70,625,325 |

For the year ended June 30, 2020, the County recognized an OPEB expense of $11,178,743. At June 30, 2020, the County reported deferred outflows (there were no deferred inflows) of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources |
|---|---|
| Differences between expected and actual experience | $ 13,468,479 |
| Changes of assumptions | 9,713,242 |
| Total | $ 23,181,721 |

**NOTE IV - OTHER INFORMATION** (continued)

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Fiscal Year Ending June 30, | Amount |
|---|---|
| 2021 | $ 8,897,218 |
| 2022 | 8,897,218 |
| 2023 | 4,132,769 |
| 2024 | 1,254,516 |
| Total | $ 23,181,721 |

***OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEMS' (PERS) RETIREE HEALTH INSURANCE ACCOUNT (RHIA)***

Plan Description

The County contributes to the Oregon Public Employees Retirement Systems' (PERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Public Employees Retirement Board (PERB). The authority to establish and amend the benefit provisions of the plan rests with the Oregon Legislature. The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to $60 per month towards the costs of health insurance for eligible PERS retirees. RHIA postemployment benefits are set by state statue. A comprehensive annual financial report of the funds administered by the PERB may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, by calling (888) 320-7377, or by accessing the PERS website at http://oregon.gov/PERS/.

Funding Policy and Contributions

Participating employers are contractually required to contribute at a rate assessed bi-annually by the PERB, currently 0.50 percent of annual covered payroll for PERS Plan members, and 0.43 percent for OPSRP Plan members. The PERB sets the employer contribution rate based on an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any actuarial liabilities of the plan over a period not to exceed five years.

The County's contributions to PERS including RHIA for the past four years were as follows:

| Fiscal Year Ended | Contribution |
|---|---|
| June 30, 2017 | $ 10,068,682 |
| June 30, 2018 | 12,297,016 |
| June 30, 2019 | 13,450,519 |
| June 30, 2020 | 17,792,518 |

**NOTE IV - OTHER INFORMATION** (continued)

Actuarial Methods and Assumptions

The net OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial methods and assumptions:

| | |
|---|---|
| Measurement date | June 30, 2019 |
| Actuarial valuation date | December 31, 2017 |
| Actuarial assumptions: | |
| Actuarial cost method | Entry Age Normal |
| Inflation rate | 2.50 percent |
| Long-term expected rate of return | 7.20 percent |
| Discount rate | 7.20 percent |
| Projected salary increases | 3.50 percent |
| Retiree healthcare participation | Healthy retirees: 35 percent<br>Disabled retirees: 20 percent |

All actuarial methods and assumptions are consistent with those disclosed for the OPERS Pension Plan.

OPEB Liabilities / (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the employer cost-sharing plan, at June 30, 2020, the County reported a net OPEB asset of $1,778,332 for its proportionate share of the net OPEB asset. The Employers' net OPEB asset for RHIA as of June 30, 2019 was $193.2 million, compared to the net OPEB asset of $111.6 million as of June 30, 2018. The increase in Employers' net OPEB asset was primarily due to a 9.0 percent increase in fiduciary net position as an employer's proportion changes from one Measurement Date to another.

The OPEB liability / (asset) was based on the employer's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2020, the County's proportion was 0.9203 percent, which was an increase from its proportion of 0.8515 percent at the prior measurement date.

As of June 30, 2020, the County recognized deferred outflows of resources in the amount of $19,826 and deferred inflows of resources in the amount of $386,100. For the year ended June 30, 2020, the County recognized a negative OPEB expense of $251,826 for this plan.

**NOTE IV - OTHER INFORMATION** (continued)

Change in Net OPEB Liability / (Asset)
This table is not required for OPEB Employer cost sharing plan, for transparent and consistent reporting purpose, this information is added:

| OPERS Cost-Sharing Plan | Net OPEB Liability / (Asset) |
|---|---|
| **Balance as of June 30, 2019** | $ (950,529) |
| Changes for the year: | |
| Differences between expected and actual experience | (180,640) |
| Changes of assumptions | 1,174 |
| Differences between projected and actual investment earnings | 95,165 |
| Change in proportionate share | (35,562) |
| OPEB expense | (251,826) |
| Benefit payments | (456,114) |
| Net changes | (827,803) |
| **Balance as of June 30, 2020** | $(1,778,332) |

Discount Rate

The discount rate used to measure the net OPEB liability for the RHIA Plan was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net positon was projected to be available to make all projected future benefit payments. Therefore, the long term expected rate of return on pension plan investments for the RHIA Plan was applied to all periods of projected benefit payments to determine the net OPEB Liability / (Asset).

Sensitivity of the Net OPEB Liability / (Asset) to Changes in the Discount Rate

The following presents the County's proportionate share of the net OPEB liability / (asset) calculated using the discount rate of 7.20 percent, as well as what the County's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20%) or 1-percentage-point higher (8.20%) than the current rate:

| | 1% Decrease (6.20%) | Current Discount Rate (7.20%) | 1% Increase (8.20%) |
|---|---|---|---|
| Net OPEB Liability (Asset) | $ (1,378,666) | $ (1,778,332) | $ (2,118,876) |

**NOTE IV - OTHER INFORMATION** (continued)

For the year ended June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ - | $ (234,510) |
| Changes of assumptions | - | (1,842) |
| Net difference between projected and actual earnings on investments | - | (109,767) |
| Changes in proportionate share | - | (39,981) |
| Sub-total | - | (386,100) |
| Contributions subsequent to the measurement date | 19,826 | - |
| Total | $ 19,826 | $ (386,100) |

Other amounts reported as deferred inflows related to the Oregon's PERS cost-sharing plan will be recognized in OPEB expense as follows:

| Fiscal Year Ending June 30, | Amount |
|---|---|
| 2021 | $ 194,608 |
| 2022 | 175,822 |
| 2023 | 24,142 |
| 2024 | (8,472) |
| Total | $ 386,100 |

**NOTE IV - OTHER INFORMATION** (continued)

**Financial Statement Presentation**

The aggregate balance of the County's total OPEB liability, deferred outflows, deferred inflows, and expense related to other postemployment benefits for the County Plan and OPERS RHIA as of June 30, 2020 is as follows:

| | County's Single Employer Plan | OPERS RHIA Cost Sharing Plan | Total |
|---|---|---|---|
| Governmental activities: | | | |
| Net OPEB asset / (liability) | $ (58,113,121) | $ 1,628,835 | $ (56,484,286) |
| Deferred outflows | 21,227,995 | 18,155 | 21,246,150 |
| Deferred inflows | - | (353,746) | (353,746) |
| Total governmental activities | (36,885,126) | 1,293,244 | (35,591,882) |
| Business-type activities: | | | |
| Net OPEB asset / (liability) | (5,310,899) | 149,497 | (5,161,402) |
| Deferred outflows | 1,953,726 | 1,671 | 1,955,397 |
| Deferred inflows | - | (32,354) | (32,354) |
| Total business-type activities | (3,357,173) | 118,814 | (3,238,359) |
| Totals: | | | |
| Net OPEB asset / (liability) | (63,424,020) | 1,778,332 | (61,645,688) |
| Deferred outflows | 23,181,721 | 19,826 | 23,201,547 |
| Deferred inflows | - | (386,100) | (386,100) |
| Totals | $ (40,242,299) | $ 1,412,058 | $ (38,830,241) |

## D. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457(b) and Section 401(a). The 457(b) plan is available to all County-paid employees and allows them to defer a portion of their current earnings up to the IRS deferral limits.

The County contributes between zero percent and seven percent of each employee's wage to the 401(a) Plan depending on their represented status and their respective bargaining unit. The Plan's participants have the right to designate how the funds are invested. The Plan's assets are held in trust for the exclusive benefit of the Plan's participants and their beneficiaries and are considered property of the Plans' participants, not subject to the County's general creditors. As a result, Plan balances and activities are not reflected in these financial statements and the County has no liability for losses under the Plan.

ICMA-RC is the record keeper for the Lane County Deferred Compensation Plan 457(b) and 401(a) plans. ICMA-RC provides the contracted services in accordance with the provisions of each plan.

**NOTE IV - OTHER INFORMATION** (continued)

**E. Joint Ventures and Jointly Governed Organizations**

Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to ongoing control in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. For the fiscal year ended June 30, 2020, the County participates in the following joint ventures:

*Metropolitan Wastewater Management Commission* - The County is a participant with the City of Eugene and the City of Springfield in the Metropolitan Wastewater Management Commission (MWMC), a joint venture established by intergovernmental agreement to construct, maintain, and operate regional sewage facilities. The MWMC consists of a seven-member Commission to which the County appoints two voting members. The County does not have an ongoing financial interest in MWMC nor is it obligated for its debts, but the County does have an ongoing financial responsibility in that it is required to adopt rates and charges not less than those required by the commission. The City of Springfield includes the MWMC as a component unit of its financial reporting entity. The MWMC reported an increase in net position of $11,268,972 and a total net position of $177,849,526 for the fiscal year ended June 30, 2019. Separate financial statements for MWMC can be obtained from the City of Springfield Finance Department.

*Regional Fiber Consortium* - The County is a participant with the cities of Cottage Grove, Drain, Eugene, Klamath Falls, Oakridge, and Springfield in the Regional Fiber Consortium (RFC), a joint venture established by intergovernmental agreement to develop, own, and control fiber optic cable to serve the public interest within the jurisdictional territories of the member governments. The RFC consists of a seven-member Board of Directors to which the County appoints one voting member. The County does not have access to RFC assets, nor is it obligated for its debts, but the County does have an ongoing financial interest in the RFC in that it has rights to revenues in excess of operation costs. For the fiscal year ended June 30, 2019, the RFC reported an increase in net position of $37,463 and a total net position of $342,568. Separate financial statements for the RFC can be obtained from the City of Springfield Finance Department, the administrative arm of the RFC.

*Human Services Commission* - The County is a participant with the City of Eugene and the City of Springfield in the Human Services Commission (HSC). The HSC is governed by seven members consisting of the representatives of each of the participating governments. The HSC is a joint venture established by intergovernmental agreement dedicated to helping the County's neediest residents achieve stability, improved health, greater independence and a higher quality of life. The County has an ongoing financial responsibility to the HSC as the administrator and a major purchaser of services. The HSC does not prepare separately issued financial statements. Lane County's Department of Health and Human Services is responsible for the general administration of the HSC and accounts for all its financial activity as a program within the Health and Human Services fund, a major special revenue fund of the County.

*Lane Radio Interoperability Group* – The County is a participant with the City of Eugene, the City of Springfield and the Eugene Water & Electric Board in the Lane Radio Interoperability Group (LRIG). The LRIG is governed by six members consisting of the representatives of each of the participating governments. The LRIG is a joint venture established by intergovernmental agreement to ensure the continued operation of the Regional Interoperable Radio System (the "System"), including the maintenance, enhancement, and replacement of System components; and to serve the purpose of improving communications by using the technological components that will, at any given time, best accomplish the purpose of improved communications. For insurance purposes, the City of Eugene is the current owner of record of the LRIG controlled System components and must maintain adequate

**NOTE IV - OTHER INFORMATION** (continued)

insurance on the components. The County has an ongoing financial responsibility to the LRIG as a participant and a major purchaser of services. The LRIG does not prepare separately issued financial statements. Lane County's Sheriff's Department accounts for its financial activity as a Public Safety sub-fund within the Special Revenue / Services fund of the County and the Sheriff's Office Fleet and Equipment internal service fund.

Jointly Governed Organizations

A jointly governed organization is a regional government or other multi-governmental arrangement that is governed by representatives from each of the governments that create the organization, yet is not a joint venture because the participants do not retain an ongoing financial interest or responsibility. For the fiscal year ended June 30, 2020, the County was a member of the following jointly governed organizations:

*Lane Regional Air Protection Agency* - The County in conjunction with the Cities of Eugene, Springfield, Cottage Grove and Oakridge created the Lane Regional Air Protection Agency (LRAPA) in accordance with ORS 468A, an organization dedicated to protecting public health, community well-being, and the environment for the improvement and maintenance of air quality in Lane County. LRAPA's board is composed of nine members of whom the County has one vote. The county paid $56,610 in annual dues to LRAPA during the current fiscal year. Separate financial statements for LRAPA can be obtained from the LRAPA Finance Department.

## F. Commitments and Contingencies

COVID-19

The outbreak of COVID-19, a respiratory disease caused by a new strain of the coronavirus, was declared a global pandemic by the World Health Organization. In March 2020, the President of the United States and the State of Oregon Governor declared the pandemic a national emergency and a state of emergency. As a result, there have been mandates from federal, state and local authorities resulting in an overall decline in economic activity. The ultimate impact of COVID-19 on the operational and financial performance of the Lane County is not reasonably estimable at this time.

Grants

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

Lawsuits

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the County.

## G. Tax Abatements

Property taxes are abated via an exemption of assessed value from applicable tax levies, typically for a period of three to ten successive tax years from when the property is placed in service or beginning in the year following the year the project was completed and would have otherwise been added to the tax rolls. Applicable tax levies include the permanent rate levies and operating levies for taxing districts that include the property, which may include city, county, school districts and other special districts depending on the location of the property within the Enterprise Zones.

**NOTE IV - OTHER INFORMATION** (continued)

Through the Director of the Oregon Business Development Orders, the areas within the cities of Cottage Grove, Creswell, South Lane County, Florence, Port of Siuslaw, Oakridge, West fir, Veneta, Springfield, and West Eugene have been designated Enterprise Zones, of which qualify for property tax exemptions.

As of June 30, 2020, the County provides property tax abatements through four programs authorized by Oregon Revised Statutes:

| | |
|---|---|
| Enterprise Zone | ORS 285C.045 – 285C.255 |
| Housing for Low Income Rental | ORS 307.515 – 307.535 |
| Housing; Multiple Unit in Core Areas | ORS 307.600 – 307.637 |
| Nonprofit Corp Housing Assistance | ORS 307.241 – 307.245 |

Enterprise Zone Program

The purpose of the Enterprise Zone program is to stimulate and protect economic success by providing tax incentives for employment, business, industry and commerce and by providing adequate levels of complementary assistance to community strategies for such interrelated goals as environmental protection, growth management and efficient infrastructure. To be an eligible business firm, a business firm must be engaged, or proposing to engage, within the enterprise zone, in the business of providing goods, products or services to businesses or other organizations through activities including, but not limited to, manufacturing, assembly, fabrication, processing, shipping or storage. Qualified real and personal property owned or leased and newly placed into service by a qualified business in an enterprise zone is exempt from property tax for three years. The exemption period may be increased to a total of four or five consecutive years. For the basic, three-year enterprise zone exemption period, the business needs to:

- Increase full-time, permanent employment of the firm inside the enterprise zone by the greater of one new job or 10 percent (or less with special-case local sponsor waivers);
- Generally have no concurrent job losses outside the zone boundary inside Oregon;
- Maintain minimum employment level during the exemption period;
- Enter into a first-source agreement with local job training providers; and
- Satisfy any additional local condition that has been established (only) in an urban zone.

Housing for Low Income Rental Program

The Housing for Low Income Rental program is dedicated to affordable housing projects. The purpose is to encourage for-profit businesses to develop low income housing by providing an exemption similar to that available to nonprofit organizations. Property is eligible if offered for rent or held for the purpose of developing low income rental housing. The property, if occupied, must be occupied solely by low income persons and the required rent payment must reflect the full value of the property tax exemption. Newly constructed rental housing occupied by low income persons or property held for a reasonable period of time for future development as low income rental housing is exempt from property taxes for up to 20 years.

Housing; Multiple Unit in Core Areas Program

The purpose of the Housing; Multiple Unit in Core Areas program is to stimulate the construction of transit supportive multiple-unit housing in the core areas of urban centers to improve the balance between the residential and commercial nature of those areas, and to ensure full-time use of the areas as places where citizens of the community have an opportunity to live as well as work. The exemption only applies to multiple-unit housing preserved, established, constructed, added to or converted on land within an area designated. Multiple-unit housing may be exempt from ad valorem taxation for no more than 10 successive years. The program emphasizes the following:

**NOTE IV - OTHER INFORMATION** (continued)

- The development of vacant or underutilized sites in light rail station areas, transit oriented areas or core areas, rather than sites where sound or rehabilitable multiple-unit housing exists.
- The development of multiple-unit housing, with or without parking, in structures that may include ground level commercial space.
- The development of multiple-unit housing, with or without parking, on sites with existing single-story commercial structures.
- The development of multiple-unit housing, with or without parking, on existing surface parking lots.

Nonprofit Corp Housing Assistance Program

The purpose of the Nonprofit Corp Housing Assistance program is to assist private nonprofit corporations to provide permanent housing, recreational and social facilities, and care to elderly persons. Only the land and improvement value, not personal property, may be exempted. The corporation may not charge more than one month's rent as a "move in" fee or deposit, and rents must reflect the property tax savings.

Tax Abatement

For the fiscal year ended June 30, 2020, the County's property tax revenues were reduced by an estimated $804,346 as a result of the following programs:

| Exemption Type | 2019-20 Taxes with Exemption | Taxes Without Exemption | Taxes Abated During Fiscal Year 2020 |
|---|---|---|---|
| Enterprise Zone | $ 425,946 | $ 858,118 | $ 432,172 |
| Housing for Low Income Rental | 1,990 | 140,949 | 138,959 |
| Housing; Multiple Unit in Core Areas | 29,522 | 262,737 | 233,215 |
| Nonprofit Corp Housing Assistance | 23,260 | 23,260 | - |
| Total | $ 480,718 | $ 1,285,064 | $ 804,346 |

For the fiscal year ended June 30, 2020, the County's property tax revenues were not impacted by tax abatement programs administered by other governments.

**H. Subsequent Events**

Holiday Farm Fire

The McKenzie River valley experienced significant wildfire events starting on September 7, 2020 at Holiday Farm and moving westward resulting in widespread evacuations, human life loss, structure loss, disrupted communications, and dangerous conditions. The County declared a local emergency in Board Order 20-09-08-01 on the morning of September 8, 2020, and as a result of the damage caused by the fire, authorized the County Administrator immediate spending authority for response up to $500,000. The amount was later increased by Board Order 20-09-29-07 up to $1 million. On September 10, 2020, the President issued an emergency declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the Stafford Act), and determined that the emergency conditions in certain areas of the State of Oregon resulting from wildfires beginning on September 8, 2020, and continuing, were of sufficient severity and magnitude to warrant an emergency declaration which included Lane County. Specifically, FEMA-3542-EM allows the Federal Emergency Management Agency (FEMA) to support the state's response to devastating wildfires, and to deliver federal assistance made available under the Emergency Declaration to coordinate all disaster relief efforts which have the purpose of alleviating the hardship and suffering caused by the emergency on the local population, and to provide appropriate assistance for required emergency measures, to save lives, to protect property, public health and safety, and to lessen or avert the threat of a

**NOTE IV - OTHER INFORMATION** (continued)

catastrophe. Debris removal (Category A) and emergency protective measures (Category B), including direct federal assistance under the Public Assistance program, will be provided at 75 percent federal funding. The State will provide 25 percent reimbursement for debris removal. However, reimbursement will take some time to receive. The Oregon Governor issued a major disaster declaration on September 14, 2020 and the United States President signed a Federal Emergency Declaration for Oregon on Tuesday, September 15, 2020 (Oregon Wildfires and Straight-line Winds, DR-4562-OR), later amended on October 20, 2020 to include Categories C- G. Additionally, funding assistance was announced through Fire Management Assistant Grants (FMAGs) to assist with fire suppression costs in Oregon. The FEMA Public Assistance Initial Damage Assessment for Lane County public agencies exceeds $24.4 million, with $5.4 million of that specific to Lane County government. This does not include any personal damage occurring to resident or private business properties. Damage assessments are continuing to be refined and investigated.

PERS Side Account

In August 2020, Lane County contributed $10 million to the Oregon Public Employee Retirement System (PERS) as a lump-sum payment to prepay part of the pension unfunded actuarial liability (UAL). As established with Senate Bill 1566 (2018) and Senate Bill 1049 (2019), the one-time contribution qualified for $2.5 million in matching funds from the Oregon State Employer Incentive Fund. The funds were placed in a “side account” which is attributed solely to Lane County and is held separate from other employer reserves. This new side account will provide an offset to PERS employer rates with an amortization period of ten years. A rate offset of -1.53% will begin on July 1, 2021.

# REQUIRED SUPPLEMENTARY INFORMATION

Lane County, Oregon

## General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 45,876,183 | $ 45,900,183 | $ 46,861,474 | $ 961,291 |
| Licenses and permits | 868,050 | 925,800 | 1,004,178 | 78,378 |
| Intergovernmental | 18,076,224 | 19,463,427 | 23,055,359 | 3,591,932 |
| Charges for services | 2,732,833 | 2,747,996 | 3,200,868 | 452,872 |
| Fines, forfeitures and penalties | 833,200 | 754,500 | 718,843 | (35,657) |
| Administrative and facility charges | 13,351,260 | 13,355,260 | 13,355,202 | (58) |
| Investment earnings | 400,000 | 500,000 | 766,063 | 266,063 |
| Sale and rental of property | 235,160 | 244,660 | 351,285 | 106,625 |
| Interfund transfers in | 2,044,091 | 2,216,555 | 2,117,611 | (98,944) |
| Intrafund transfers in | 288,400 | 288,400 | 278,400 | (10,000) |
| Total revenues | 84,705,401 | 86,396,781 | 91,709,283 | 5,312,502 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Assessment and taxation | 6,688,011 | 6,868,599 | 6,625,574 | (243,025) |
| County administration | 9,477,706 | 9,593,706 | 8,895,610 | (698,096) |
| County counsel | 1,936,999 | 1,936,999 | 1,831,349 | (105,650) |
| District attorney | 11,098,364 | 11,258,041 | 11,012,088 | (245,953) |
| Human resources | 2,908,405 | 2,964,655 | 2,928,667 | (35,988) |
| Public safety (sheriff's office) | 33,773,853 | 33,790,093 | 33,521,639 | (268,454) |
| Public works | 3,996,224 | 4,166,224 | 4,058,003 | (108,221) |
| Office of Emergency Management | 553,905 | 553,905 | 461,374 | (92,531) |
| Not allocated to organizational units: | | | | |
| Materials and services | 1,265,605 | 2,815,605 | 1,214,386 | (1,601,219) |
| Capital expenses | - | 1,801,375 | 1,801,375 | - |
| Transfers out | 14,173,872 | 20,376,445 | 18,674,494 | (1,701,951) |
| Contingency | 849,440 | 849,440 | - | (849,440) |
| Total expenditures | 86,722,384 | 96,975,087 | 91,024,559 | (5,950,528) |
| Net change in fund balance | (2,016,983) | (10,578,306) | 684,724 | 11,263,030 |
| Fund balance, June 30, 2019 | 25,726,055 | 33,830,245 | 33,830,245 | - |
| Fund balance, budget basis, June 30, 2020 | $ 23,709,072 | $ 23,251,939 | 34,514,969 | $ 11,263,030 |
| Unrealized gain (loss) on investments | | | 664,659 | |
| Accrued investment earnings | | | 355,165 | |
| Inventories | | | 172,774 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 35,707,567 | |

Lane County, Oregon

## Road Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 4,000 | $ 4,000 | $ 6,388 | $ 2,388 |
| Licenses and permits | 155,000 | 155,000 | 155,150 | 150 |
| Intergovernmental | 33,773,722 | 36,278,263 | 36,545,013 | 266,750 |
| Charges for services | 1,091,288 | 1,041,288 | 1,337,438 | 296,150 |
| Administrative and facility charges | 3,240,518 | 3,240,518 | 3,287,635 | 47,117 |
| Investment earnings | 681,899 | 681,899 | 557,420 | (124,479) |
| Sale and rental of property | 383,577 | 383,577 | 507,990 | 124,413 |
| Total revenues | 39,330,004 | 41,784,545 | 42,397,034 | 612,489 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public works | 48,324,063 | 46,827,031 | 42,527,422 | (4,299,609) |
| Not allocated to organizational units: | | | | |
| Transfers out | 1,320,426 | 1,320,426 | 1,320,426 | - |
| Contingency | 4,415,000 | 6,115,000 | - | (6,115,000) |
| Total expenditures | 54,059,489 | 54,262,457 | 43,847,848 | (10,414,609) |
| Net change in fund balance | (14,729,485) | (12,477,912) | (1,450,814) | 11,027,098 |
| Fund balance, June 30, 2019 | 40,944,051 | 45,783,463 | 45,783,462 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 26,214,566 | $ 33,305,551 | 44,332,648 | $ 11,027,097 |
| Unrealized gain (loss) on investments | | | 506,601 | |
| Accrued investment earnings | | | 270,705 | |
| Inventories | | | 1,944,037 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 47,053,991 | |

Lane County, Oregon

## Special Revenue/Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 3,895,457 | $ 3,870,672 | $ 3,096,647 | $ (774,025) |
| Intergovernmental | 20,943,012 | 21,608,450 | 20,737,802 | (870,648) |
| Charges for services | 2,135,525 | 2,110,525 | 2,342,281 | 231,756 |
| Fines, forfeitures and penalties | 207,000 | 207,000 | 132,155 | (74,845) |
| Investment earnings | 157,269 | 157,269 | 236,339 | 79,070 |
| Sale and rental of property | 266,709 | 266,709 | 203,719 | (62,990) |
| Interfund transfers in | 444,679 | 677,082 | 396,733 | (280,349) |
| Total revenues | 28,049,651 | 28,897,707 | 27,145,676 | (1,752,031) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| County administration | 12,768,495 | 13,055,783 | 12,575,928 | (479,855) |
| District attorney | 511 | 553 | 107 | (446) |
| Public safety (sheriff's office) | 10,587,353 | 11,861,050 | 7,878,131 | (3,982,919) |
| Public works | 399,549 | 400,840 | 283,684 | (117,156) |
| Not allocated to organizational units: | | | - | |
| Materials and services | 6,255,741 | 6,791,610 | 5,913,400 | (878,210) |
| Capital expenses | 50,000 | 50,000 | - | (50,000) |
| Transfers out | 711,642 | 578,104 | 578,104 | - |
| Contingency | 2,024,469 | 1,747,879 | - | (1,747,879) |
| Total expenditures | 32,797,760 | 34,485,819 | 27,229,354 | (7,256,465) |
| Net change in fund balance | (4,748,109) | (5,588,112) | (83,678) | 5,504,434 |
| Fund balance, June 30, 2019 | 12,623,726 | 14,886,301 | 14,886,300 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 7,875,617 | $ 9,298,189 | 14,802,622 | $ 5,504,433 |
| Unrealized gain (loss) on investments | | | 162,262 | |
| Accrued investment earnings | | | 86,705 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 15,051,589 | |

Lane County, Oregon

## Health and Human Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Licenses and permits | $ 968,100 | $ 1,244,798 | $ 1,219,157 | $ (25,641) |
| Intergovernmental | 62,414,102 | 65,816,158 | 62,694,828 | (3,121,330) |
| Charges for services | 17,802,130 | 18,208,665 | 17,202,891 | (1,005,774) |
| Fines, forfeitures and penalties | 120,000 | 326,657 | 323,736 | (2,921) |
| Investment earnings | 300 | 157,392 | 231,725 | 74,333 |
| Sale and rental of property | 282,912 | 284,620 | 305,735 | 21,115 |
| Interfund transfers in | 11,077,341 | 10,930,684 | 9,406,675 | (1,524,009) |
| Intrafund transfers in | 4,534,429 | 4,534,429 | 4,534,429 | - |
| Total revenues | 97,199,314 | 101,503,403 | 95,919,176 | (5,584,227) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Health and human services | 102,186,986 | 112,330,010 | 99,221,651 | (13,108,359) |
| Not allocated to organizational units: | | | | |
| Transfers out | 5,222,862 | 5,253,755 | 5,243,274 | (10,481) |
| Contingency | 6,416,402 | 6,695,821 | - | (6,695,821) |
| Total expenditures | 113,826,250 | 124,279,586 | 104,464,925 | (19,814,661) |
| Net change in fund balance | (16,626,936) | (22,776,183) | (8,545,749) | 14,230,434 |
| Fund balance, June 30, 2019 | 19,336,036 | 26,713,851 | 26,713,854 | 3 |
| Fund balance, budget basis, June 30, 2020 | $ 2,709,100 | $ 3,937,668 | 18,168,105 | $ 14,230,437 |
| Unrealized gain (loss) on investments | | | 134,945 | |
| Accrued investment earnings | | | 72,109 | |
| Inventories | | | 198,002 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 18,573,161 | |

Lane County, Oregon

## LaneCare Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 7,701,803 | $ 8,268,737 | $ 6,765,004 | $ (1,503,733) |
| Charges for services | - | - | 21,382 | 21,382 |
| Investment earnings | 7,000 | 7,000 | 358,464 | 351,464 |
| Sale and rental of property | - | - | 662 | 662 |
| Total revenues | 7,708,803 | 8,275,737 | 7,145,512 | (1,130,225) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Health and human services | 8,387,646 | 11,324,602 | 6,001,362 | (5,323,240) |
| Not allocated to organizational units: | | | | |
| Transfers out | 396,551 | 396,551 | 209,673 | (186,878) |
| Contingency | 8,054,636 | 9,435,446 | - | (9,435,446) |
| Total expenditures | 16,838,833 | 21,156,599 | 6,211,035 | (14,945,564) |
| Net change in fund balance | (9,130,030) | (12,880,862) | 934,477 | 13,815,339 |
| Fund balance, June 30, 2019 | 17,184,666 | 22,316,308 | 22,316,314 | 6 |
| Fund balance, budget basis, June 30, 2020 | $ 8,054,636 | $ 9,435,446 | 23,250,791 | $ 13,815,345 |
| Unrealized gain (loss) on investments | | | 272,015 | |
| Accrued investment earnings | | | 145,353 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 23,668,159 | |

Lane County, Oregon

## Local Option Tax Levy Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 18,729,000 | $ 19,142,573 | $ 18,782,665 | $ (359,908) |
| Intergovernmental | 339,000 | 371,613 | 489,362 | 117,749 |
| Investment earnings | 400,000 | 450,980 | 482,837 | 31,857 |
| Total revenues | 19,468,000 | 19,965,166 | 19,754,864 | (210,302) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Health and human services | 2,222,150 | 2,276,360 | 2,189,894 | (86,466) |
| Public safety (sheriff's office) | 17,552,076 | 17,787,739 | 17,005,600 | (782,139) |
| Not allocated to organizational units: | | | | |
| Contingency | 4,529,600 | 3,536,170 | - | (3,536,170) |
| Total expenditures | 24,303,826 | 23,600,269 | 19,195,494 | (4,404,775) |
| Net change in fund balance | (4,835,826) | (3,635,103) | 559,370 | 4,194,473 |
| Fund balance, June 30, 2019 | 24,951,303 | 24,016,411 | 24,016,410 | 1 |
| Fund balance, budget basis, June 30, 2020 | $ 20,115,477 | $ 20,381,308 | 24,575,780 | $ 4,194,474 |
| Unrealized gain (loss) on investments | | | 348,233 | |
| Accrued investment earnings | | | 186,080 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 25,110,093 | |

Lane County, Oregon

## Schedule of Total OPEB Liability

Last Four Fiscal Years*

For the Fiscal Year Ended June 30, 2020

| Single Employer Plan | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|
| Total OPEB Liability: | | | | |
| Services cost | $ 577,013 | $ 702,600 | $ 678,841 | $ 1,080,023 |
| Interest | 1,704,512 | 1,090,728 | 1,200,540 | 953,339 |
| Difference between expected and actual experience | 5,428,179 | 17,238,027 | (1,804,268) | - |
| Changes of assumptions | 4,189,809 | 12,029,274 | (1,207,663) | 1,472,175 |
| Benefit payments | (4,711,472) | (4,612,463) | (3,826,518) | (3,103,308) |
| Net change in total OPEB liability | $ 7,188,041 | 26,448,166 | (4,959,068) | 402,229 |
| Total OPEB liability - beginning | 56,235,979 | 29,787,813 | 34,746,881 | 34,344,652 |
| Total OPEB liability - ending | $ 63,424,020 | $ 56,235,979 | $ 29,787,813 | $ 34,746,881 |
| County's covered payroll** | $ 97,097,833 | $ 89,681,030 | $ 89,893,924 | $ 80,654,140 |
| Total OPEB liability as a percentage of covered payroll | 65.3% | 62.7% | 33.1% | 43.1% |

**The schedule is required to show information for 10 years. However, until a full 10-year trend is compiled, the information presented is for those years for which information is available.*

**Amounts presented are as of the measurement date, which is one year in arrears.

**NOTES TO SCHEDULE**

Changes of Assumptions

The change in assumptions include the following:

| | |
|---|---|
| Change in Discount Rate from 3.13% to 2.45% | $ 4,192,435 |
| Change in Census | (882,969) |
| Change in Premiums | 6,311,148 |
| Change in Healthcare Trends | 281,977 |
| Change in Mortality Tables | (284,603) |
| | $ 9,617,988 |

Lane County, Oregon

## Schedule of Net OPEB Liability (Asset) - RHIA

Last Four Fiscal Years*

For the Fiscal Year Ended June 30, 2020

| Oregon Public Employees Retirement System Cost-sharing Plan<br>Retirement Health Insurane Accouont (RHIA) | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|
| Net OPEB Liability: | | | | |
| Difference between expected and actual experience | $ (180,640) | $ (53,869) | $ - | $ - |
| Change of assumptions | 1,174 | (3,016) | (160,685) | - |
| Differences between projected and actual investment earnings | 95,165 | (44,247) | - | - |
| Change in proportionate share | (35,562) | (2,410) | (2,009) | - |
| OPEB expense | (251,336) | (91,330) | 1,119 | - |
| Benefit payments | (456,114) | (412,309) | - | - |
| Other changes | (490) | 3,595 | (413,876) | - |
| Net changes in OPEB liability | $ (827,803) | (603,586) | (575,451) | - |
| Net OPEB liability (asset) - beginning | (950,529) | (346,943) | 228,508 | - |
| Net OPEB liability (asset) - ending | $ (1,778,332) | $ (950,529) | $ (346,943) | $ 228,508 |
| County's proportionate share at measurement date | 0.92028994% | 0.85152129% | 0.83131857% | 0.84145649% |
| County's covered payroll** | $ 97,097,833 | $ 89,681,030 | $ 89,893,924 | $ 80,654,140 |
| County's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll | -1.8% | -1.1% | -0.4% | 0.3% |
| RHIA Plan fiduciary net position as a percentage of the total OPEB liability | 80.20% | 124.0% | 108.9% | 94.2% |

**The schedule is required to show information for 10 years. However, until a full 10-year trend is compiled, the information presented is for those years for which information is available.*

***Amounts presented are as of the measurement date, which is one year in arrears.*

Lane County, Oregon
**Schedule of the County's Contributions - RHIA**
Last Six Fiscal Years*
For the Fiscal Year Ended June 30, 2020

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|
| Contractually required contributions | $ 19,826 | $ 456,114 | $ 412,309 | $ 431,153 | $ 396,977 | $ 449,172 |
| Contributions in relation to the contractually required contribution | (19,826) | (456,114) | (412,309) | (431,153) | (396,977) | (449,172) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - |
| County's covered payroll | $ 104,324,129 | $ 97,097,833 | $ 89,681,030 | $ 89,893,924 | $ 80,654,140 | $ 76,688,823 |
| Contributions as a percentage of covered payroll | 0.02% | 0.47% | 0.46% | 0.48% | 0.49% | 0.59% |

*The schedule is required to show information for 10 years. However, until a full 10-year trend is compiled, the information presented is for those years for which information is available.

**NOTES TO SCHEDULE**

Actuarial assumptions and methods used to actuarially determine contributions:

| | | | | |
|---|---|---|---|---|
| Actuarial valuation | December 31, 2017 | December 31, 2016 | December 31, 2015 | December 31, 2013 |
| Effective | July 2019 - June 2021 | July 2017 - June 2019 | July 2017 - June 2019 | July 2015 - June 2017 |
| Actuarial cost method | Entry Age Normal | Entry Age Normal | Entry Age Normal | Entry Age Normal |
| Actuarial valuation method | Market Value | Market Value | Market Value | Market Value |
| Actuarial assumption: | | | | |
| Inflation rate | 2.50 percent | 2.50 percent | 2.50 percent | 2.75 percent |
| Projected salary increases | 3.50 percent | 3.50 percent | 3.50 percent | 3.75 percent |
| Investment rate of return | 7.20 percent | 7.20 percent | 7.50 percent | 7.75 percent |
| Healthcare cost inflation | Not applicable | Not applicable | Ranging from 6.3% in 2016 to 4.4% in 2094 | Ranging from 6.1% in 2014 to 4.7% in 2083 |

Lane County, Oregon

## Schedule of County Contributions

Oregon Public Employees Retirement System

Last Six Fiscal Years*

For the Fiscal Year Ended June 30, 2020

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|
| Contractually required contribution | $ 17,792,518 | $ 13,450,519 | $ 12,297,016 | $ 10,068,682 | $ 9,269,425 | $ 8,142,668 |
| Contributions in relation to the contractually required contribution | 17,792,518 | 13,450,519 | 12,297,016 | 10,068,682 | 9,269,425 | 8,142,668 |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - |
| County's covered payroll | $ 104,324,129 | $ 97,097,833 | $ 89,681,030 | $ 89,893,924 | $ 80,654,140 | $ 76,688,823 |
| Contributions as a percentage of covered payroll | 17.06% | 13.85% | 13.71% | 11.20% | 11.49% | 10.62% |

**The schedule is required to show information for 10 years. However, until a full 10-year trend is compiled, the information presented is for those years for which information is available.*

Lane County, Oregon

**Schedule of the County's Proportionate Share of the Net Pension Liability**

Oregon Public Employees Retirement System

Last Six Fiscal Years*

For the Fiscal Year Ended June 30, 2020

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|
| Measurement date | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |
| County's proportion of the net pension liability (asset) | 1.147539590% | 1.102161720% | 1.085964060% | 1.109831120% | 1.10813039% | 1.10305675% |
| County's proportionate share of the net pension liability (asset) | $ 198,496,867 | $ 166,962,983 | $ 146,388,366 | $ 166,611,421 | $ 63,622,878 | $ (25,003,149) |
| County's covered payroll for year ended measurement date | $ 97,097,833 | $ 89,681,030 | $ 89,893,924 | $ 80,654,140 | $ 76,688,823 | $ 74,500,972 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 204.43% | 186.17% | 162.85% | 206.58% | 82.96% | 33.56% |
| Plan fiduciary net position as a percentage of the total pension liability | 80.23% | 82.07% | 83.12% | 80.53% | 91.88% | 103.59% |

**The schedule is required to show information for 10 years. However, until a full 10-year trend is compiled, the information presented is for those years for which information is available.*

1. Budget to GAAP Reconciliation

Sections of Oregon Revised Statutes (Oregon Budget Law) require most transactions to be budgeted on the modified accrual basis of accounting. However, there are certain transactions where statutory budget requirements conflict with generally accepted accounting principles (GAAP). The following discusses the differences between the budget basis and GAAP basis of accounting for the General, Road, Special Revenue/Services, Health and Human Services, Lane Care, and Local Option Tax Levy funds.

| | General | Road | Special Revenue/ Services | Health and Human Services | Lane Care | Local Option Tax Levy |
|---|---|---|---|---|---|---|
| Net change in fund balance – budget basis | $684,724 | ($1,450,814) | ($83,678) | ($8,545,749) | $934,477 | $559,370 |
| *Revenues and other financing sources required by GAAP not qualifying as budget resources:* | | | | | | |
| The adjustment to record accrued investment income and adjust investments to fair value is reported as an addition or reduction of revenue on a GAAP basis in accordance with GASB 31. However, the accrued investment income and the fair value adjustment do not affect budgetary resources that are available for expenditure. Therefore, the current year accrued investment income and fair value adjustments are reported as a budget to GAAP difference. | 694,669 | 769,081 | 158,333 | 60,057 | 301,576 | 314,748 |
| Net change in fund balance – GAAP basis | $1,379,393 | ($681,733) | $74,655 | ($8,485,692) | $1,236,053 | $874,118 |

2. Pension Plan

Changes in Plan Assumptions:

There were no differences between the assumptions and plan provisions used for June 30, 2019 Measurement Date calculations compared to those used for the June 30, 2018 Measurement Date calculations.

# OTHER SUPPLEMENTARY INFORMATION

# NONMAJOR GOVERNMENTAL FUNDS
# COMBINING STATEMENTS

Lane County, Oregon

## Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2020

| | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Pooled cash and investments | $ 8,888,142 | $ 3,847,906 | $ 13,009,902 | $ 25,745,950 |
| Receivables (net of uncollectibles): | | | | |
| Investment earnings | 71,943 | - | 52,332 | 124,275 |
| Property taxes | 18,033 | - | - | 18,033 |
| Accounts | 274,276 | 71,350 | 32,967 | 378,593 |
| Intergovernmental | 3,901,980 | - | - | 3,901,980 |
| Interest on balances | 2,476 | - | - | 2,476 |
| Total assets | $ 13,156,850 | $ 3,919,256 | $ 13,095,201 | $ 30,171,307 |
| **LIABILITIES** | | | | |
| Accounts payable | $ 1,770,544 | $ - | $ 868,721 | $ 2,639,265 |
| Wages and benefits payable | 177,108 | - | - | 177,108 |
| Due to other funds | 107,986 | - | - | 107,986 |
| Customer deposits | - | - | 11,300 | 11,300 |
| Total liabilities | 2,055,638 | - | 880,021 | 2,935,659 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Other | 18,011 | - | - | 18,011 |
| Total deferred inflows of resources | 18,011 | - | - | 18,011 |
| **FUND BALANCES** | | | | |
| Restricted | 7,133,005 | 105,631 | - | 7,238,636 |
| Committed | 7,503 | - | - | 7,503 |
| Assigned | 3,942,693 | 3,813,625 | 12,215,180 | 19,971,498 |
| Total fund balances | 11,083,201 | 3,919,256 | 12,215,180 | 27,217,637 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 13,156,850 | $ 3,919,256 | $ 13,095,201 | $ 30,171,307 |

Lane County, Oregon

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

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2020

| | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Taxes and assessments, net of refunds | $ 1,989,640 | $ 688,000 | $ - | $ 2,677,640 |
| Licenses and permits | 232,130 | - | - | 232,130 |
| Intergovernmental | 22,087,862 | - | 367,458 | 22,455,320 |
| Charges for services | 1,715,850 | - | (114,795) | 1,601,055 |
| Fines, forfeitures and penalties | 47,032 | - | - | 47,032 |
| Administrative and facility charges | - | - | 3,303,185 | 3,303,185 |
| Investment earnings | 328,356 | - | 225,767 | 554,123 |
| Sale and rental of property | 1,194,703 | - | 107,467 | 1,302,170 |
| Total revenues | 27,595,573 | 688,000 | 3,889,082 | 32,172,655 |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General government | 4,492,280 | - | 222,612 | 4,714,892 |
| Public safety | 12,215 | - | - | 12,215 |
| Public health and welfare | 19,413,987 | - | - | 19,413,987 |
| Parks | 3,862,703 | - | - | 3,862,703 |
| Roads and bridges | 428,804 | - | - | 428,804 |
| Debt service: | | | | |
| Principal | - | 2,960,000 | 34,345 | 2,994,345 |
| Interest | - | 802,959 | 58,048 | 861,007 |
| Debt issuance costs | - | - | 1,192 | 1,192 |
| Capital outlay | 498,343 | - | 5,728,363 | 6,226,706 |
| Total expenditures | 28,708,332 | 3,762,959 | 6,044,560 | 38,515,851 |
| Excess (deficiency) of revenues over (under) expenditures | (1,112,759) | (3,074,959) | (2,155,478) | (6,343,196) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 2,856,526 | 2,225,719 | 5,650,543 | 10,732,788 |
| Transfers out | (485,318) | - | (1,078,555) | (1,563,873) |
| Long-term notes issued | - | - | 2,800,000 | 2,800,000 |
| Total other financing sources (uses) | 2,371,208 | 2,225,719 | 7,371,988 | 11,968,915 |
| Net change in fund balances | 1,258,449 | (849,240) | 5,216,510 | 5,625,719 |
| Fund balance, June 30, 2019 | 9,824,752 | 4,768,496 | 6,998,670 | 21,591,918 |
| Fund balance, June 30, 2020 | $ 11,083,201 | $ 3,919,256 | $ 12,215,180 | $ 27,217,637 |

# SPECIAL REVENUE FUNDS

*Combining statements for all individual nonmajor special revenue funds are reported in this section. The combined totals are reported in the combining nonmajor governmental fund statements. Fund statements for major special revenue funds are reported in the basic financial statements.*

*Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual are also presented in this section for each individual nonmajor special revenue fund. Budget and actual comparisons for major special revenue funds are reported as Required Supplementary Information.*

## Nonmajor Special Revenue Funds

**Parks and Open Spaces Fund** – This fund receives revenue from state and local sources for implementation of the parks capital improvement plan and park operations.

**Law Library Fund** – This fund receives revenues collected by the Courts as part of civil litigation filing fees to support the Law Library. The library provides legal reference materials and assistance to patrons (attorneys, litigants, and the public).

**Liquor Law Enforcement Fund** – This fund receives revenues from County Justice Courts, City Municipal Courts, and the District Court for fines on traffic violations related to the Liquor Control Act. Funds are administered by the District Attorney and are used for liquor law enforcement activities as well as for alcohol abuse prevention campaigns.

**Public Land Corner Preservation Fund** – This fund receives revenues from a Deeds and Records filing fee dedicated to corner preservation activities. This program researches the records, locates government corners in the field, and re-establishes and makes subsequent appropriate records for the public on section, donation-land claim, and meander corners originally set by old federal and County surveys.

**County School Fund** – Revenue from this fund is distributed to County schools through the Lane Education Services District. State law requires that funding from 25% of the National Forest timber receipts received by the County and a portion of state timber sales receipts be passed through by this fund.

**Extension Services Levy Fund** - This fund was created following the passage of a five year local option levy of $0.015 per $1,000 assessed value in May, 2016 for operations and capital. While part of County's budget, the funds will be remitted directly to the Oregon State University (OSU) Extension Service in order to provide services specified within the ballot.

**County Clerk Records Fund** – This fund accounts for revenues received from the recording of legal documents, including contracts, deeds, and other conveyances of real property for archival, indexing, and retrieval on computer and microfilm by the public. Also, marriage licenses are issued, ceremonies performed, and records indexed and maintained. The fund also accounts for the County Record and Archive Center, administers the Records management program and micrographics program, and provides public assistance in the Records Research room. These functions are performed in accordance with state and local mandates.

**Title III Projects Fund** – This fund accounts for Title III revenue received from P.L 106-393 (2000) and P.L. 110-343 (2008), also referred to as the Federal Secure Rural Schools (SRS) legislation. There are specific allowable uses for these funds as detailed in the legislation, and the Board of County Commissioners review requests and award funds each fiscal year according to those uses.

I**ndustrial Revolving Fund** – This fund is established pursuant to ORS 275.318 and consists of funds received when a county sells or leases real property acquired in any manner by the county, if that property is located in an area planned and zoned for industrial use. The moneys shall be expended for the engineering, improvement, rehabilitation, construction, operation or maintenance, in whole or in part, including the pre-project planning costs, of any development project authorized by ORS 271.510 that is located in the county.

**Animal Services Fund** – This fund accounts for animal services provided for unincorporated Lane County, City of Eugene, and other small cities. Funding is provided by General Fund and contract revenue from the cities.

**Intergovernmental Human Services Fund** – This fund accounts for Lane County administration and allocation of funds to governmental and private nonprofit agencies for health, mental health, and other services. This fund reports the receipt and expenditure of revenues from the County and the cities of Eugene and Springfield under an intergovernmental agreement.

LANE
COUNTY
OREGON

Lane County, Oregon

## Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2020

| | Parks and Open Spaces | Law Library | Liquor Law Enforcement | Public Land Corner Preservation | County School |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Pooled cash and investments | $ 944,024 | $ 524,994 | $ 62,938 | $ 1,067,038 | $ 402,611 |
| Receivables: | | | | | |
| Investment earnings | 6,436 | 3,906 | - | 6,688 | 15,339 |
| Property taxes | - | - | - | - | - |
| Accounts | 258,911 | 1,501 | - | 3,773 | - |
| Intergovernmental | 303,253 | 1,045 | - | 4,895 | - |
| Interest on balances | - | - | - | - | - |
| Total assets | $ 1,512,624 | $ 531,446 | $ 62,938 | $ 1,082,394 | $ 417,950 |
| **LIABILITIES** | | | | | |
| Accounts payable | $ 247,080 | $ 5,822 | $ - | $ 176 | $ - |
| Wages and benefits payable | 52,546 | 3,619 | - | 7,445 | - |
| Due to other funds | 28,810 | 2,449 | - | 5,193 | - |
| Total liabilities | 328,436 | 11,890 | - | 12,814 | - |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Deferred inflows of resources - other | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| **FUND BALANCES** | | | | | |
| Restricted | - | 515,931 | - | 1,069,580 | 417,950 |
| Committed | - | - | - | - | - |
| Assigned | 1,184,188 | 3,625 | 62,938 | - | - |
| Total fund balances | 1,184,188 | 519,556 | 62,938 | 1,069,580 | 417,950 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 1,512,624 | $ 531,446 | $ 62,938 | $ 1,082,394 | $ 417,950 |

| Extension Services Levy | County Clerk Records | Title III Projects | Industrial Revolving | Animal Services | Intergovernmental Human Services | Total |
|---|---|---|---|---|---|---|
| $ 128 | $ 264,588 | $ 4,811,992 | $ 15,409 | $ 232,609 | $ 561,811 | $ 8,888,142 |
| - | 2,288 | 29,596 | 97 | 919 | 6,674 | 71,943 |
| 18,033 | - | - | - | - | - | 18,033 |
| - | 1,479 | - | - | 4,212 | 4,400 | 274,276 |
| - | - | - | - | 25 | 3,592,762 | 3,901,980 |
| 2,476 | - | - | - | - | - | 2,476 |
| $ 20,637 | $ 268,355 | $ 4,841,588 | $ 15,506 | $ 237,765 | $ 4,165,647 | $ 13,156,850 |
| $ - | $ - | $ - | $ - | $ 29,728 | $ 1,487,738 | $ 1,770,544 |
| - | - | - | - | 8,776 | 104,722 | 177,108 |
| - | - | - | - | 5,784 | 65,750 | 107,986 |
| - | - | - | - | 44,288 | 1,658,210 | 2,055,638 |
| 18,011 | - | - | - | - | - | 18,011 |
| 18,011 | - | - | - | - | - | 18,011 |
| 2,626 | 268,355 | 4,841,588 | 241 | 16,734 | - | 7,133,005 |
| - | - | - | - | 7,503 | - | 7,503 |
| - | - | - | 15,265 | 169,240 | 2,507,437 | 3,942,693 |
| 2,626 | 268,355 | 4,841,588 | 15,506 | 193,477 | 2,507,437 | 11,083,201 |
| $ 20,637 | $ 268,355 | $ 4,841,588 | $ 15,506 | $ 237,765 | $ 4,165,647 | $ 13,156,850 |

Lane County, Oregon

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

Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2020

| | Parks and Open Spaces | Law Library | Liquor Law Enforcement | Public Land Corner Preservation | County School |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Taxes and assessments, net of refunds | $ 1,046,983 | $ - | $ - | $ - | $ 302,959 |
| Licenses and permits | - | - | - | - | - |
| Intergovernmental | 869,281 | 307,384 | - | 4,895 | 3,043,845 |
| Charges for services | 613,149 | 547 | - | 574,087 | - |
| Fines, forfeitures and penalties | 32,605 | - | 7,480 | - | - |
| Investment earnings | 34,268 | 18,794 | - | 31,397 | 60,657 |
| Sale and rental of property | 1,188,301 | 387 | - | - | - |
| Total revenues | 3,784,587 | 327,112 | 7,480 | 610,379 | 3,407,461 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General government | - | 240,908 | - | - | 3,399,402 |
| Public safety | - | - | 12,215 | - | - |
| Public health and welfare | - | - | - | - | - |
| Parks | 3,862,703 | - | - | - | - |
| Roads and bridges | - | - | - | 428,804 | - |
| Capital outlay | 498,343 | - | - | - | - |
| Total expenditures | 4,361,046 | 240,908 | 12,215 | 428,804 | 3,399,402 |
| Excess (deficiency) of revenues over (under) expenditures | (576,459) | 86,204 | (4,735) | 181,575 | 8,059 |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers in | 168,270 | - | - | - | - |
| Transfers out | (71,475) | - | - | - | - |
| Total other financing sources (uses) | 96,795 | - | - | - | - |
| Net change in fund balances | (479,664) | 86,204 | (4,735) | 181,575 | 8,059 |
| Fund balance, June 30, 2019 | 1,663,852 | 433,352 | 67,673 | 888,005 | 409,891 |
| Fund balance, June 30, 2020 | $ 1,184,188 | $ 519,556 | $ 62,938 | $ 1,069,580 | $ 417,950 |

| Extension Services Levy | County Clerk Records | Title III Projects | Industrial Revolving | Animal Services | Intergovernmental Human Services | Total |
|---|---|---|---|---|---|---|
| $ 512,718 | $ 126,980 | $ - | $ - | $ - | $ - | $ 1,989,640 |
| - | - | - | - | 232,130 | - | 232,130 |
| 6,223 | - | 831,203 | - | 258 | 17,024,773 | 22,087,862 |
| - | - | - | - | 9,223 | 518,844 | 1,715,850 |
| - | - | - | - | 6,947 | - | 47,032 |
| 104 | 6,164 | 139,476 | 241 | 2,836 | 34,419 | 328,356 |
| - | - | - | 6,015 | - | - | 1,194,703 |
| 519,045 | 133,144 | 970,679 | 6,256 | 251,394 | 17,578,036 | 27,595,573 |
| | | | | | | |
| 518,581 | 25,622 | 307,767 | - | - | - | 4,492,280 |
| - | - | - | - | - | - | 12,215 |
| - | - | - | - | 694,680 | 18,719,307 | 19,413,987 |
| - | - | - | - | - | - | 3,862,703 |
| - | - | - | - | - | - | 428,804 |
| - | - | - | - | - | - | 498,343 |
| 518,581 | 25,622 | 307,767 | - | 694,680 | 18,719,307 | 28,708,332 |
| | | | | | | |
| 464 | 107,522 | 662,912 | 6,256 | (443,286) | (1,141,271) | (1,112,759) |
| | | | | | | |
| - | - | - | - | 474,470 | 2,213,786 | 2,856,526 |
| - | (107,914) | - | - | - | (305,929) | (485,318) |
| - | (107,914) | - | - | 474,470 | 1,907,857 | 2,371,208 |
| 464 | (392) | 662,912 | 6,256 | 31,184 | 766,586 | 1,258,449 |
| 2,162 | 268,747 | 4,178,676 | 9,250 | 162,293 | 1,740,851 | 9,824,752 |
| $ 2,626 | $ 268,355 | $ 4,841,588 | $ 15,506 | $ 193,477 | $ 2,507,437 | $ 11,083,201 |

Lane County, Oregon

## Parks and Open Spaces Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 1,217,803 | $ 790,391 | $ 1,046,983 | $ 256,592 |
| Intergovernmental | 577,775 | 610,775 | 869,281 | 258,506 |
| Charges for services | 593,200 | 535,200 | 613,149 | 77,949 |
| Fines, forfeitures and penalties | 45,000 | 45,000 | 32,605 | (12,395) |
| Investment earnings | 14,200 | 14,200 | 21,498 | 7,298 |
| Sale and rental of property | 1,414,700 | 1,427,524 | 1,188,301 | (239,223) |
| Interfund transfers in | 491,340 | 168,270 | 168,270 | - |
| Total revenues | 4,354,018 | 3,591,360 | 3,940,087 | 348,727 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public works | 4,304,724 | 4,626,356 | 4,361,046 | (265,310) |
| Not allocated to organizational units: | | | | |
| Transfers out | 71,475 | 71,475 | 71,475 | - |
| Contingency | 108,185 | 109,398 | - | (109,398) |
| Total expenditures | 4,484,384 | 4,807,229 | 4,432,521 | (374,708) |
| Net change in fund balance | (130,366) | (1,215,869) | (492,434) | 723,435 |
| Fund balance, June 30, 2019 | 590,011 | 1,658,460 | 1,658,461 | 1 |
| Fund balance, budget basis, June 30, 2020 | $ 459,645 | $ 442,591 | 1,166,027 | $ 723,436 |
| Unrealized gain (loss) on investments | | | 11,725 | |
| Accrued investment earnings | | | 6,436 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 1,184,188 | |

Lane County, Oregon

## Law Library Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 313,095 | $ 313,095 | $ 307,384 | $ (5,711) |
| Charges for services | - | - | 547 | 547 |
| Investment earnings | 2,000 | 2,000 | 10,719 | 8,719 |
| Sale and rental of property | 500 | 500 | 387 | (113) |
| Total revenues | 315,595 | 315,595 | 319,037 | 3,442 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| County administration | 289,294 | 289,294 | 240,909 | (48,385) |
| Not allocated to organizational units: | | | | |
| Contingency | 15,780 | 33,700 | - | (33,700) |
| Total expenditures | 305,074 | 322,994 | 240,909 | (82,085) |
| Net change in fund balance | 10,521 | (7,399) | 78,128 | 85,527 |
| Fund balance, June 30, 2019 | 412,293 | 430,213 | 430,212 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 422,814 | $ 422,814 | 508,340 | $ 85,526 |
| Unrealized gain (loss) on investments | | | 7,310 | |
| Accrued investment earnings | | | 3,906 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 519,556 | |

Lane County, Oregon

## Liquor Law Enforcement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Fines, forfeitures and penalties | $ 7,000 | $ 7,000 | $ 7,480 | $ 480 |
| Total revenues | 7,000 | 7,000 | 7,480 | 480 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| District attorney | 12,215 | 13,465 | 12,215 | (1,250) |
| Not allocated to organizational units: | | | | |
| Contingency | 68,385 | 61,208 | - | (61,208) |
| Total expenditures | 80,600 | 74,673 | 12,215 | (62,458) |
| Net change in fund balance | (73,600) | (67,673) | (4,735) | 62,938 |
| Fund balance, June 30, 2019 | 73,600 | 67,673 | 67,673 | - |
| Fund balance, budget basis, June 30, 2020 | $ - | $ - | $ 62,938 | $ 62,938 |

Lane County, Oregon

## Public Land Corner Preservation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ - | $ 4,895 | $ 4,895 |
| Charges for services | 410,000 | 410,000 | 574,087 | 164,087 |
| Investment earnings | 17,275 | 17,275 | 16,194 | (1,081) |
| Total revenues | 427,275 | 427,275 | 595,176 | 167,901 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public works | 474,761 | 446,748 | 428,803 | (17,945) |
| Not allocated to organizational units: | | | | |
| Contingency | 52,514 | 100,763 | - | (100,763) |
| Total expenditures | 527,275 | 547,511 | 428,803 | (118,708) |
| Net change in fund balance | (100,000) | (120,236) | 166,373 | 286,609 |
| Fund balance, June 30, 2019 | 863,767 | 884,003 | 884,002 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 763,767 | $ 763,767 | 1,050,375 | $ 286,608 |
| Unrealized gain (loss) on investments | | | 12,517 | |
| Accrued investment earnings | | | 6,688 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 1,069,580 | |

Lane County, Oregon

## County School Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 321,000 | $ 321,000 | $ 302,959 | $ (18,041) |
| Intergovernmental | 1,255,574 | 2,641,250 | 3,043,845 | 402,595 |
| Investment earnings | 20,000 | 20,000 | 9,352 | (10,648) |
| Total revenues | 1,596,574 | 2,982,250 | 3,356,156 | 373,906 |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Materials and services | 1,596,574 | 3,399,402 | 3,399,402 | - |
| Total expenditures | 1,596,574 | 3,399,402 | 3,399,402 | - |
| Net change in fund balance | - | (417,152) | (43,246) | 373,906 |
| Fund balance, June 30, 2019 | - | 417,152 | 417,152 | - |
| Fund balance, budget basis, June 30, 2020 | $ - | $ - | 373,906 | $ 373,906 |
| Unrealized gain (loss) on investments | | | 28,705 | |
| Accrued investment earnings | | | 15,339 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 417,950 | |

Lane County, Oregon

## Extension Services Levy Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 515,420 | $ 515,095 | $ 512,718 | $ (2,377) |
| Intergovernmental | 3,000 | 3,325 | 6,223 | 2,898 |
| Investment earnings | 500 | 500 | 104 | (396) |
| Total revenues | 518,920 | 518,920 | 519,045 | 125 |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Materials and services | 518,920 | 521,082 | 518,581 | (2,501) |
| Total expenditures | 518,920 | 521,082 | 518,581 | (2,501) |
| Net change in fund balance | - | (2,162) | 464 | 2,626 |
| Fund balance, June 30, 2019 | - | 2,162 | 2,162 | - |
| Fund balance, budget basis, June 30, 2020 | $ - | $ - | $ 2,626 | $ 2,626 |

Lane County, Oregon

## County Clerk Records Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 111,000 | $ 111,000 | $ 126,980 | $ 15,980 |
| Investment earnings | 3,000 | 3,000 | 6,031 | 3,031 |
| Total revenues | 114,000 | 114,000 | 133,011 | 19,011 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| County administration | 63,149 | 63,149 | 25,622 | (37,527) |
| Not allocated to organizational units: | | | | |
| Transfers out | 107,914 | 107,914 | 107,914 | - |
| Contingency | 12,300 | 37,140 | - | (37,140) |
| Total expenditures | 183,363 | 208,203 | 133,536 | (74,667) |
| Net change in fund balance | (69,363) | (94,203) | (525) | 93,678 |
| Fund balance, June 30, 2019 | 241,752 | 266,592 | 266,592 | - |
| Fund balance, budget basis, June 30, 2020 | $ 172,389 | $ 172,389 | 266,067 | $ 93,678 |
| Accrued investment earnings | | | 2,288 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 268,355 | |

Lane County, Oregon

## Title III Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ 859,980 | $ 831,203 | $ (28,777) |
| Investment earnings | 62,000 | 62,500 | 63,840 | 1,340 |
| Total revenues | 62,000 | 922,480 | 895,043 | (27,437) |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Materials and services | 855,542 | 1,005,542 | 307,765 | (697,777) |
| Total expenditures | 855,542 | 1,005,542 | 307,765 | (697,777) |
| Net change in fund balance | (793,542) | (83,062) | 587,278 | 670,340 |
| Fund balance, June 30, 2019 | 3,851,344 | 4,169,329 | 4,169,328 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 3,057,802 | $ 4,086,267 | 4,756,606 | $ 670,339 |
| Unrealized gain (loss) on investments | | | 55,387 | |
| Accrued investment earnings | | | 29,595 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 4,841,588 | |

Lane County, Oregon

## Industrial Revolving Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Investment earnings | $ - | $ 25 | $ 144 | $ 119 |
| Sale and rental of property | - | 2,500 | 6,015 | 3,515 |
| Total revenues | - | 2,525 | 6,159 | 3,634 |
| Net change in fund balance | - | 2,525 | 6,159 | 3,634 |
| Fund balance, June 30, 2019 | - | 9,250 | 9,250 | - |
| Fund balance, budget basis, June 30, 2020 | $ - | $ 11,775 | 15,409 | $ 3,634 |
| Accrued investment earnings | | | 97 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 15,506 | |

Lane County, Oregon

## Animal Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Licenses and permits | $ 230,355 | $ 230,355 | $ 232,130 | $ 1,775 |
| Intergovernmental | 500 | 500 | 258 | (242) |
| Charges for services | 800 | 800 | 9,223 | 8,423 |
| Fines, forfeitures and penalties | 3,000 | 3,000 | 6,947 | 3,947 |
| Investment earnings | 1,360 | 1,360 | 1,231 | (129) |
| Interfund transfers in | 474,470 | 474,470 | 474,470 | - |
| Total revenues | 710,485 | 710,485 | 724,259 | 13,774 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public works | 710,123 | 774,724 | 694,681 | (80,043) |
| Not allocated to organizational units: | | | | |
| Contingency | 60,701 | 60,701 | - | (60,701) |
| Total expenditures | 770,824 | 835,425 | 694,681 | (140,744) |
| Net change in fund balance | (60,339) | (124,940) | 29,578 | 154,518 |
| Fund balance, June 30, 2019 | 98,377 | 162,978 | 162,980 | 2 |
| Fund balance, budget basis, June 30, 2020 | $ 38,038 | $ 38,038 | 192,558 | $ 154,520 |
| Accrued investment earnings | | | 919 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 193,477 | |

Lane County, Oregon

## Intergovernmental Human Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 15,245,475 | $ 17,762,217 | $ 17,024,773 | $ (737,444) |
| Charges for services | 701,284 | 678,919 | 518,844 | (160,075) |
| Investment earnings | - | - | 24,861 | 24,861 |
| Interfund transfers in | 1,840,538 | 2,258,738 | 2,213,786 | (44,952) |
| Intrafund transfers in | 500,737 | 500,737 | 500,737 | - |
| Total revenues | 18,288,034 | 21,200,611 | 20,283,001 | (917,610) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Health and human services | 17,668,118 | 20,724,001 | 18,719,307 | (2,004,694) |
| Not allocated to organizational units: | | | | |
| Transfers out | 806,666 | 806,666 | 806,666 | - |
| Total expenditures | 18,474,784 | 21,530,667 | 19,525,973 | (2,004,694) |
| Net change in fund balance | (186,750) | (330,056) | 757,028 | 1,087,084 |
| Fund balance, June 30, 2019 | 1,514,187 | 1,731,247 | 1,731,246 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 1,327,437 | $ 1,401,191 | 2,488,274 | $ 1,087,083 |
| Unrealized gain (loss) on investments | | | 12,489 | |
| Accrued investment earnings | | | 6,674 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 2,507,437 | |

# DEBT SERVICE FUNDS

*None of the County's debt service funds meet the criteria for major fund reporting. Therefore, the combining statements for all individual debt service funds are reported in this section. The combined totals are reported in the combining nonmajor governmental fund statements.*

*Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual are also presented in this section for each individual debt service fund.*

## Nonmajor Debt Service Funds

**Lane Events Center Debt Service Fund** – This fund accounts for the accumulation of resources for and payment of debt service for the construction and renovation of selected facilities at the Fairgrounds site. Fund resources come from County transient room tax receipts.

**Special Obligation Bond Retirement Fund** – This fund accounts for the accumulation of resources for and payment of interest and principal on bonds sold to finance capital improvements and equipment purchases, using pledged revenue as the source of repayment. The sources of funding for the debt service payments are General Fund, Health and Human Services, Trillium Behavioral Health, Parks and Open Spaces, Road, and Capital Improvement transfers.

**Notes Payable Debt Service Fund** – This fund accounts for the accumulation of resources for and the payment of interest and principal to retire notes issued to finance the Information Services data center remodel. These notes are held by the Department of Energy (ODOE).

Lane County, Oregon

## Combining Balance Sheet

Nonmajor Debt Service Funds

June 30, 2020

| | Lane Events Center Debt Service | Special Obligation Bond Retirement | Notes Payable Debt Service | Total |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Pooled cash and investments | $ 34,281 | $ 3,813,625 | $ - | $ 3,847,906 |
| Receivables (net of uncollectibles): | | | | |
| Accounts | 71,350 | - | - | 71,350 |
| Total assets | $ 105,631 | $ 3,813,625 | $ - | $ 3,919,256 |
| **FUND BALANCES** | | | | |
| Restricted | $ 105,631 | $ - | $ - | $ 105,631 |
| Assigned | - | 3,813,625 | - | 3,813,625 |
| Total fund balances | $ 105,631 | $ 3,813,625 | $ - | $ 3,919,256 |

Lane County, Oregon

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

Nonmajor Debt Service Funds

For the Fiscal Year Ended June 30, 2020

| | Lane Events Center Debt Service | Special Obligation Bond Retirement | Notes Payable Debt Service | Total |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Taxes and assessments, net of refunds | $ 688,000 | $ - | $ - | $ 688,000 |
| Total revenues | 688,000 | - | - | 688,000 |
| **EXPENDITURES** | | | | |
| Debt service: | | | | |
| Principal | 605,000 | 2,230,000 | 125,000 | 2,960,000 |
| Interest | 78,905 | 697,583 | 26,471 | 802,959 |
| Total expenditures | 683,905 | 2,927,583 | 151,471 | 3,762,959 |
| Excess (deficiency) of revenues over (under) expenditures | 4,095 | (2,927,583) | (151,471) | (3,074,959) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | 2,074,248 | 151,471 | 2,225,719 |
| Total other financing sources (uses) | - | 2,074,248 | 151,471 | 2,225,719 |
| Net change in fund balances | 4,095 | (853,335) | - | (849,240) |
| Fund balance, June 30, 2019 | 101,536 | 4,666,960 | - | 4,768,496 |
| Fund balance, June 30, 2020 | $ 105,631 | $ 3,813,625 | $ - | $ 3,919,256 |

Lane County, Oregon

## Lane Events Center Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 687,000 | $ 687,000 | $ 688,000 | $ 1,000 |
| Total revenues | 687,000 | 687,000 | 688,000 | 1,000 |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Debt service | 683,905 | 683,905 | 683,905 | - |
| Total expenditures | 683,905 | 683,905 | 683,905 | - |
| Net change in fund balance | 3,095 | 3,095 | 4,095 | 1,000 |
| Fund balance, June 30, 2019 | 101,536 | 101,536 | 101,536 | - |
| Fund balance, budget basis, June 30, 2020 | $ 104,631 | $ 104,631 | $ 105,631 | $ 1,000 |

Lane County, Oregon

## Special Obligation Bond Retirement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Interfund transfers in | $ 2,074,248 | $ 2,073,365 | $ 2,074,248 | $ 883 |
| Total revenues | 2,074,248 | 2,073,365 | 2,074,248 | 883 |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Debt service | 2,927,584 | 2,927,584 | 2,927,583 | (1) |
| Total expenditures | 2,927,584 | 2,927,584 | 2,927,583 | (1) |
| Net change in fund balance | (853,336) | (854,219) | (853,335) | 884 |
| Fund balance, June 30, 2019 | 4,661,835 | 4,666,961 | 4,666,960 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 3,808,499 | $ 3,812,742 | $ 3,813,625 | $ 883 |

Lane County, Oregon

## Notes Payable Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Interfund transfers in | $ 194,132 | $ 194,132 | $ 151,471 | $ (42,661) |
| Total revenues | 194,132 | 194,132 | 151,471 | (42,661) |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Debt service | 194,132 | 194,132 | 151,471 | (42,661) |
| Total expenditures | 194,132 | 194,132 | 151,471 | (42,661) |
| Net change in fund balance | - | - | - | - |
| Fund balance, June 30, 2019 | - | - | - | - |
| Fund balance, budget basis, June 30, 2020 | $ - | $ - | $ - | $ - |

LANE
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# CAPITAL PROJECTS FUNDS

*None of the County's capital projects funds meet the criteria for major fund reporting. Therefore, the combining statements for all individual capital projects funds are reported in this section. The combined totals are reported in the combining nonmajor governmental fund statements.*

*Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual are also presented in this section for each individual capital project fund.*

## Nonmajor Capital Projects Funds

**Capital Improvements Fund** – This fund receives proceeds from the sale of County property and internal receipts through the County's indirect cost allocation plan for major capital improvements and equipment.

Lane County, Oregon

## Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2020

| | Capital Improvements | Total |
|---|---|---|
| **ASSETS** | | |
| Pooled cash and investments | $ 13,009,902 | $ 13,009,902 |
| Receivables (net of uncollectibles): | | |
| Investment earnings | 52,332 | 52,332 |
| Accounts | 32,967 | 32,967 |
| Total assets | $ 13,095,201 | $ 13,095,201 |
| **LIABILITIES** | | |
| Accounts payable | $ 868,721 | $ 868,721 |
| Customer deposits | 11,300 | 11,300 |
| Total liabilities | 880,021 | 880,021 |
| **FUND BALANCES** | | |
| Assigned | 12,215,180 | 12,215,180 |
| Total fund balances | 12,215,180 | 12,215,180 |
| Total liabilities and fund balances | $ 13,095,201 | $ 13,095,201 |

Lane County, Oregon

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

Nonmajor Capital Projects Funds

For the Fiscal Year Ended June 30, 2020

| | Capital Improvements | Total |
|---|---|---|
| **REVENUES** | | |
| Intergovernmental | $ 367,458 | $ 367,458 |
| Charges for services | (114,795) | (114,795) |
| Administrative and facility charges | 3,303,185 | 3,303,185 |
| Investment earnings | 225,767 | 225,767 |
| Sale and rental of property | 107,467 | 107,467 |
| Total revenues | 3,889,082 | 3,889,082 |
| **EXPENDITURES** | | |
| Current: | | |
| General government | 222,612 | 222,612 |
| Debt service: | | |
| Principal | 34,345 | 34,345 |
| Interest | 58,048 | 58,048 |
| Debt issuance costs | 1,192 | 1,192 |
| Capital outlay | 5,728,363 | 5,728,363 |
| Total expenditures | 6,044,560 | 6,044,560 |
| Excess (deficiency) of revenues over (under) expenditures | (2,155,478) | (2,155,478) |
| **OTHER FINANCING SOURCES (USES)** | | |
| Transfers in | 5,650,543 | 5,650,543 |
| Transfers out | (1,078,555) | (1,078,555) |
| Long-term notes issued | 2,800,000 | 2,800,000 |
| Total other financing sources (uses) | 7,371,988 | 7,371,988 |
| Net change in fund balances | 5,216,510 | 5,216,510 |
| Fund balance, June 30, 2019 | 6,998,670 | 6,998,670 |
| Fund balance, June 30, 2020 | $ 12,215,180 | $ 12,215,180 |

Lane County, Oregon

## Capital Improvements Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ - | $ 367,458 | $ 367,458 |
| Charges for services | - | - | (114,795) | (114,795) |
| Administrative and facility charges | 3,303,185 | 3,303,185 | 3,303,185 | - |
| Investment earnings | 53,000 | 53,000 | 138,443 | 85,443 |
| Sale and rental of property | 120,000 | 120,000 | 107,467 | (12,533) |
| Interfund transfers in | - | 5,650,543 | 5,650,543 | - |
| Long-term note issued | - | - | 2,800,000 | 2,800,000 |
| Total revenues | 3,476,185 | 9,126,728 | 12,252,301 | 3,125,573 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| County administration | 6,890,014 | 12,540,557 | 5,950,975 | (6,589,582) |
| Not allocated to organizational units: | | | | |
| Debt service | - | - | 93,585 | 93,585 |
| Transfers out | 1,100,487 | 1,195,955 | 1,078,555 | (117,400) |
| Contingency | 500,000 | 1,830,776 | - | (1,830,776) |
| Total expenditures | 8,490,501 | 15,567,288 | 7,123,115 | (8,444,173) |
| Net change in fund balance | (5,014,316) | (6,440,560) | 5,129,186 | 11,569,746 |
| Fund balance, June 30, 2019 | 5,519,627 | 6,935,725 | 6,935,727 | 2 |
| Fund balance, budget basis, June 30, 2020 | $ 505,311 | $ 495,165 | 12,064,913 | $ 11,569,748 |
| Unrealized gain (loss) on investments | | | 97,935 | |
| Accrued investment earnings | | | 52,332 | |
| Total fund balance, GAAP basis, June 30, 2020 | | | $ 12,215,180 | |

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# ENTERPRISE FUNDS

*Combining statements for all individual nonmajor enterprise funds are reported in this section. Fund statements for major enterprise funds are reported in the basic financial statements.*

*Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual are also presented in this section for each individual enterprise fund.*

## Major Enterprise Funds

**Solid Waste Disposal Fund** – This fund accounts for the operations of the County's solid waste disposal sites and facilities, for which the principal source of revenue is user fees. The fund allocates a portion of the user fees collected for the construction of County solid waste sites and facilities such as landfill replacements and transfer sites. Additionally, the fund accumulates long-term resources for the payment of future costs related to closure and post-closure care of County solid waste sites.

**Land Management Fund** – This fund accounts for the operations necessary for land use planning, building, subsurface sanitation and code compliance, for which the principal source of revenue is user fees. These revenues are used to provide citizens and communities land use planning and zoning, building, subsurface sanitation, and compliance assistance and services.

## Nonmajor Enterprise Funds

**Lane Events Center Fund** – This fund accounts for the operations and construction activities of the fairground facility. The fund operates on revenues generated by fairground activities (primarily County Fair admission, Convention Center rental fees, and building use fees) and from County transient room tax revenues.

**Corrections Commissary Fund** – This fund accounts for the sales of sundries to corrections facility inmates. All commissary profits are used to provide recreational equipment for inmate use within the corrections facility.

Lane County, Oregon

## Combining Statement of Fund Net Position

Nonmajor Enterprise Funds

June 30, 2020

| | Lane Events Center | Corrections Commissary | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Current assets | | | |
| Pooled cash and investments | $ 4,550,051 | $ 669,685 | $ 5,219,736 |
| Receivables (net of uncollectibles): | | | |
| Investment earnings | 34,603 | 4,661 | 39,264 |
| Accounts | 184,724 | 2,464 | 187,188 |
| Intergovernmental | 58,339 | 48,540 | 106,879 |
| Prepaids | 41,296 | 48,540 | 89,836 |
| Total current assets | 4,869,013 | 773,890 | 5,642,903 |
| Noncurrent assets | | | |
| Net OPEB asset - RHIA | 16,261 | - | 16,261 |
| Capital assets: | | | |
| Land | 919,328 | - | 919,328 |
| Buildings and land improvements | 23,754,120 | - | 23,754,120 |
| Equipment and furniture | 2,091,850 | - | 2,091,850 |
| Construction in progress | 815,709 | - | 815,709 |
| Accumulated depreciation | (21,598,076) | - | (21,598,076) |
| Total noncurrent assets | 5,999,192 | - | 5,999,192 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Pension plan | 390,943 | - | 390,943 |
| OPEB - RHIA | 184 | - | 184 |
| OPEB - county plan | 215,260 | - | 215,260 |
| Total deferred outflows of resources | 606,387 | - | 606,387 |
| Total assets and deferred outflows of resources | 11,474,592 | 773,890 | 12,248,482 |
| **LIABILITIES** | | | |
| Current liabilities | | | |
| Accounts payable | 343,852 | 11,077 | 354,929 |
| Wages and benefits payable | 29,221 | - | 29,221 |
| Compensated absences payable | 48,855 | - | 48,855 |
| Due to other funds | 22,224 | - | 22,224 |
| Unearned revenue | 44,845 | - | 44,845 |
| Customer deposits | 150,778 | - | 150,778 |
| Total current liabilities | 639,775 | 11,077 | 650,852 |
| Noncurrent liabilities | | | |
| Total OPEB liability - county plan | 566,013 | - | 566,013 |
| Net pension liability | 1,250,735 | - | 1,250,735 |
| Total noncurrent liabilities | 1,816,748 | - | 1,816,748 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Pension plan | 86,296 | - | 86,296 |
| OPEB - RHIA | 3,461 | - | 3,461 |
| Total deferred inflows of resources | 89,757 | - | 89,757 |
| Total liabilities and deferred inflows of resources | 2,546,280 | 11,077 | 2,557,357 |
| **NET POSITION** | | | |
| Net investment in capital assets | 5,982,931 | - | 5,982,931 |
| Unrestricted | 2,945,381 | 762,813 | 3,708,194 |
| Total net position | $ 8,928,312 | $ 762,813 | $ 9,691,125 |

Lane County, Oregon

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2020

| | Lane Events Center | Corrections Commissary | Total |
|---|---|---|---|
| **OPERATING REVENUES** | | | |
| Charges for services | $ 1,648,847 | $ 188,049 | $ 1,836,896 |
| Sale and rental of property | 1,132,914 | - | 1,132,914 |
| Total operating revenues | 2,781,761 | 188,049 | 2,969,810 |
| **OPERATING EXPENSES** | | | |
| Personnel services | 1,659,268 | - | 1,659,268 |
| Materials and services | 2,350,470 | 128,576 | 2,479,046 |
| Depreciation | 406,494 | - | 406,494 |
| Total operating expenses | 4,416,232 | 128,576 | 4,544,808 |
| Operating income (loss) | (1,634,471) | 59,473 | (1,574,998) |
| **NONOPERATING REVENUES (EXPENSES)** | | | |
| Taxes and assessments, net of refunds | 1,422,642 | - | 1,422,642 |
| Intergovernmental | 111,506 | 48,540 | 160,046 |
| Investment earnings | 155,261 | 22,052 | 177,313 |
| Total nonoperating revenues (expenses) | 1,689,409 | 70,592 | 1,760,001 |
| Income (loss) before contributions and transfers | 54,938 | 130,065 | 185,003 |
| Transfers out | (104,913) | - | (104,913) |
| Change in net position | (49,975) | 130,065 | 80,090 |
| Total net position, June 30, 2019 | 8,978,287 | 632,748 | 9,611,035 |
| Total net position, June 30, 2020 | $ 8,928,312 | $ 762,813 | $ 9,691,125 |

Lane County, Oregon

## Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2020

| | Lane Events Center | Corrections Commissary | Total |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Receipts from customers and users | $ 1,925,101 | $ 211,022 | $ 2,136,123 |
| Receipts from facilities rent | 1,132,914 | - | 1,132,914 |
| Payments to employees | (864,916) | - | (864,916) |
| Payments to suppliers | (2,038,554) | (186,900) | (2,225,454) |
| Payments for interfund services | (649,097) | (540) | (649,637) |
| Net cash provided by (used for) operating activities | (494,552) | 23,582 | (470,970) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | |
| Intergovernmental subsidies | 53,167 | - | 53,167 |
| Transfers out | (104,913) | - | (104,913) |
| Net cash provided by (used for) noncapital financing activities | (51,746) | - | (51,746) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | |
| Transient room tax | 1,422,642 | - | 1,422,642 |
| Purchases of capital assets | (850,399) | - | (850,399) |
| Net cash provided by (used for) capital and related financing activities | 572,243 | - | 572,243 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Investment earnings | 139,876 | 19,919 | 159,795 |
| Net cash provided by (used for) investing activities | 139,876 | 19,919 | 159,795 |
| Net increase (decrease) in pooled cash and investments | 165,821 | 43,501 | 209,322 |
| Pooled cash and investments, June 30, 2019 | 4,384,230 | 626,184 | 5,010,414 |
| Pooled cash and investments, June 30, 2020 | $ 4,550,051 | $ 669,685 | $ 5,219,736 |
| **Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:** | | | |
| Operating income (loss) | $ (1,634,471) | $ 59,473 | $ (1,574,998) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities | | | |
| Depreciation | 406,494 | - | 406,494 |
| (Increase) decrease in receivables | 339,779 | 22,973 | 362,752 |
| (Increase) decrease in prepaids | 1,269 | (48,540) | (47,271) |
| Increase (decrease) in accounts payable | 219,660 | (10,324) | 209,336 |
| Increase (decrease) in wages and benefits payable | (2,504) | - | (2,504) |
| Increase (decrease) in compensated absences payable | 2,987 | - | 2,987 |
| Increase (decrease) in due to other funds | 1,039 | - | 1,039 |
| Increase (decrease) in unearned revenue | (82,788) | - | (82,788) |
| Increase (decrease) in customer deposits | 19,263 | - | 19,263 |
| Increase (decrease) in net OPEB obligation | 59,150 | - | 59,150 |
| Increase (decrease) in net pension liability | 182,897 | - | 182,897 |
| Increase (decrease) in deferred inflows | 5,050 | - | 5,050 |
| (Increase) decrease in deferred outflows | (12,377) | - | (12,377) |
| Net cash provided by (used for) operating activities | $ (494,552) | $ 23,582 | $ (470,970) |
| **Noncash investing, capital, and financing activities:** | | | |
| Increase (decrease) in fair value of investments | $ 56,680 | $ 8,723 | $ 65,403 |

Lane County, Oregon

## Lane Events Center Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Taxes and assessments | $ 2,016,181 | $ 1,398,072 | $ 1,422,642 | $ 24,570 |
| Intergovernmental | 53,332 | 53,332 | 111,506 | 58,174 |
| Charges for services | 1,621,700 | 1,571,700 | 1,605,030 | 33,330 |
| Investment earnings | 78,578 | 78,578 | 83,195 | 4,617 |
| Sale and rental of property | 1,154,817 | 904,817 | 1,132,914 | 228,097 |
| Intrafund transfers in | 531,660 | 531,660 | 531,660 | - |
| Total revenues | 5,456,268 | 4,538,159 | 4,886,947 | 348,788 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public works | 5,360,384 | 5,661,344 | 4,578,668 | (1,082,676) |
| Not allocated to organizational units: | | | | |
| Transfers out | 636,573 | 636,573 | 636,573 | - |
| Contingency | 1,442,169 | 761,191 | - | (761,191) |
| Total expenditures | 7,439,126 | 7,059,108 | 5,215,241 | (1,843,867) |
| Net change in fund balance | (1,982,858) | (2,520,949) | (328,294) | 2,192,655 |
| Fund balance, June 30, 2019 | 3,968,876 | 4,506,967 | 4,506,971 | 4 |
| Fund balance, budget basis, June 30, 2020 | $ 1,986,018 | $ 1,986,018 | 4,178,677 | $ 2,192,659 |
| Unrealized gain (loss) on investments | | | 64,811 | |
| Accrued investment earnings | | | 34,603 | |
| Capital assets (net of accumulated depreciation) | | | 5,982,931 | |
| Accrued compensated benefits | | | (48,855) | |
| OPEB liability / asset | | | (549,752) | |
| Net pension liability | | | (1,250,735) | |
| Deferred outflows of resources | | | 606,388 | |
| Deferred inflows of resources | | | (89,756) | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 8,928,312 | |

Lane County, Oregon

## Corrections Commissary Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ 56,710 | $ 48,540 | $ (8,170) |
| Charges for services | 150,000 | 150,000 | 188,049 | 38,049 |
| Investment earnings | 6,500 | 6,500 | 11,196 | 4,696 |
| Total revenues | 156,500 | 213,210 | 247,785 | 34,575 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public safety (sheriff's office) | 166,016 | 207,947 | 177,116 | (30,831) |
| Not allocated to organizational units: | | | | |
| Contingency | 40,100 | 40,100 | - | (40,100) |
| Total expenditures | 206,116 | 248,047 | 177,116 | (70,931) |
| Net change in fund balance | (49,616) | (34,837) | 70,669 | 105,506 |
| Fund balance, June 30, 2019 | 645,000 | 630,221 | 630,220 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 595,384 | $ 595,384 | 700,889 | $ 105,505 |
| Unrealized gain (loss) on investments | | | 8,723 | |
| Accrued investment earnings | | | 4,661 | |
| Prepaid expenses | | | 48,540 | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 762,813 | |

Lane County, Oregon

## Solid Waste Disposal Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 102,000 | $ 102,000 | $ 72,238 | $ (29,762) |
| Charges for services | 18,979,491 | 19,000,239 | 21,563,599 | 2,563,360 |
| Fines, forfeitures and penalties | 500 | 500 | - | (500) |
| Investment earnings | 431,694 | 431,694 | 502,632 | 70,938 |
| Sale and rental of property | 657,670 | 657,670 | 952,265 | 294,595 |
| Intrafund transfers in | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Interfund loan repayment received | 1,001,461 | 1,001,461 | 692,804 | (308,657) |
| Total revenues | 23,172,816 | 23,193,564 | 25,783,538 | 2,589,974 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public works | 18,404,382 | 18,556,531 | 18,009,964 | (546,567) |
| Not allocated to organizational units: | | | | |
| Transfers out | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Contingency | 941,936 | 941,936 | - | (941,936) |
| Total expenditures | 21,346,318 | 21,498,467 | 20,009,964 | (1,488,503) |
| Net change in fund balance | 1,826,498 | 1,695,097 | 5,773,574 | 4,078,477 |
| Fund balance, June 30, 2019 | 24,698,702 | 29,045,776 | 29,045,778 | 2 |
| Fund balance, budget basis, June 30, 2020 | $ 26,525,200 | $ 30,740,873 | 34,819,352 | $ 4,078,479 |
| Unrealized gain (loss) on investments | | | 401,642 | |
| Accrued investment earnings | | | 214,620 | |
| Prepaid expenses | | | 77,146 | |
| Capital assets (net of accumulated depreciation) | | | 23,505,760 | |
| Accrued compensated benefits | | | (501,282) | |
| OPEB liability / asset | | | (3,345,149) | |
| Landfill closure and postclosure care costs | | | (5,845,370) | |
| Net pension liability | | | (9,971,451) | |
| Deferred outflows of resources | | | 4,304,481 | |
| Deferred inflows of resources | | | (692,110) | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 42,967,639 | |

Lane County, Oregon

## Land Management Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Licenses and permits | $ 2,095,900 | $ 2,169,397 | $ 2,033,577 | $ (135,820) |
| Intergovernmental | 604,800 | 754,800 | 327,287 | (427,513) |
| Charges for services | 3,628,062 | 3,713,001 | 3,454,348 | (258,653) |
| Fines, forfeitures and penalties | - | - | 19,730 | 19,730 |
| Administrative and facility charges | 15,000 | 15,000 | 15,000 | - |
| Investment earnings | 134,259 | 154,259 | 122,895 | (31,364) |
| Sale and rental of property | 25,000 | 26,398 | 60,198 | 33,800 |
| Interfund transfers in | - | 40,000 | - | (40,000) |
| Total revenues | 6,503,021 | 6,872,855 | 6,033,035 | (839,820) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public works | 6,708,579 | 7,076,123 | 5,942,318 | (1,133,805) |
| Not allocated to organizational units: | | | | |
| Contingency | 2,268,547 | 2,273,174 | - | (2,273,174) |
| Total expenditures | 8,977,126 | 9,349,297 | 5,942,318 | (3,406,979) |
| Net change in fund balance | (2,474,105) | (2,476,442) | 90,717 | 2,567,159 |
| Fund balance, June 30, 2019 | 6,712,937 | 7,378,611 | 7,378,609 | (2) |
| Fund balance, budget basis, June 30, 2020 | $ 4,238,832 | $ 4,902,169 | 7,469,326 | $ 2,567,157 |
| Unrealized gain (loss) on investments | | | 94,757 | |
| Accrued investment earnings | | | 50,634 | |
| Prepaid expenses | | | 53 | |
| Capital assets (net of accumulated depreciation) | | | 146,688 | |
| Accrued compensated benefits | | | (162,644) | |
| OPEB liability / asset | | | (1,266,501) | |
| Net pension liability | | | (3,967,168) | |
| Deferred outflows of resources | | | 1,758,341 | |
| Deferred inflows of resources | | | (231,826) | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 3,891,660 | |

LANE
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# INTERNAL SERVICE FUNDS

*Combining statements for all internal service funds are reported in this section. The combined totals are reported alongside the individual enterprise funds in the basic financial statements.*

*Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual are also presented in this section for each individual internal service fund.*

**Self Insurance Fund** – This fund accounts for the County's self-insurance program. Lane County is self-insured for both Workers' Compensation and general liability, including property, equipment, employee faithful performance, and certain special coverages. Revenues are generated from charges to other departments, with rates based on a combination of exposures and claims experience. The claims liability (reserve) held by this fund is established based on an actuarial valuation.

**Employee Benefits Fund** – The fund assesses charges to all County departmental budgets to pay for negotiated and statutory employee benefits, including FICA (Social Security), PERS, unemployment insurance, and certain benefit-related services including employee assistance, health promotion, and training.

**Pension Bond Fund** – This fund accounts for the receipt of the payroll surcharge assessed against operating departments and used to make the Limited Tax Pension bond payments.

**Motor and Equipment Pool Fund** – This fund accounts for the purchase and maintenance of County vehicles and heavy equipment for use by County departments. Motor Pool user charges cover vehicle and equipment operation and maintenance expenses, as well as the replacement of vehicles and equipment.

**Intergovernmental Services Fund** – This fund accounts for certain administrative support services which are provided to County departments on a cost-reimbursement basis. Services include investment, debt management, mailroom, and copier services. User charges cover the cost of operations and supplies.

**Technology Replacement Fund** – This fund accounts for user charges assessed to County departments which intend to replace their personal computers, printers, and servers on a scheduled replacement cycle. Monthly assessments are collected based upon the number and type of equipment used by the department, in order to provide sufficient resources for the replacement of the computer equipment according to a scheduled replacement cycle.

**Technology Services Fund** – This fund accounts for user charges assessed to County departments and other local governments for delivery of essential information technology. Internal services include computer network and systems engineering, desktop and peripherals, security and web administration, the County's Help Desk, database development and maintenance, and project management services. Services to other local governments (previously provided by the Regional Information Services enterprise fund) include network and system infrastructure, internet access, electronic mail, data center services, Help Desk services, server procurement and configuration, data storage, backup, and restoration services on a per- agency basis.

**Retiree Medical Benefit Trust Fund –** This fund accounts for the accumulation and disbursement of resources for medical benefits available to certain retired employees.

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Lane County, Oregon

## Combining Statement of Net Position

All Internal Service Funds

June 30, 2020

| | Self Insurance | Employee Benefits | Pension Bond | Motor and Equipment Pool |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Current assets | | | | |
| Pooled cash and investments | $ 7,352,093 | $ 21,716,188 | $ 4,846,016 | $ 32,078,746 |
| Receivables (net of uncollectibles): | | | | |
| Investment earnings | 47,223 | 146,705 | 48,667 | 215,834 |
| Accounts | 1,326 | 95 | - | 73,522 |
| Intergovernmental | 6,821 | - | - | 102,373 |
| Due from other funds | 16,566 | 3,171,254 | - | - |
| Inventories | - | - | - | 1,144,353 |
| Prepaids | 80,475 | 4,440 | - | 943 |
| Total current assets | 7,504,504 | 25,038,682 | 4,894,683 | 33,615,771 |
| Noncurrent assets | | | | |
| Deposits | 100,000 | 135,000 | - | - |
| Net OPEB asset - RHIA | - | - | - | 24,051 |
| Capital assets: | | | | |
| Buildings and land improvements | - | 289,774 | - | 235,596 |
| Equipment and furniture | - | - | - | 26,229,153 |
| Construction in progress | - | - | - | - |
| Less accumulated depreciation | - | (289,774) | - | (17,412,888) |
| Total noncurrent assets | 100,000 | 135,000 | - | 9,075,912 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Pension plan | - | - | - | 779,316 |
| OPEB - RHIA | - | - | - | 272 |
| OPEB - county plan | - | - | - | 317,217 |
| Total deferred outflows of resources | - | - | - | 1,096,805 |
| Total assets and deferred outflows of resources | 7,604,504 | 25,173,682 | 4,894,683 | 43,788,488 |
| **LIABILITIES** | | | | |
| Current liabilities | | | | |
| Accounts payable | 88,237 | 1,347,825 | - | 765,354 |
| Wages and benefits payable | - | 819,282 | - | 60,373 |
| Compensated absences payable | - | - | - | 114,381 |
| Claims payable | 7,883,000 | - | - | - |
| Due to other funds | - | - | - | 41,820 |
| Interest payable | - | - | 274,857 | - |
| Customer deposits | - | - | - | - |
| Bonds payable | - | - | 4,800,000 | - |
| Total current liabilities | 7,971,237 | 2,167,107 | 5,074,857 | 981,928 |
| Noncurrent liabilities | | | | |
| Total OPEB liability-county plan | - | - | - | 842,099 |
| Net pension liabilility | - | - | - | 2,621,745 |
| Bonds payable (net of unamortized discounts) | - | - | 43,308,897 | - |
| Total noncurrent liabilities | - | - | 43,308,897 | 3,463,844 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Pension plan | - | - | - | 179,279 |
| OPEB - RHIA | - | - | - | 5,143 |
| Total deferred inflows of resources | - | - | - | 184,422 |
| Total liabilities and deferred inflows of resources | 7,971,237 | 2,167,107 | 48,383,754 | 4,630,194 |
| **NET POSITION** | | | | |
| Net investment in capital assets | - | - | - | 9,051,861 |
| Unrestricted | (366,733) | 23,006,575 | (43,489,071) | 30,106,433 |
| Total net position | $ (366,733) | $ 23,006,575 | $ (43,489,071) | $ 39,158,294 |

| Intergovernmental Services | Technology Replacement | Technology Services | Retiree Medical Benefit Trust | Total |
|---|---|---|---|---|
| $ 280,812 | $ 2,455,263 | $ 1,653,105 | $ 11,274,146 | $ 81,656,369 |
| 2,053 | 17,201 | 10,951 | 73,352 | 561,986 |
| 9,446 | 260 | 71,186 | - | 155,835 |
| - | 88,553 | 341,361 | - | 539,108 |
| - | - | - | 152,718 | 3,340,538 |
| - | - | - | - | 1,144,353 |
| - | 20,973 | 256,291 | - | 363,122 |
| 292,311 | 2,582,250 | 2,332,894 | 11,500,216 | 87,761,311 |
| - | - | - | - | 235,000 |
| - | - | 77,422 | - | 101,473 |
| - | - | - | - | 525,370 |
| 27,207 | 1,195,145 | 3,857,473 | - | 31,308,978 |
| - | 1,661,480 | 819 | - | 1,662,299 |
| (20,837) | (585,411) | (3,457,504) | - | (21,766,414) |
| 6,370 | 2,271,214 | 478,210 | - | 12,066,706 |
| - | - | 3,533,131 | - | 4,312,447 |
| - | - | 845 | - | 1,117 |
| - | - | 989,519 | - | 1,306,736 |
| - | - | 4,523,495 | - | 5,620,300 |
| 298,681 | 4,853,464 | 7,334,599 | 11,500,216 | 105,448,317 |
| 254 | 111,568 | 200,533 | 353,007 | 2,866,778 |
| - | - | 263,836 | - | 1,143,491 |
| - | - | 520,933 | - | 635,314 |
| - | - | - | - | 7,883,000 |
| - | - | 150,658 | - | 192,478 |
| - | - | - | - | 274,857 |
| - | - | 6,743 | - | 6,743 |
| - | - | - | - | 4,800,000 |
| 254 | 111,568 | 1,142,703 | 353,007 | 17,802,661 |
| - | - | 2,844,844 | - | 3,686,943 |
| - | - | 11,313,759 | - | 13,935,504 |
| - | - | - | - | 43,308,897 |
| - | - | 14,158,603 | - | 60,931,344 |
| - | - | 852,369 | - | 1,031,648 |
| - | - | 17,229 | - | 22,372 |
| - | - | 869,598 | - | 1,054,020 |
| 254 | 111,568 | 16,170,904 | 353,007 | 79,788,025 |
| 6,370 | 2,271,214 | 400,788 | - | 11,730,233 |
| 292,057 | 2,470,682 | (9,237,093) | 11,147,209 | 13,930,059 |
| $ 298,427 | $ 4,741,896 | $ (8,836,305) | $ 11,147,209 | $ 25,660,292 |

Lane County, Oregon

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**

All Internal Service Funds

For the Fiscal Year Ended June 30, 2020

| | Self Insurance | Employee Benefits | Pension Bond | Motor and Equipment Pool |
|---|---|---|---|---|
| **OPERATING REVENUES** | | | | |
| Charges for services | $ 2,880,813 | $ 67,714,623 | $ 8,230,523 | $ 8,356,291 |
| Fines, forfeitures and penalties | - | 6,852 | - | - |
| Administrative and facility charges | - | - | - | 375,000 |
| Sale and rental of property | - | - | - | 207,838 |
| Total operating revenues | 2,880,813 | 67,721,475 | 8,230,523 | 8,939,129 |
| **OPERATING EXPENSES** | | | | |
| Personnel services | - | - | - | 2,713,863 |
| Materials and services | 2,664,274 | 66,272,408 | 8,699 | 5,396,899 |
| Depreciation | - | - | - | 1,517,385 |
| Total operating expenses | 2,664,274 | 66,272,408 | 8,699 | 9,628,147 |
| Operating income (loss) | 216,539 | 1,449,067 | 8,221,824 | (689,018) |
| **NONOPERATING REVENUES (EXPENSES)** | | | | |
| Intergovernmental | 6,821 | - | - | 116,211 |
| Contributions to other governments | - | - | - | (2,236,237) |
| Investment earnings | 202,003 | 676,689 | 198,504 | 968,492 |
| Interest expense | - | - | (3,590,744) | - |
| Gain (loss) on capital asset disposal | - | - | - | 529,587 |
| Total nonoperating revenues (expenses) | 208,824 | 676,689 | (3,392,240) | (621,947) |
| Income (loss) before contributions and transfers | 425,363 | 2,125,756 | 4,829,584 | (1,310,965) |
| Transfers in | - | - | - | 300,170 |
| Transfers out | - | (32,927) | - | (441,391) |
| Change in net position | 425,363 | 2,092,829 | 4,829,584 | (1,452,186) |
| Total net position, June 30, 2019 | (792,096) | 20,913,746 | (48,318,655) | 40,610,480 |
| Total net position, June 30, 2020 | $ (366,733) | $ 23,006,575 | $ (43,489,071) | $ 39,158,294 |

| Intergovernmental Services | Technology Replacement | Technology Services | Retiree Medical Benefit Trust | Total |
|---|---|---|---|---|
| $ 148,790 | $ 1,461,113 | $ 10,920,884 | $ 3,189,916 | $ 102,902,953 |
| - | - | - | - | 6,852 |
| - | 1,425 | - | - | 376,425 |
| 2,447 | - | 1,645 | - | 211,930 |
| 151,237 | 1,462,538 | 10,922,529 | 3,189,916 | 103,498,160 |
| | | | | |
| - | - | 11,298,552 | - | 14,012,415 |
| 505,327 | 1,016,019 | 2,828,731 | 3,032,931 | 81,725,288 |
| 3,184 | 232,484 | 195,717 | - | 1,948,770 |
| 508,511 | 1,248,503 | 14,323,000 | 3,032,931 | 97,686,473 |
| | | | | |
| (357,274) | 214,035 | (3,400,471) | 156,985 | 5,811,687 |
| | | | | |
| - | 105,752 | 1,977,384 | - | 2,206,168 |
| - | - | - | - | (2,236,237) |
| 359,769 | 79,921 | 49,490 | 327,979 | 2,862,847 |
| - | (7,656) | - | - | (3,598,400) |
| - | 117 | - | - | 529,704 |
| 359,769 | 178,134 | 2,026,874 | 327,979 | (235,918) |
| | | | | |
| 2,495 | 392,169 | (1,373,597) | 484,964 | 5,575,769 |
| | | | | |
| - | - | - | - | 300,170 |
| - | - | - | - | (474,318) |
| | | | | |
| 2,495 | 392,169 | (1,373,597) | 484,964 | 5,401,621 |
| | | | | |
| 295,932 | 4,349,727 | (7,462,708) | 10,662,245 | 20,258,671 |
| $ 298,427 | $ 4,741,896 | $ (8,836,305) | $ 11,147,209 | $ 25,660,292 |

Lane County, Oregon

## Combining Statement of Cash Flows

All Internal Service Funds

For the Fiscal Year Ended June 30, 2020

| | Self Insurance | Employee Benefits | Pension Bond | Motor and Equipment Pool |
|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | |
| Receipts from customers and users | $ 2,876,628 | $ 3,305,063 | $ 8,230,523 | $ 914,174 |
| Receipts from facilities rent | - | - | - | 207,838 |
| Receipts from interfund services | - | 63,777,170 | - | 7,784,608 |
| Payments to employees | - | - | - | (1,339,504) |
| Payments to suppliers | (2,694,497) | (66,252,931) | (8,699) | (4,844,572) |
| Payments for interfund services | - | - | - | (1,327,417) |
| Net cash provided by (used for) operating activities | 182,131 | 829,302 | 8,221,824 | 1,395,127 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | |
| Intergovernmental subsidies | - | - | - | 13,837 |
| Principal paid on pension bonds | - | - | (4,405,000) | - |
| Interest paid on pension bonds | - | - | (3,321,565) | - |
| Interfund loan repayments made | - | - | - | - |
| Transfers in | - | - | - | 300,170 |
| Transfers out | - | (32,927) | - | (39,121) |
| Net cash provided by (used for) noncapital financing activities | - | (32,927) | (7,726,565) | 274,886 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | |
| Interest paid on long-term debt | - | - | - | - |
| Proceeds from sale of property | - | - | - | 581,464 |
| Purchases of capital assets | - | - | - | (4,071,816) |
| Net cash provided by (used for) capital and related financing activities | - | - | - | (3,490,352) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| Investment earnings | 197,451 | 595,476 | 216,191 | 913,073 |
| Net cash provided by (used for) investing activities | 197,451 | 595,476 | 216,191 | 913,073 |
| Net increase (decrease) in pooled cash and investments | 379,582 | 1,391,851 | 711,450 | (907,266) |
| Pooled cash and investments, June 30, 2019 | 6,972,511 | 20,324,337 | 4,134,566 | 32,986,012 |
| Pooled cash and investments, June 30, 2020 | $ 7,352,093 | $ 21,716,188 | $ 4,846,016 | $ 32,078,746 |
| **Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:** | | | | |
| Operating income (loss) | $ 216,539 | $ 1,449,067 | $ 8,221,824 | $ (689,018) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation | - | - | - | 1,517,385 |
| (Increase) decrease in receivables | (1,326) | - | - | (32,509) |
| (Increase) decrease in due from other funds | (2,859) | (639,241) | - | - |
| (Increase) decrease in inventories | - | - | - | (161,585) |
| (Increase) decrease in prepaids | (7,532) | 26,616 | - | 14,359 |
| (Increase) decrease in deposits | - | (135,000) | - | - |
| Increase (decrease) in accounts payable | (22,691) | 414,360 | - | 319,468 |
| Increase (decrease) in wages and benefits payable | - | (286,500) | - | 12,184 |
| Increase (decrease) in compensated absences payable | - | - | - | (14,178) |
| Increase (decrease) in due to other funds | - | - | - | 8,262 |
| Increase (decrease) in customer deposits | - | - | - | - |
| Increase (decrease) in net OPEB liability | - | - | - | 87,135 |
| Increase (decrease) in net pension liability | - | - | - | 346,872 |
| Increase (decrease) in deferred inflows | - | - | - | 9,106 |
| (Increase) decrease in deferred outflows | - | - | - | (22,354) |
| Net cash provided by (used for) operating activities | $ 182,131 | $ 829,302 | $ 8,221,824 | $ 1,395,127 |
| **Noncash investing, capital, and financing activities:** | | | | |
| Net contributions of capital assets (to) from governmental funds | $ - | $ - | $ - | $ (2,236,237) |
| Net transfers of capital assets (to) from other proprietary funds | - | - | - | (402,270) |
| Increase (decrease) in fair value of investments | 69,633 | 248,449 | 61,931 | 333,471 |

| Intergovernmental Services | Technology Replacement | Technology Services | Retiree Medical Benefit Trust | Total |
|---|---|---|---|---|
| $ 36,859 | $ - | $ 480,296 | $ 3,156,601 | $ 19,000,144 |
| 2,447 | - | 1,645 | - | 211,930 |
| 112,650 | 1,462,278 | 10,394,859 | - | 83,531,565 |
| - | - | (5,799,992) | - | (7,139,496) |
| (510,146) | (997,339) | (2,888,216) | (3,008,005) | (81,204,405) |
| - | - | (3,625,629) | - | (4,953,046) |
| (358,190) | 464,939 | (1,437,037) | 148,596 | 9,446,692 |
| | | | | |
| - | 17,199 | 1,636,023 | - | 1,667,059 |
| - | - | - | - | (4,405,000) |
| - | - | - | - | (3,321,565) |
| - | (692,804) | - | - | (692,804) |
| - | - | - | - | 300,170 |
| - | - | - | - | (72,048) |
| - | (675,605) | 1,636,023 | - | (6,524,188) |
| | | | | |
| - | (7,656) | - | - | (7,656) |
| - | 5,356 | - | - | 586,820 |
| - | (577,923) | (819) | - | (4,650,558) |
| - | (580,223) | (819) | - | (4,071,394) |
| | | | | |
| 358,194 | 77,465 | 44,598 | 301,933 | 2,704,381 |
| 358,194 | 77,465 | 44,598 | 301,933 | 2,704,381 |
| | | | | |
| 4 | (713,424) | 242,765 | 450,529 | 1,555,491 |
| 280,808 | 3,168,687 | 1,410,340 | 10,823,617 | 80,100,878 |
| $ 280,812 | $ 2,455,263 | $ 1,653,105 | $ 11,274,146 | $ 81,656,369 |
| | | | | |
| $ (357,274) | $ 214,035 | $ (3,400,471) | $ 156,985 | $ 5,811,687 |
| | | | | |
| 3,184 | 232,484 | 195,717 | - | 1,948,770 |
| 719 | (260) | (47,100) | - | (80,476) |
| - | - | - | (33,315) | (675,415) |
| - | - | - | - | (161,585) |
| - | (20,973) | (147,657) | 5,000 | (130,187) |
| - | - | - | - | (135,000) |
| (4,819) | 39,653 | (23,013) | 19,926 | 742,884 |
| - | - | 63,307 | - | (211,009) |
| - | - | 63,579 | - | 49,401 |
| - | - | 32,984 | - | 41,246 |
| - | - | 1,371 | - | 1,371 |
| - | - | 270,946 | - | 358,081 |
| - | - | 1,611,381 | - | 1,958,253 |
| - | - | 39,779 | - | 48,885 |
| - | - | (97,860) | - | (120,214) |
| $ (358,190) | $ 464,939 | $ (1,437,037) | $ 148,596 | $ 9,446,692 |
| | | | | |
| $ - | $ - | $ - | $ - | $ (2,236,237) |
| - | - | - | - | (402,270) |
| - | 25,715 | 20,495 | 116,494 | 876,188 |

Lane County, Oregon

## Self Insurance Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ - | $ 6,821 | $ 6,821 |
| Charges for services | 2,854,556 | 2,854,556 | 2,880,813 | 26,257 |
| Investment earnings | 99,000 | 99,000 | 127,818 | 28,818 |
| Total revenues | 2,953,556 | 2,953,556 | 3,015,452 | 61,896 |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Materials and services | 2,275,410 | 2,785,410 | 2,671,806 | (113,604) |
| Contingency | 300,000 | 300,000 | - | (300,000) |
| Total expenditures | 2,575,410 | 3,085,410 | 2,671,806 | (413,604) |
| Net change in fund balance | 378,146 | (131,854) | 343,646 | 475,500 |
| Fund balance, June 30, 2019 | 6,375,500 | 6,856,548 | 6,856,548 | - |
| Fund balance, budget basis, June 30, 2020 | $ 6,753,646 | $ 6,724,694 | 7,200,194 | $ 475,500 |
| Unrealized gain (loss) on investments | | | 88,375 | |
| Accrued investment earnings | | | 47,223 | |
| Prepaid expenses | | | 80,475 | |
| Deposits | | | 100,000 | |
| Claims payable | | | (7,883,000) | |
| Total net position, GAAP basis, June 30, 2020 | | | $ (366,733) | |

Lane County, Oregon

## Employee Benefits Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Charges for services | $ 67,689,399 | $ 68,316,529 | $ 67,714,623 | $ (601,906) |
| Fines, forfeitures and penalties | - | 6,852 | 6,852 | - |
| Investment earnings | 180,000 | 235,000 | 347,028 | 112,028 |
| Total revenues | 67,869,399 | 68,558,381 | 68,068,503 | (489,878) |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Materials and services | 69,589,875 | 77,127,560 | 66,245,792 | (10,881,768) |
| Transfers out | - | 56,250 | 32,927 | (23,323) |
| Contingency | 750,000 | 750,000 | - | (750,000) |
| Total expenditures | 70,339,875 | 77,933,810 | 66,278,719 | (11,655,091) |
| Net change in fund balance | (2,470,476) | (9,375,429) | 1,789,784 | 11,165,213 |
| Fund balance, June 30, 2019 | 10,277,000 | 20,791,102 | 20,791,102 | - |
| Fund balance, budget basis, June 30, 2020 | $ 7,806,524 | $ 11,415,673 | 22,580,886 | $ 11,165,213 |
| Unrealized gain (loss) on investments | | | 274,545 | |
| Accrued investment earnings | | | 146,704 | |
| Prepaid expenses | | | 4,440 | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 23,006,575 | |

Lane County, Oregon

## Pension Bond Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Charges for services | $ 8,060,876 | $ 8,060,876 | $ 8,230,523 | $ 169,647 |
| Investment earnings | 101,500 | 101,500 | 154,260 | 52,760 |
| Total revenues | 8,162,376 | 8,162,376 | 8,384,783 | 222,407 |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Materials and services | 8,699 | 8,699 | 8,699 | - |
| Debt service | 7,726,566 | 7,726,566 | 7,726,565 | (1) |
| Total expenditures | 7,735,265 | 7,735,265 | 7,735,264 | (1) |
| Net change in fund balance | 427,111 | 427,111 | 649,519 | 222,408 |
| Fund balance, June 30, 2019 | 3,874,324 | 4,105,422 | 4,105,421 | (1) |
| Fund balance, budget basis, June 30, 2020 | $ 4,301,435 | $ 4,532,533 | 4,754,940 | $ 222,407 |
| Unrealized gain (loss) on investments | | | 91,075 | |
| Accrued investment earnings | | | 48,667 | |
| Interest payable | | | (274,856) | |
| Long-term debt | | | (48,108,897) | |
| Total net position, GAAP basis, June 30, 2020 | | | $ (43,489,071) | |

Lane County, Oregon

## Motor and Equipment Pool Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 82,900 | $ 82,900 | $ 116,211 | $ 33,311 |
| Charges for services | 8,017,778 | 8,017,778 | 8,291,744 | 273,966 |
| Administrative and facility charges | - | - | 375,000 | 375,000 |
| Investment earnings | 490,200 | 490,200 | 579,569 | 89,369 |
| Sale and rental of property | 322,650 | 497,650 | 789,301 | 291,651 |
| Interfund transfers in | 700,000 | 961,049 | 263,187 | (697,862) |
| Total revenues | 9,613,528 | 10,049,577 | 10,415,012 | 365,435 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Public safety (sheriff's office) | 4,324,768 | 5,373,385 | 2,108,386 | (3,264,999) |
| Public works | 9,186,643 | 10,649,786 | 9,750,289 | (899,497) |
| Not allocated to organizational units: | | | | |
| Transfers out | 700,000 | 700,000 | 2,138 | (697,862) |
| Contingency | 2,711,250 | 2,566,267 | - | (2,566,267) |
| Total expenditures | 16,922,661 | 19,289,438 | 11,860,813 | (7,428,625) |
| Net change in fund balance | (7,309,133) | (9,239,861) | (1,445,801) | 7,794,060 |
| Fund balance, June 30, 2019 | 33,614,839 | 32,428,981 | 32,428,982 | 1 |
| Fund balance, budget basis, June 30, 2020 | $ 26,305,706 | $ 23,189,120 | 30,983,181 | $ 7,794,061 |
| Unrealized gain (loss) on investments | | | 403,914 | |
| Accrued investment earnings | | | 215,834 | |
| Inventories | | | 1,144,353 | |
| Prepaid expenses | | | 943 | |
| Capital assets (net of accumulated depreciation) | | | 9,051,860 | |
| Accrued compensated benefits | | | (114,381) | |
| OPEB liability | | | (818,048) | |
| Net pension (liability) / asset | | | (2,621,745) | |
| Deferred outflows of resources | | | 1,096,805 | |
| Deferred inflows of resources | | | (184,422) | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 39,158,294 | |

Lane County, Oregon

## Intergovernmental Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Charges for services | $ 180,000 | $ 180,000 | $ 148,790 | $ (31,210) |
| Investment earnings | 366,888 | 366,888 | 358,194 | (8,694) |
| Sale and rental of property | 26,500 | 26,500 | 2,447 | (24,053) |
| Total revenues | 573,388 | 573,388 | 509,431 | (63,957) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| County administration | 582,567 | 582,567 | 505,327 | (77,240) |
| Not allocated to organizational units: | | | | |
| Contingency | 50,000 | 119,360 | - | (119,360) |
| Total expenditures | 632,567 | 701,927 | 505,327 | (196,600) |
| Net change in fund balance | (59,179) | (128,539) | 4,104 | 132,643 |
| Fund balance, June 30, 2019 | 216,539 | 285,899 | 285,901 | 2 |
| Fund balance, budget basis, June 30, 2020 | $ 157,360 | $ 157,360 | 290,005 | $ 132,645 |
| Accrued investment earnings | | | 2,053 | |
| Capital assets (net of accumulated depreciation) | | | 6,369 | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 298,427 | |

Lane County, Oregon

## Technology Replacement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 10,000 | $ 10,000 | $ 105,752 | $ 95,752 |
| Charges for services | 2,754,324 | 2,754,324 | 1,461,113 | (1,293,211) |
| Administrative and facility charges | - | - | 1,425 | 1,425 |
| Investment earnings | 14,229 | 14,229 | 51,749 | 37,520 |
| Sale and rental of property | - | - | 5,355 | 5,355 |
| Total revenues | 2,778,553 | 2,778,553 | 1,625,394 | (1,153,159) |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Technology services | 2,022,179 | 2,206,452 | 1,614,913 | (591,539) |
| Not allocated to organizational units: | | | | |
| Debt service | 25,828 | 25,828 | - | (25,828) |
| Transfers out | 1,027,289 | 1,027,289 | 700,460 | (326,829) |
| Contingency | 1,253,285 | 1,168,266 | - | (1,168,266) |
| Total expenditures | 4,328,581 | 4,427,835 | 2,315,373 | (2,112,462) |
| Net change in fund balance | (1,550,028) | (1,649,282) | (689,979) | 959,303 |
| Fund balance, June 30, 2019 | 2,991,040 | 3,090,294 | 3,090,294 | - |
| Fund balance, budget basis, June 30, 2020 | $ 1,441,012 | $ 1,441,012 | 2,400,315 | $ 959,303 |
| Unrealized gain (loss) on investments | | | 32,191 | |
| Accrued investment earnings | | | 17,201 | |
| Prepaid expenses | | | 20,973 | |
| Capital assets (net of accumulated depreciation) | | | 2,271,216 | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 4,741,896 | |

Lane County, Oregon

## Technology Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 1,743,284 | $ 1,743,284 | $ 1,977,384 | $ 234,100 |
| Charges for services | 10,393,688 | 10,471,154 | 10,720,175 | 249,021 |
| Administrative and facility charges | 949,228 | 949,228 | 949,229 | 1 |
| Investment earnings | - | - | 24,102 | 24,102 |
| Sale and rental of property | - | - | 1,645 | 1,645 |
| Total revenues | 13,086,200 | 13,163,666 | 13,672,535 | 508,869 |
| **EXPENDITURES** | | | | |
| Current - departmental: | | | | |
| Technology services | 13,386,200 | 13,273,505 | 13,136,451 | (137,054) |
| Not allocated to organizational units: | | | | |
| Contingency | 400,000 | 777,466 | - | (777,466) |
| Total expenditures | 13,786,200 | 14,050,971 | 13,136,451 | (914,520) |
| Net change in fund balance | (700,000) | (887,305) | 536,084 | 1,423,389 |
| Fund balance, June 30, 2019 | 700,000 | 887,305 | 887,305 | - |
| Fund balance, budget basis, June 30, 2020 | $ - | $ - | 1,423,389 | $ 1,423,389 |
| Unrealized gain (loss) on investments | | | 20,495 | |
| Accrued investment earnings | | | 10,951 | |
| Prepaid expenses | | | 256,291 | |
| Capital assets (net of accumulated depreciation) | | | 400,787 | |
| Accrued compensated benefits | | | (520,933) | |
| OPEB liability | | | (2,767,422) | |
| Net pension (liability) / asset | | | (11,313,759) | |
| Deferred outflows of resources | | | 4,523,494 | |
| Deferred inflows of resources | | | (869,598) | |
| Total net position, GAAP basis, June 30, 2020 | | | $ (8,836,305) | |

Lane County, Oregon

## Retiree Medical Benefit Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2020

| | Budgeted Amounts | | Actual | Variance with |
|---|---|---|---|---|
| | Original | Final | Amounts | Final Budget |
| **REVENUES** | | | | |
| Charges for services | $ 3,260,134 | $ 3,260,134 | $ 3,189,916 | $ (70,218) |
| Investment earnings | 165,000 | 165,000 | 185,439 | 20,439 |
| Total revenues | 3,425,134 | 3,425,134 | 3,375,355 | (49,779) |
| **EXPENDITURES** | | | | |
| Not allocated to organizational units: | | | | |
| Materials and services | 3,344,976 | 3,328,326 | 3,032,931 | (295,395) |
| Contingency | 500,000 | 500,000 | - | (500,000) |
| Total expenditures | 3,844,976 | 3,828,326 | 3,032,931 | (795,395) |
| Net change in fund balance | (419,842) | (403,192) | 342,424 | 745,616 |
| Fund balance, June 30, 2019 | 10,750,000 | 10,594,160 | 10,594,161 | 1 |
| Fund balance, budget basis, June 30, 2020 | $ 10,330,158 | $ 10,190,968 | 10,936,585 | $ 745,617 |
| Unrealized gain (loss) on investments | | | 137,272 | |
| Accrued investment earnings | | | 73,352 | |
| Total net position, GAAP basis, June 30, 2020 | | | $ 11,147,209 | |

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# FIDUCIARY FUNDS

*The Statement of Fiduciary Net Position is reported in the basic financial statements. The Schedule of Changes in Assets and Liabilities for the Property Tax Agency Fund are presented in this section.*

**Property Tax Agency Fund** – This fund accounts for property taxes received and held by the County in a purely custodial capacity for other taxing jurisdictions within the County.

Lane County, Oregon

## Statement of Changes in Assets and Liabilities

Property Tax Agency Fund

For the Fiscal Year Ended June 30, 2020

| | Balance June 30, 2019 | Additions | Deductions | Balance June 30, 2020 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Pooled cash and investments | $ 3,245,144 | $ 1,099,231,546 | $ 1,099,077,288 | $ 3,399,402 |
| Receivables: | | | | |
| Property taxes | 17,737,388 | 19,146,811 | 17,737,388 | 19,146,811 |
| Accounts | 3,508,481 | 9,294,128 | 6,362,551 | 6,440,058 |
| Total assets | $ 24,491,013 | $ 1,127,672,485 | $ 1,123,177,227 | $ 28,986,271 |
| **LIABILITIES** | | | | |
| Accounts payable | $ 352,642 | $ 5,350,504 | $ 5,581,349 | $ 121,797 |
| Due to other governments | 24,138,371 | 531,657,820 | 526,931,717 | 28,864,474 |
| Total liabilities | $ 24,491,013 | $ 537,008,324 | $ 532,513,066 | $ 28,986,271 |

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# OTHER SUPPLEMENTARY SCHEDULES

Lane County, Oregon

## Schedule of Cash Receipts and Turnovers - Elected Officials

For the Fiscal Year Ended June 30, 2020

| | Assessor's Office | Justice of the Peace | Sheriff - Civil and Criminal | District Attorney | Total |
|---|---|---|---|---|---|
| Cash, June 30, 2019 | $ 3,250 | $ 106,755 | $ 112,102 | $ 8,000 | $ 230,107 |
| Receipts | | | | | |
| Fines and fees | - | 412,934 | 3,755,797 | 201,735 | 4,370,466 |
| Other | 566,433,443 | - | 754,560 | 1,696,649 | 568,884,652 |
| Total receipts | 566,433,443 | 412,934 | 4,510,357 | 1,898,384 | 573,255,118 |
| Turnovers | | | | | |
| County | 561,509,701 | 307,626 | - | 1,865,449 | 563,682,776 |
| Others | 4,923,742 | 105,300 | 4,370,176 | 30,435 | 9,429,653 |
| Total turnovers | 566,433,443 | 412,926 | 4,370,176 | 1,895,884 | 573,112,429 |
| Cash, June 30, 2020 | $ 3,250 | $ 106,763 | $ 252,283 | $ 10,500 | $ 372,796 |

Lane County, Oregon

## Schedule of Property Tax Transactions

For the Fiscal Year ended June 30, 2020

| Tax Year | Taxes Receivable June 30, 2019 | Add Current Levy | Deduct Discounts Allowed | Add Interest on Delinquent Taxes | Deduct Cash Collections | Deduct Corrections and Adjustments | Taxes Receivable June 30, 2020 |
|---|---|---|---|---|---|---|---|
| 2019-20 | $ - | $ 581,092,157 | $ (15,490,544) | $ 173,778 | $ (553,252,553) | $ (1,474,572) | $ 11,048,266 |
| 2018-19 | 9,516,289 | - | 16,119 | 343,357 | (4,643,774) | (589,605) | 4,642,386 |
| 2017-18 | 4,259,599 | - | 3,365 | 313,107 | (1,971,197) | (170,478) | 2,434,396 |
| 2016-17 | 2,483,456 | - | 877 | 383,091 | (1,751,191) | (81,078) | 1,035,155 |
| 2015-16 | 1,185,071 | - | 301 | 278,177 | (1,071,563) | (20,332) | 371,654 |
| 2014-15 | 379,372 | - | 11 | 82,696 | (241,480) | (10,042) | 210,557 |
| 2013-14 | 234,741 | - | - | 40,734 | (107,602) | (8,419) | 159,454 |
| Prior | 1,908,343 | - | 84 | 141,999 | (227,279) | (88,764) | 1,734,383 |
| | 19,966,871 | - | 20,757 | 1,583,161 | (10,014,086) | (968,718) | 10,587,985 |
| | $ 19,966,871 | $ 581,092,157 | $ (15,469,787) | $ 1,756,939 | $ (563,266,639) | $ (2,443,290) | $ 21,636,251 |

Lane County, Oregon

## Schedule of Property Taxes Receivable by Levy Year by Fund

For the Fiscal Year Ended June 30, 2020

| | | | Special Revenue | | Agency |
|---|---|---|---|---|---|
| Tax Year | Total | General | Local Option Levy | Extension Service Levy | Property Tax |
| 2019-20 | $ 11,048,267 | $ 858,465 | $ 369,149 | $ 10,069 | $ 9,810,584 |
| 2018-19 | 4,642,386 | 368,009 | 148,200 | 4,316 | 4,121,861 |
| 2017-18 | 2,434,396 | 196,602 | 58,587 | 2,313 | 2,176,894 |
| 2016-17 | 1,035,155 | 83,599 | 24,913 | 983 | 925,660 |
| 2015-16 | 371,654 | 29,998 | 8,921 | 352 | 332,383 |
| 2014-15 | 210,557 | 17,067 | 7,309 | - | 186,181 |
| 2013-14 | 159,454 | 13,843 | 5,456 | - | 140,155 |
| Prior | 1,734,382 | 252,040 | 29,249 | - | 1,453,093 |
| | $ 21,636,251 | $ 1,819,623 | $ 651,784 | $ 18,033 | $ 19,146,811 |

Lane County, Oregon

## Schedule of Property Tax Collections by Levy Year by Fund

For the Fiscal Year Ended June 30, 2020

| | | | Special Revenue | | Agency |
|---|---|---|---|---|---|
| Tax Year | Total | General | Local Option Levy | Extension Service Levy | Property Tax |
| 2019-20 | $ 553,252,553 | $ 42,988,470 | $ 18,485,486 | $ 504,149 | $ 491,274,448 |
| 2018-19 | 4,643,774 | 368,119 | 148,244 | 4,318 | 4,123,093 |
| 2017-18 | 1,971,197 | 159,194 | 47,440 | 1,873 | 1,762,690 |
| 2016-17 | 1,751,191 | 141,427 | 42,145 | 1,664 | 1,565,955 |
| 2015-16 | 1,071,563 | 86,490 | 25,722 | 1,015 | 958,336 |
| 2014-15 | 241,480 | 19,573 | 8,383 | - | 213,524 |
| 2013-14 | 107,602 | 9,342 | 3,682 | - | 94,578 |
| Prior | 227,279 | 33,028 | 3,833 | - | 190,418 |
| | $ 563,266,639 | $ 43,805,643 | $ 18,764,935 | $ 513,019 | $ 500,183,042 |

# STATISTICAL SECTION

# STATISTICAL SECTION

*This section of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.*

**Contents** Page(s)


| | |
|---|---|
| **Financial Trends -** These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 168 – 177 |
| **Revenue Capacity -** These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax. | 178 – 187 |
| **Debt Capacity -** These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and its ability to issue additional debt in the future. | 188 – 195 |
| **Demographic and Economic Information -** These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. | 197 – 201 |
| **Operating Information -** These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. | 202 – 205 |

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Lane County, Oregon

## Net Position by Component [c]

Last Ten Fiscal Years - Unaudited

*(Accrual Basis of Accounting)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 [a] | 2012 [b] | 2013 | 2014 [d] |
| Governmental activities: | | | | |
| Net investment in capital assets | $ 295,107,779 | $ 298,026,559 | $ 302,027,854 | $ 302,120,765 |
| Restricted | 85,578,785 | 58,690,216 | 62,225,868 | 74,736,441 |
| Unrestricted [e] | 56,434,134 | 65,193,235 | 67,067,342 | 66,743,620 |
| Total governmental activities net position | $ 437,120,698 | $ 421,910,010 | $ 431,321,064 | $ 443,600,826 |
| Business-type activities: | | | | |
| Net investment in capital assets [a, b] | $ 43,050,094 | $ 30,836,769 | $ 29,578,801 | $ 29,603,082 |
| Restricted [f] | - | - | - | - |
| Unrestricted [a, b] | 31,065,278 | 25,554,519 | 25,170,227 | 26,739,735 |
| Total business-type activities net position | $ 74,115,372 | $ 56,391,288 | $ 54,749,028 | $ 56,342,817 |
| Primary government: | | | | |
| Net investment in capital assets | $ 338,157,873 | $ 328,863,328 | $ 331,606,655 | $ 331,723,847 |
| Restricted | 85,578,785 | 58,690,216 | 62,225,868 | 74,736,441 |
| Unrestricted | 87,499,412 | 90,747,754 | 92,237,569 | 93,483,355 |
| Total primary government net position | $ 511,236,070 | $ 478,301,298 | $ 486,070,092 | $ 499,943,643 |

**Notes**

a. In accordance with GASB No. 61, Homes for Good (previously known as the Housing and Community Services Agency) has been reclassified as a discretely presented component unit. In order to enhance comparability, Homes for Good has been removed from the business-type activities of the primary government for fiscal years 2011 and prior.

b. In 2012, the Regional Information Systems enterprise fund was closed, and residual assets and liabilities transferred to the Information Services internal service fund.

c. In 2013, GASB No. 63 changed the term "Net Assets" to be "Net Position". The term has been changed retroactively.

d. In 2014, a five year local option tax was levied, increasing restricted net position in governmental activities dramatically.

e. In 2016, an unrestricted credit of ($2,014,755) resulted from the application of GASB No. 68 and the increase in the County's share of Net Pension Liability during the measurement period ended June 30, 2015.

f. Restricted for landfill closure and postclosure care.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 1**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 [e] | 2017 | 2018 | 2019 | 2020 |
| $ 299,544,800 | $ 299,131,554 | $ 301,230,018 | $ 299,468,286 | $ 301,418,606 | $ 312,334,537 |
| 83,347,501 | 80,471,682 | 80,130,119 | 76,040,536 | 88,778,389 | 89,125,190 |
| 15,055,305 | (2,014,755) | (12,859,241) | (33,758,280) | (27,882,031) | (58,551,652) |
| $ 397,947,606 | $ 377,588,481 | $ 368,500,896 | $ 341,750,542 | $ 362,314,964 | $ 342,908,075 |
| $ 28,426,494 | $ 28,779,419 | $ 30,255,821 | $ 29,014,251 | $ 28,622,606 | $ 29,635,381 |
| - | - | - | - | 5,602,623 | 5,845,370 |
| 28,398,020 | 25,542,583 | 29,380,082 | 31,755,401 | 32,373,865 | 35,915,126 |
| $ 56,824,514 | $ 54,322,002 | $ 59,635,903 | $ 60,769,652 | $ 66,599,094 | $ 71,395,877 |
| $ 327,971,294 | $ 327,910,973 | $ 331,485,839 | $ 328,482,537 | $ 330,041,212 | $ 341,969,918 |
| 83,347,501 | 80,471,682 | 80,130,119 | 76,040,536 | 94,381,012 | 94,970,560 |
| 43,453,325 | 23,527,828 | 16,520,841 | (2,002,879) | 4,491,834 | (22,636,526) |
| $ 454,772,120 | $ 431,910,483 | $ 428,136,799 | $ 402,520,194 | $ 428,914,058 | $ 414,303,952 |

Lane County, Oregon

## Changes in Net Position [e]

Last Ten Fiscal Years - Unaudited
*(Accrual Basis of Accounting)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 [b] | 2012 | 2013 | 2014 |
| **Expenses** [a] | | | | |
| Governmental activities: | | | | |
| General government | $ 24,407,716 | $ 22,793,457 | $ 21,789,920 | $ 22,885,713 |
| Public safety | 77,099,943 | 75,317,947 | 65,949,359 | 63,056,066 |
| Public health and welfare | 86,423,729 | 90,154,259 | 62,449,435 | 68,793,130 |
| Parks | 2,477,150 | 2,643,327 | 3,348,646 | 3,539,392 |
| Roads and bridges | 36,816,737 | 35,913,841 | 34,621,493 | 34,782,300 |
| Community development | 6,913,731 | 6,306,754 | 5,232,216 | 4,977,905 |
| Interest on long-term debt | 6,927,479 | 6,945,867 | 6,715,595 | 6,496,772 |
| Total governmental activities expenses | 241,066,485 | 240,075,452 | 200,106,664 | 204,531,278 |
| Business-type activities: | | | | |
| Lane events center | 3,751,770 | 3,791,913 | 3,896,514 | 3,845,351 |
| Solid waste disposal | 14,733,559 | 14,271,131 | 14,255,724 | 14,669,838 |
| Corrections commissary | 254,748 | 248,701 | 143,650 | 21,145 |
| Regional information systems [c] | 5,542,377 | - | - | - |
| Land management | 5,312,174 | 5,281,661 | 4,221,305 | 4,028,660 |
| Total business-type activities expenses | 29,594,628 | 23,593,406 | 22,517,193 | 22,564,994 |
| Total primary government expenses | $ 270,661,113 | $ 263,668,858 | $ 222,623,857 | $ 227,096,272 |
| **Program revenues** | | | | |
| Governmental activities: | | | | |
| Charges for services: | | | | |
| Public safety | $ 21,607,400 | $ 17,170,939 | $ 25,625,743 | $ 21,545,935 |
| Public health and welfare | 51,148,840 | 46,356,092 | 17,777,377 | 15,953,918 |
| Other activities | 14,764,188 | 16,669,493 | 20,838,006 | 19,600,458 |
| Operating grants and contributions | 103,636,208 | 87,286,212 | 92,338,065 | 94,396,429 |
| Total governmental activities program revenues | 191,156,636 | 167,482,736 | 156,579,191 | 151,496,740 |
| Business-type activities: | | | | |
| Charges for services: | | | | |
| Lane events center | 2,405,440 | 2,341,298 | 2,394,153 | 2,286,149 |
| Solid waste disposal | 15,051,354 | 15,040,888 | 14,578,099 | 15,165,770 |
| Other activities [c] | 11,229,313 | 3,071,735 | 3,083,804 | 3,377,617 |
| Operating grants and contributions | 232,835 | 223,789 | 50,099 | 73,190 |
| Capital grants and contributions | - | 5,000 | - | - |
| Total business-type activities program revenues | 28,918,942 | 20,682,710 | 20,106,155 | 20,902,726 |
| Total primary government program revenues | $ 220,075,578 | $ 188,165,446 | $ 176,685,346 | $ 172,399,466 |
| **Net expense (revenue)** | | | | |
| Governmental activities | $ (49,909,849) | $ (72,592,716) | $ (43,527,473) | $ (53,034,538) |
| Business-type activities | (675,686) | (2,910,696) | (2,411,038) | (1,662,268) |
| Total primary government net expense | $ (50,585,535) | $ (75,503,412) | $ (45,938,511) | $ (54,696,806) |
| **General revenues and other changes in net position** | | | | |
| Governmental activities: | | | | |
| Property taxes, net of refunds [f] | $ 35,852,438 | $ 37,054,469 | $ 37,512,989 | $ 52,908,377 |
| Transient room taxes | 3,248,744 | 3,468,800 | 3,720,712 | 3,790,081 |
| Car rental taxes | 1,208,685 | 1,245,574 | 1,340,354 | 1,561,052 |
| O&C timber receipts | 10,999,817 | 4,917,036 | 4,460,083 | 4,640,791 |
| Unrestricted investment earnings | 1,305,825 | 1,073,438 | 789,415 | 1,000,687 |
| Grants not restricted to specific programs | 5,325,256 | 5,266,754 | 5,148,479 | 4,328,904 |
| Special items [d] | - | (11,330,373) | - | - |
| Transfers [c] | (1,086,300) | 15,686,330 | (33,504) | (2,150,475) |
| Total governmental activities | 56,854,465 | 57,382,028 | 52,938,528 | 66,079,417 |
| Business-type activities: | | | | |
| Transient room taxes | 716,031 | 692,739 | 604,963 | 982,440 |
| Unrestricted investment earnings | 330,028 | 180,203 | 130,310 | 123,142 |
| Special Items [i] | - | - | - | - |
| Transfers [c] | 1,086,300 | (15,686,330) | 33,504 | 2,150,475 |
| Total business-type activities | 2,132,359 | (14,813,388) | 768,777 | 3,256,057 |
| Total primary government | $ 58,986,824 | $ 42,568,640 | $ 53,707,305 | $ 69,335,474 |

**Exhibit 2**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ 17,294,473 | $ 20,054,882 | $ 20,572,169 | $ 22,273,693 | $ 22,641,051 | $ 27,158,419 |
| 50,029,047 | 84,890,427 | 75,267,809 | 75,962,674 | 83,384,892 | 91,640,381 |
| 64,682,880 | 98,251,368 | 98,364,359 | 100,993,938 | 118,434,350 | 133,364,177 |
| 2,744,689 | 3,501,974 | 3,659,327 | 3,092,812 | 3,998,468 | 4,518,142 |
| 29,883,532 | 39,107,267 | 28,715,127 | 32,120,808 | 38,624,053 | 43,339,824 |
| 4,018,145 | 4,428,682 | 3,964,146 | 4,315,250 | 3,810,006 | 4,773,258 |
| 6,244,634 | 5,944,426 | 5,614,241 | 5,029,666 | 4,709,264 | 4,379,729 |
| 174,897,400 | 256,179,026 | 236,157,178 | 243,788,841 | 275,602,084 | 309,173,930 |
| 3,935,521 | 4,292,921 | 4,232,878 | 3,970,745 | 4,230,642 | 4,253,527 |
| 13,194,049 | 17,788,432 | 16,346,611 | 17,474,658 | 18,490,555 | 19,419,970 |
| 90,697 | 128,825 | 114,792 | 134,149 | 109,106 | 123,841 |
| - | - | - | - | - | - |
| 3,478,637 | 5,615,362 | 5,116,554 | 5,170,174 | 5,897,331 | 6,486,208 |
| 20,698,904 | 27,825,540 | 25,810,835 | 26,749,726 | 28,727,634 | 30,283,546 |
| $ 195,596,304 | $ 284,004,566 | $ 261,968,013 | $ 270,538,567 | $ 304,329,718 | $ 339,457,476 |
| $ 23,530,234 | $ 23,679,910 | $ 17,120,368 | $ 23,868,726 | $ 28,762,661 | $ 25,101,373 |
| 20,159,060 | 20,938,511 | 23,304,062 | 23,768,999 | 32,127,413 | 34,923,960 |
| 14,380,830 | 14,404,710 | 15,504,921 | 15,114,699 | 18,301,351 | 15,969,353 |
| 99,970,924 | 106,518,405 | 105,229,865 | 113,324,393 | 134,550,090 | 124,365,172 |
| 158,041,048 | 165,541,536 | 161,159,216 | 176,076,817 | 213,741,515 | 200,359,858 |
| 2,401,442 | 2,633,686 | 2,504,034 | 2,738,932 | 2,892,074 | 2,781,761 |
| 15,692,367 | 16,531,603 | 18,753,597 | 19,727,131 | 22,015,618 | 22,767,928 |
| 5,111,453 | 5,992,115 | 5,798,718 | 5,997,385 | 6,505,547 | 5,872,198 |
| 57,024 | 55,499 | 410,800 | 142,610 | 99,380 | 408,507 |
| - | - | - | - | - | - |
| 23,262,286 | 25,212,903 | 27,467,149 | 28,606,058 | 31,512,619 | 31,830,394 |
| $ 181,303,334 | $ 190,754,439 | $ 188,626,365 | $ 204,682,875 | $ 245,254,134 | $ 232,190,252 |
| $ (16,856,352) | $ (90,637,490) | $ (74,997,962) | $ (67,712,024) | $ (61,860,569) | $ (108,814,072) |
| 2,563,382 | (2,612,637) | 1,656,314 | 1,856,332 | 2,784,985 | 1,546,848 |
| $ (14,292,970) | $ (93,250,127) | $ (73,341,648) | $ (65,855,692) | $ (59,075,584) | $ (107,267,224) |
| $ 54,364,587 | $ 54,556,436 | $ 52,117,143 | $ 53,521,221 | $ 59,456,085 | $ 64,563,655 |
| 4,270,015 | 4,590,793 | 4,949,203 | 5,177,538 | 5,212,793 | 4,484,377 |
| 1,665,145 | 1,789,654 | 1,912,339 | 2,029,633 | 2,108,503 | 1,864,019 |
| 4,539,345 | 4,273,742 | 2,871,131 | 4,485,864 | 3,546,128 | 3,291,017 |
| 1,844,603 | 1,189,529 | 965,989 | 1,288,581 | 4,333,091 | 4,583,614 |
| 4,878,557 | 4,291,061 | 4,872,718 | 6,479,556 | 7,826,569 | 11,068,922 |
| - | - | - | - | - | - |
| (253,769) | (412,850) | (1,778,146) | (19,815) | (58,178) | (448,421) |
| 71,308,483 | 70,278,365 | 65,910,377 | 72,962,578 | 82,424,991 | 89,407,183 |
| 1,158,528 | 1,464,630 | 1,739,287 | 1,895,506 | 1,921,417 | 1,422,642 |
| 139,755 | 211,096 | 140,154 | 234,158 | 1,064,862 | 1,378,872 |
| - | (1,978,451) | - | - | - | |
| 253,769 | 412,850 | 1,778,146 | 19,815 | 58,178 | 448,421 |
| 1,552,052 | 110,125 | 3,657,587 | 2,149,479 | 3,044,457 | 3,249,935 |
| $ 72,860,535 | $ 70,388,490 | $ 69,567,964 | $ 75,112,057 | $ 85,469,448 | $ 92,657,118 |

Lane County, Oregon

## Changes in Net Position [e] (continued)

Last Ten Fiscal Years - Unaudited

*(Accrual Basis of Accounting)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 [b] | 2012 | 2013 | 2014 |
| **Change in net position** | | | | |
| Governmental activities [j] | $ 6,944,616 | $ (15,210,688) | $ 9,411,054 | $ 13,044,879 |
| Business-type activities [j] | 1,456,673 | (17,724,084) | (1,642,260) | 1,593,789 |
| Total primary government | 8,401,289 | (32,934,772) | 7,768,794 | 14,638,668 |
| **Net position, beginning of year, as previously reported** | | | | |
| Governmental activities | 430,176,082 | 437,120,698 | 421,910,010 | 431,321,064 |
| Business-type activities | 72,658,699 | 74,115,372 | 56,391,288 | 54,749,028 |
| Total primary government | 502,834,781 | 511,236,070 | 478,301,298 | 486,070,092 |
| **Prior period adjustments and reclassifications** | | | | |
| Governmental activities [g, h, k] | - | - | - | (765,117) |
| Business activities [h, k] | - | - | - | - |
| Total primary government | - | - | - | (765,117) |
| **Net position, beginning of year, restated** | | | | |
| Governmental activities | 430,176,082 | 437,120,698 | 421,910,010 | 430,555,947 |
| Business-type activities | 72,658,699 | 74,115,372 | 56,391,288 | 54,749,028 |
| Total primary government | 502,834,781 | 511,236,070 | 478,301,298 | 485,304,975 |
| **Net position, end of year** | | | | |
| Governmental activities | 437,120,698 | 421,910,010 | 431,321,064 | 443,600,826 |
| Business-type activities | 74,115,372 | 56,391,288 | 54,749,028 | 56,342,817 |
| Total primary government | $ 511,236,070 | $ 478,301,298 | $ 486,070,092 | $ 499,943,643 |

**Notes**

a. Expenses have been reported net of the indirect expense allocation.

b. In accordance with GASB No. 61, Homes for Good (previously known as the Housing and Community Services Agency) has been reclassified as a discretely presented component unit. In order to enhance comparability, Homes for Good has been removed from the business-type activities of the primary government for fiscal years 2011 and prior.

c. In 2012, the Regional Information Systems enterprise fund was closed, and residual assets and liabilities transferred to the Information Services internal service fund.

d. Special item in 2012 represents the write-off of the AIRS conversion project when the Regional Excecutive Group disbanded.

e. In 2013, GASB No. 63 changed the term "Net Assets" to be "Net Position". The term has been changed retroactively.

f. In 2014, the first year of a five year local option tax was levied, dramatically increasing property taxes revenues.

g. GASB No. 65 implemention in 2014 required restatement of previously armortized debt issuance costs.

h. GASB No. 68 Implementation in 2015 required restatement of previously reported Pension Asset.

i. Special item in 2016 represents the write-off of the Reverse Osmosis Wastewater Treatment System.

j. The negative net position in fiscal year 2016 resulted from the application of GASB No. 68 and the increase in the County's share of Net Pension Liability during the measurement period ended June 30, 2015.

k. GASB No. 75 implementation in 2018 required restatement of previously reported OPEB liability.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 2** (continued)

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ 54,452,131 | $ (20,359,125) | $ (9,087,585) | $ 5,250,554 | $ 20,564,422 | $ (19,406,889) |
| 4,115,434 | (2,502,512) | 5,313,901 | 4,005,811 | 5,829,442 | 4,796,783 |
| 58,567,565 | (22,861,637) | (3,773,684) | 9,256,365 | 26,393,864 | (14,610,106) |
| 443,600,826 | 397,947,606 | 377,588,481 | 368,500,896 | 341,750,542 | 362,314,964 |
| 56,342,817 | 56,824,514 | 54,322,002 | 59,635,903 | 60,769,652 | 66,599,094 |
| 499,943,643 | 454,772,120 | 431,910,483 | 428,136,799 | 402,520,194 | 428,914,058 |
| (100,105,351) | - | - | (32,000,908) | - | - |
| (3,633,737) | - | - | (2,872,062) | - | - |
| (103,739,088) | - | - | (34,872,970) | - | - |
| 343,495,475 | 397,947,606 | 377,588,481 | 336,499,988 | 341,750,542 | 362,314,964 |
| 52,709,080 | 56,824,514 | 54,322,002 | 56,763,841 | 60,769,652 | 66,599,094 |
| 396,204,555 | 454,772,120 | 431,910,483 | 393,263,829 | 402,520,194 | 428,914,058 |
| 397,947,606 | 377,588,481 | 368,500,896 | 341,750,542 | 362,314,964 | 342,908,075 |
| 56,824,514 | 54,322,002 | 59,635,903 | 60,769,652 | 66,599,094 | 71,395,877 |
| $ 454,772,120 | $ 431,910,483 | $ 428,136,799 | $ 402,520,194 | $ 428,914,058 | $ 414,303,952 |

Lane County, Oregon

## Fund Balances, Governmental Funds

Last Ten Fiscal Years [a] - Unaudited

*(Modified Accrual Basis of Accounting)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 | 2012 | 2013 | 2014 |
| General fund: | | | | |
| Reserved | $ - | $ - | $ - | $ - |
| Unreserved | - | - | - | - |
| Nonspendable | 179,302 | 153,686 | 161,021 | 165,503 |
| Assigned | 5,792,117 | 964,248 | 3,541,853 | - |
| Unassigned | 13,475,981 | 11,286,812 | 13,524,137 | 17,871,527 |
| Total general fund | 19,447,400 | 12,404,746 | 17,227,011 | 18,037,030 |
| All other governmental funds: | | | | |
| Reserved | - | - | - | - |
| Unreserved, reported in: | | | | |
| Special revenue funds | - | - | - | - |
| Debt service funds | - | - | - | - |
| Capital project funds | - | - | - | - |
| Nonspendable | 1,657,375 | 1,607,155 | 2,156,512 | 2,145,502 |
| Restricted | 80,029,722 | 57,493,079 | 39,804,143 | 41,715,304 |
| Committed | - | - | 468,633 | 1,425,783 |
| Assigned | 22,044,864 | 21,018,332 | 25,086,570 | 35,996,015 |
| Total all other governmental funds | 103,731,961 | 80,118,566 | 67,515,858 | 81,282,604 |
| Total government funds | $ 123,179,361 | $ 92,523,312 | $ 84,742,869 | $ 99,319,634 |

**Notes**

a. In accordance with GASB 54, beginning in 2011 new classifications of fund balance for governmental funds are reported 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.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 3**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - |
| 183,029 | 201,911 | 193,480 | 198,470 | 170,897 | 172,774 |
| - | - | - | - | - | - |
| 17,374,834 | 15,250,097 | 16,592,600 | 24,449,914 | 34,155,400 | 35,534,793 |
| 17,557,863 | 15,452,008 | 16,786,080 | 24,648,384 | 34,326,297 | 35,707,567 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 2,280,100 | 2,019,102 | 1,971,184 | 1,942,839 | 1,843,638 | 2,142,039 |
| 51,541,412 | 69,381,163 | 61,519,487 | 64,898,845 | 83,297,131 | 83,894,514 |
| 1,529,656 | 965,653 | 1,394,304 | 2,405,048 | - | 7,503 |
| 43,101,235 | 51,534,999 | 57,888,045 | 63,429,487 | 72,592,340 | 70,630,574 |
| 98,452,403 | 123,900,917 | 122,773,020 | 132,676,219 | 157,733,109 | 156,674,630 |
| $ 116,010,266 | $ 139,352,925 | $ 139,559,100 | $ 157,324,603 | $ 192,059,406 | $ 192,382,197 |

Lane County, Oregon

## Change in Fund Balances, Governmental Funds

Last Ten Fiscal Years - Unaudited

*(Modified Accrual Basis of Accounting)*

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 | 2012 | 2013 | 2014 |
| **Revenues** | | | | |
| Taxes and assessments, net of refunds | $ 40,960,755 | $ 41,816,511 | $ 43,034,760 | $ 58,465,623 |
| Licenses and permits | 2,179,051 | 2,138,195 | 2,055,437 | 2,032,160 |
| Intergovernmental | 177,023,215 | 148,700,315 | 126,946,014 | 127,229,244 |
| Charges for services | 17,935,018 | 17,373,813 | 16,969,550 | 17,918,316 |
| Fines, forfeitures and penalties | 2,520,150 | 1,934,097 | 2,177,148 | 1,667,602 |
| Administrative and facility charges | 1,692,353 | 1,781,417 | 2,934,321 | 2,267,270 |
| Investment earnings | 1,313,101 | 845,357 | 431,130 | 683,422 |
| Sale and rental of property | 2,120,659 | 2,151,857 | 3,046,470 | 2,967,846 |
| Total revenues | 245,744,302 | 216,741,562 | 197,594,830 | 213,231,483 |
| **Expenditures** | | | | |
| General government | 20,645,620 | 15,104,348 | 12,705,326 | 15,493,643 |
| Public safety | 77,335,059 | 76,789,023 | 67,449,371 | 64,053,033 |
| Public health and welfare | 87,950,402 | 92,244,498 | 69,348,998 | 71,121,223 |
| Parks | 2,419,679 | 2,519,308 | 3,234,778 | 3,316,309 |
| Roads and bridges | 31,237,542 | 30,058,494 | 27,891,621 | 27,010,807 |
| Community development | 6,948,831 | 6,309,160 | 5,233,094 | 5,004,332 |
| Debt service: | | | | |
| Principal | 4,020,000 | 4,670,000 | 4,890,000 | 5,075,000 |
| Interest | 2,302,907 | 2,390,689 | 2,191,660 | 2,018,468 |
| Bond issuance costs | 183,856 | - | - | 38,305 |
| Capital outlay | 11,751,536 | 17,736,187 | 13,109,752 | 7,920,015 |
| Total expenditures | 244,795,432 | 247,821,707 | 206,054,600 | 201,051,135 |
| Excess (deficiency) of revenues over (under) expenditures | 948,870 | (31,080,145) | (8,459,770) | 12,180,348 |
| **Other financing sources (uses)** | | | | |
| Refunding bonds issued | 4,945,000 | - | - | - |
| Bonds issued | 10,345,000 | - | - | - |
| Bond premium | 554,650 | - | - | - |
| Payment to refunded bond escrow agent | (5,199,681) | - | - | - |
| Transfers in | 21,355,431 | 18,077,704 | 16,511,070 | 22,782,013 |
| Transfers out | (21,096,295) | (17,577,772) | (16,388,435) | (22,459,068) |
| Notes issued | - | - | - | 2,080,000 |
| Total other financing sources (uses) | 10,904,105 | 499,932 | 122,635 | 2,402,945 |
| **Net change in fund balances** | 11,852,975 | (30,580,213) | (8,337,135) | 14,583,293 |
| **Fund balances** | | | | |
| Fund balances, beginning of year, as previously reported | 111,370,883 | 123,179,361 | 92,523,312 | 84,742,869 |
| Fund balances, beginning of year, restated | 111,370,883 | 123,179,361 | 92,523,312 | 84,742,869 |
| Increase (decrease) in inventory reserve | (44,497) | (75,836) | 556,692 | (6,528) |
| Fund balances, end of year | $ 123,179,361 | $ 92,523,312 | $ 84,742,869 | $ 99,319,634 |
| **Debt service as a percentage of noncapital expenditures** [a, b] | 2.77% | 3.13% | 3.74% | 3.76% |

**Notes**

a. Debt service represents principal and interest incurred during the year. Noncapital expenditures do not include capital outlay for land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure incurred during the year.

b. In years 2011 and prior, debt service for purposes of this computation included bond issuance costs. The percentages for 2011 and prior have been restated to exclude bond issuance costs.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 4**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ 60,589,893 | $ 61,165,531 | $ 59,106,240 | $ 63,414,618 | $ 71,544,091 | $ 71,424,814 |
| 2,110,368 | 2,282,645 | 2,404,087 | 2,340,754 | 2,387,115 | 2,610,615 |
| 132,578,138 | 140,484,251 | 138,362,011 | 153,749,991 | 176,393,202 | 171,418,409 |
| 21,217,672 | 25,165,169 | 21,531,027 | 21,618,026 | 24,692,375 | 25,705,915 |
| 1,495,337 | 1,529,306 | 1,476,703 | 1,384,711 | 1,252,180 | 1,221,766 |
| 2,848,935 | 3,021,347 | 3,041,695 | 2,927,446 | 2,858,148 | 3,303,185 |
| 698,624 | 1,099,577 | 764,954 | 1,051,322 | 4,741,262 | 5,485,437 |
| 3,122,640 | 2,989,432 | 3,482,944 | 2,970,510 | 6,063,772 | 2,671,561 |
| 224,661,607 | 237,737,258 | 230,169,661 | 249,457,378 | 289,932,145 | 283,841,702 |
| 16,775,352 | 13,591,480 | 13,138,540 | 12,961,504 | 14,572,330 | 17,163,635 |
| 65,385,476 | 68,465,147 | 72,537,359 | 73,707,854 | 76,923,579 | 81,078,538 |
| 79,044,406 | 90,171,518 | 97,567,717 | 101,083,339 | 112,798,213 | 122,354,266 |
| 2,897,037 | 2,891,693 | 3,249,144 | 3,093,145 | 3,422,224 | 3,867,524 |
| 27,293,439 | 23,949,260 | 22,455,790 | 20,300,724 | 23,288,192 | 26,766,077 |
| 4,311,086 | 4,370,728 | 3,906,438 | 4,284,868 | 3,756,162 | 4,349,338 |
| 5,330,000 | 2,525,000 | 2,615,000 | 2,715,000 | 2,830,000 | 2,994,345 |
| 1,835,010 | 1,618,898 | 1,528,530 | 1,017,073 | 925,945 | 861,007 |
| - | - | 120,605 | - | - | 1,192 |
| 5,343,322 | 7,992,026 | 6,171,588 | 12,315,198 | 16,257,245 | 26,908,995 |
| 208,215,128 | 215,575,750 | 223,290,711 | 231,478,705 | 254,773,890 | 286,344,917 |
| 16,446,479 | 22,161,508 | 6,878,950 | 17,978,673 | 35,158,255 | (2,503,215) |
| - | - | 8,870,000 | - | - | - |
| - | - | - | - | - | - |
| - | - | 1,027,864 | - | - | - |
| - | - | (16,031,726) | - | - | - |
| 22,639,079 | 25,564,155 | 24,009,997 | 18,378,278 | 17,871,961 | 23,978,087 |
| (22,547,050) | (24,140,888) | (24,492,561) | (18,568,093) | (18,168,639) | (24,252,359) |
| - | - | - | - | - | 2,800,000 |
| 92,029 | 1,423,267 | (6,616,426) | (189,815) | (296,678) | 2,525,728 |
| 16,538,508 | 23,584,775 | 262,524 | 17,788,858 | 34,861,577 | 22,513 |
| 99,319,634 | 116,010,266 | 139,352,925 | 139,559,100 | 157,324,603 | 192,059,406 |
| 99,319,634 | 116,010,266 | 139,352,925 | 139,559,100 | 157,324,603 | 192,059,406 |
| 152,124 | (242,116) | (56,349) | (23,355) | (126,774) | 300,278 |
| $ 116,010,266 | $ 139,352,925 | $ 139,559,100 | $ 157,324,603 | $ 192,059,406 | $ 192,382,197 |
| 3.59% | 2.06% | 1.97% | 1.70% | 1.58% | 1.49% |

Lane County, Oregon

## Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years - Unaudited

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 | 2012 | 2013 | 2014 |
| **Property Class** | | | | |
| Residential | $ 13,182,948,833 | $ 13,632,435,080 | $ 13,889,294,763 | $ 14,337,813,098 |
| Commercial [e] | 3,122,253,063 | 3,196,797,665 | - | - |
| Industrial [e] | 1,891,268,723 | 1,869,301,503 | - | - |
| Commercial/Industrial [e] | - | - | 4,683,148,527 | 4,801,119,331 |
| Tract | 3,564,939,764 | 3,677,573,128 | 3,846,693,626 | 3,938,560,602 |
| Farm and Range | 546,310,962 | 540,685,754 | 535,969,681 | 552,149,942 |
| Forest | 672,286,396 | 686,965,719 | 691,027,753 | 715,953,166 |
| Multiple Housing | 1,184,602,539 | 1,231,657,010 | 1,290,099,928 | 1,349,785,265 |
| Recreation | 75,114,951 | 77,096,961 | 4,774,254 | 4,926,058 |
| Small Tract Forestland | 100,182,200 | 100,853,981 | 97,155,691 | 100,349,206 |
| Miscellaneous | 1,665,266 | 1,586,352 | 1,523,479 | 1,515,946 |
| Personal | 699,549,325 | 672,963,916 | 659,984,419 | 657,045,262 |
| Manufactured Structures | 274,857,036 | 273,342,593 | 261,900,630 | 251,672,127 |
| Utilities | 698,150,851 | 718,537,083 | 711,107,188 | 738,383,164 |
| Machinery & Equipment [d] | - | - | 542,028,713 | 476,917,483 |
| | 26,014,129,909 | 26,679,796,745 | 27,214,708,652 | 27,926,190,650 |
| **Other** | | | | |
| Plus Nonprofit Housing | 9,058,117 | 9,329,861 | 9,609,757 | 9,898,049 |
| Less Urban Renewal Excess | (290,901,476) | (302,973,107) | (325,513,533) | (351,557,536) |
| Total Taxable Assessed Value [a b] | $ 25,732,286,550 | $ 26,386,153,499 | $ 26,898,804,876 | $ 27,584,531,163 |
| **Total Direct Tax Rate** [c] | 1.3921 | 1.3942 | 1.3908 | 1.9376 |
| **Estimated Actual Value of Property** | $ 38,108,802,366 | $ 37,261,878,627 | $ 35,736,940,602 | $ 36,172,462,575 |
| **Actual Value of Property per Capita** | 109,335 | 105,511 | 100,895 | 101,572 |
| **Total Assessed Value to Estimated Actual Value of Taxable Property** | 67.52% | 70.81% | 75.27% | 76.26% |

**Notes**

a. Assessments are limited to an increase of 3% not to exceed real market value. However, property is subject to reassessment if improved, partitioned, subdivided, rezoned, previously omitted, or disqualified from exemption.
b. Taxable assessed values are reported net of tax exempt property.
c. Total Direct Tax Rate is per $1,000 of value.
d. Assessment and Taxation reported machinery and equipment separately in 2013.
In prior years it was combined under both Commercial and Industrial values.
e. Commercial and Industrial property classes were merged in fiscal year 2013 for reporting purposes.

**Source**

Lane County Department of Assessment and Taxation

**Exhibit 5**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ 14,918,464,841 | $ 15,457,386,700 | $ 15,994,920,595 | $ 16,613,652,466 | $ 17,281,321,247 | $ 17,977,297,272 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 4,949,095,195 | 5,141,874,509 | 5,183,679,096 | 5,407,361,360 | 5,682,369,576 | 5,875,689,709 |
| 4,095,659,549 | 4,236,301,506 | 4,377,780,136 | 4,541,068,928 | 4,715,500,883 | 4,896,472,526 |
| 582,561,060 | 609,276,908 | 634,111,861 | 663,720,554 | 690,191,772 | 719,680,740 |
| 748,483,024 | 790,535,882 | 828,431,791 | 867,296,465 | 908,254,412 | 951,161,089 |
| 1,439,173,974 | 1,579,882,482 | 1,675,196,462 | 1,769,444,902 | 1,887,612,908 | 1,974,472,673 |
| 4,910,433 | 5,106,744 | 5,259,986 | 5,418,069 | 5,641,969 | 5,810,579 |
| 107,255,984 | 112,788,330 | 116,406,698 | 120,656,937 | 123,795,867 | 126,845,064 |
| 1,626,772 | 1,621,606 | 2,228,229 | 2,134,889 | 2,303,739 | 2,253,107 |
| 673,464,110 | 698,779,190 | 741,697,296 | 761,731,713 | 797,577,968 | 794,753,842 |
| 258,520,193 | 270,014,603 | 285,863,129 | 299,655,241 | 321,459,249 | 339,197,182 |
| 803,554,049 | 881,254,228 | 927,534,823 | 1,024,260,535 | 1,013,953,235 | 1,047,443,722 |
| 590,998,713 | 668,928,594 | 668,602,471 | 703,266,780 | 758,066,768 | 799,218,551 |
| 29,173,767,897 | 30,453,751,282 | 31,441,712,573 | 32,779,668,839 | 34,188,049,593 | 35,510,296,056 |
| 10,194,991 | 10,500,841 | 8,532,472 | 9,314,345 | 9,924,737 | 10,084,711 |
| (394,337,685) | (428,141,705) | (481,657,987) | (521,800,767) | (592,194,221) | - |
| $ 28,789,625,203 | $ 30,036,110,418 | $ 30,968,587,058 | $ 32,267,182,417 | $ 33,605,780,109 | $ 35,520,380,767 |
| 1.9345 | 1.8293 | 1.6743 | 1.6743 | 1.8093 | 1.8443 |
| $ 39,151,561,247 | $ 41,012,353,816 | $ 42,542,906,425 | $ 47,310,338,510 | $ 51,263,666,086 | $ 54,759,767,694 |
| 109,117 | 113,247 | 116,257 | 127,659 | 136,659.38 | 144,530.64 |
| 73.53% | 73.24% | 72.79% | 68.20% | 65.55% | 64.87% |

Lane County, Oregon

## Direct and Overlapping [a] Property Tax Rates

Last Ten Fiscal Years - Unaudited

*Rate per $1,000 of assessed value*

| Taxing Entity | Fiscal Year [b] 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| County Direct Rate | | | | |
| Lane County [c] | 1.2793 | 1.2793 | 1.2793 | 1.2793 |
| General Obligation Debt Service [f] | 0.1128 | 0.1149 | 0.1115 | 0.1083 |
| Lane County 4-H/Extension LO [g] | - | - | - | - |
| Public Safety LO [e] | - | - | - | 0.5500 |
| Total Direct Rate | 1.3921 | 1.3942 | 1.3908 | 1.9376 |
| Lane Community College | 0.8589 | 0.8782 | 0.8640 | 0.8646 |
| Lane Education Service District | 0.2232 | 0.2232 | 0.2232 | 0.2232 |
| Linn-Benton-Lincoln ESD | 0.3049 | 0.3049 | 0.3049 | 0.3049 |
| Schools | | | | |
| Alsea | 5.0811 | 5.0811 | 5.0811 | 5.0811 |
| Bethel | 6.1279 | 6.1057 | 6.1418 | 6.0614 |
| Blachly | 5.1023 | 5.1023 | 5.1023 | 5.1023 |
| Creswell | 8.2917 | 8.3599 | 8.2230 | 8.1405 |
| Crow-Applegate | 6.4255 | 6.4255 | 6.4255 | 6.4255 |
| Eugene | 7.5509 | 7.5351 | 7.3784 | 7.8436 |
| Fern Ridge | 6.9201 | 6.9724 | 6.9151 | 7.0136 |
| Harrisburg | 6.1666 | 6.0778 | 6.1439 | 5.9787 |
| Junction City | 4.5604 | 4.5604 | 4.5604 | 4.5604 |
| Lincoln | 5.6593 | 5.6566 | 5.6689 | 5.6826 |
| Lowell | 5.0409 | 5.0409 | 5.0409 | 5.0409 |
| Mapleton | 4.8917 | 4.8917 | 4.8917 | 4.8917 |
| Marcola | 4.6687 | 4.6687 | 4.6687 | 4.6687 |
| McKenzie | 6.6121 | 6.6207 | 6.7359 | 6.7275 |
| Monroe | 4.6341 | 4.6341 | 4.6341 | 4.6341 |
| Oakridge | 5.4935 | 5.6758 | 6.2014 | 6.1550 |
| Pleasant Hill | 6.7206 | 6.3620 | 6.2787 | 6.2657 |
| Siuslaw | 5.7613 | 5.5488 | 5.5449 | 5.5263 |
| South Lane | 6.4495 | 6.3893 | 6.3539 | 6.5030 |
| Springfield | 5.6212 | 5.6529 | 5.6472 | 5.6359 |
| Cities | | | | |
| Coburg | 3.7506 | 3.7506 | 3.7506 | 3.7506 |
| Cottage Grove | 7.2087 | 7.2087 | 7.2087 | 7.2087 |
| Creswell | 2.6705 | 2.6705 | 2.6705 | 2.6705 |
| Eugene | 8.4380 | 8.1528 | 8.1376 | 8.1262 |
| Florence | 3.2291 | 2.8665 | 2.8799 | 3.2791 |
| Junction City | 6.0445 | 6.0445 | 6.0445 | 6.0445 |
| Lowell | 2.1613 | 2.1613 | 2.1613 | 2.1613 |
| Oakridge | 7.7100 | 7.7251 | 7.7082 | 7.7088 |
| Springfield | 7.0948 | 7.0275 | 7.0103 | 7.2236 |
| Veneta | 6.2412 | 6.3307 | 6.2991 | 5.9739 |
| Westfir | 9.3036 | 9.3036 | 9.3036 | 9.3036 |
| Water Districts | | | | |
| Blue River | 0.9488 | 0.9488 | 0.9488 | 0.9488 |
| Glenwood | 4.1425 | 4.1425 | 4.1425 | 4.1425 |
| Heceta [h] | 0.2438 | 0.2432 | 0.2387 | 0.2177 |
| Junction City | 0.2886 | 0.2806 | 0.2523 | 0.2523 |
| Marcola | 0.4037 | 0.4037 | 0.4037 | 0.4037 |
| McKenzie-Palisades | 0.3620 | 0.3620 | 0.3620 | 0.4471 |
| Rainbow Water & Fire | 3.5816 | 3.7598 | 3.7205 | 3.6738 |
| River Road | 1.9694 | 1.9694 | 1.9694 | 1.9694 |
| River Road Subdistrict #1 | 0.2796 | 0.2796 | 0.2796 | 0.2796 |
| Shangri La [d] | 3.5000 | 2.0000 | 2.0000 | 2.0000 |

**Exhibit 6**

| Fiscal Year [b] | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 1.2793 | 1.2793 | 1.2793 | 1.2793 | 1.2793 | 1.2793 |
| 0.1052 | - | - | - | - | - |
| - | - | 0.0150 | 0.0150 | 0.0150 | 0.0150 |
| 0.5500 | 0.5500 | 0.3800 | 0.3800 | 0.5150 | 0.5500 |
| 1.9345 | 1.8293 | 1.6743 | 1.6743 | 1.8093 | 1.8443 |
| 0.8616 | 0.8198 | 0.8419 | 0.8464 | 0.8449 | 0.8410 |
| 0.2232 | 0.2232 | 0.2232 | 0.2232 | 0.2232 | 0.2232 |
| 0.3049 | 0.3049 | 0.3049 | 0.3049 | 0.3049 | 0.3049 |
| 5.0811 | 5.0811 | 5.0811 | 5.0811 | 5.0811 | 5.0811 |
| 6.1296 | 6.0382 | 5.9381 | 5.9250 | 5.8809 | 5.8948 |
| 5.1023 | 5.1023 | 5.1023 | 5.1023 | 5.1023 | 5.1023 |
| 8.1809 | 7.9930 | 7.9389 | 7.1150 | 7.0201 | 6.7765 |
| 6.4255 | 6.4255 | 6.4255 | 7.3733 | 7.3777 | 7.3431 |
| 7.8302 | 7.8090 | 7.8637 | 7.8312 | 7.8266 | 8.4583 |
| 6.8865 | 6.9196 | 6.8241 | 6.8049 | 6.8400 | 6.8771 |
| 5.9291 | 5.8371 | 5.7949 | 5.7510 | 5.9817 | 6.3475 |
| 4.5604 | 4.5604 | 6.1745 | 6.1470 | 6.1168 | 6.0804 |
| 5.6369 | 5.6358 | 5.6362 | 5.6237 | 5.6650 | 5.5556 |
| 5.0409 | 5.0409 | 5.0409 | 5.0409 | 6.1361 | 6.1295 |
| 4.8917 | 4.8917 | 6.1855 | 6.1894 | 6.1073 | 6.1629 |
| 4.6687 | 6.7933 | 6.7977 | 6.7144 | 6.7561 | 6.7276 |
| 6.7050 | 6.7036 | 6.7146 | 4.6915 | 4.6915 | 4.6915 |
| 4.6341 | 4.6341 | 4.6341 | 4.6341 | 7.2303 | 6.1708 |
| 5.9655 | 6.0364 | 6.0595 | 5.8059 | 5.8869 | 5.9760 |
| 6.3140 | 6.4643 | 6.5664 | 6.5707 | 6.7953 | 6.4459 |
| 5.5304 | 5.5339 | 5.5510 | 5.5450 | 5.5101 | 4.6428 |
| 6.2850 | 6.1948 | 6.8933 | 6.6176 | 6.4829 | 6.1617 |
| 5.6478 | 5.8166 | 5.9181 | 5.8849 | 5.8382 | 5.8526 |
| 3.2889 | 3.7506 | 3.7506 | 3.7506 | 3.7506 | 3.7506 |
| 7.2087 | 7.2087 | 7.2087 | 7.2087 | 7.2087 | 7.2087 |
| 2.6705 | 2.6705 | 2.6705 | 2.6705 | 2.6705 | 2.6705 |
| 8.1050 | 8.0999 | 8.1697 | 8.1150 | 8.2925 | 8.2266 |
| 3.1599 | 3.0357 | 3.0391 | 3.0311 | 3.0253 | 3.0240 |
| 6.0445 | 6.0445 | 6.0445 | 6.0445 | 6.0445 | 6.0445 |
| 2.1613 | 2.1613 | 2.1613 | 2.1613 | 2.1613 | 2.1613 |
| 7.6435 | 7.1996 | 7.1996 | 7.1996 | 7.1996 | 7.1996 |
| 7.1218 | 6.8728 | 6.8828 | 6.7828 | 6.8943 | 7.3930 |
| 5.9553 | 5.9454 | 5.9336 | 5.9188 | 5.9086 | 5.8971 |
| 9.3036 | 9.3036 | 9.3036 | 9.3036 | 9.3036 | 9.3036 |
| 0.9488 | 0.9488 | 0.9488 | 0.9488 | 0.9488 | 0.9488 |
| 4.1425 | 4.1425 | 4.1425 | 4.1425 | 4.1425 | 4.1425 |
| 0.2081 | 0.2077 | - | - | - | - |
| 0.2523 | 0.2523 | 0.2523 | 0.2523 | 0.2523 | 0.2523 |
| 0.4037 | 0.4037 | 0.4037 | 0.4037 | 0.4037 | 0.4037 |
| 0.4808 | 0.6875 | 0.6988 | 0.6963 | 0.6960 | 0.6790 |
| 3.6188 | 3.8295 | 3.7763 | 3.7235 | 3.6747 | 3.7731 |
| 1.9694 | 1.9694 | 1.9694 | 1.9694 | 1.9694 | 1.9694 |
| 0.2796 | 0.2796 | 0.2796 | 0.2796 | 0.2796 | 0.2796 |
| 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 | 2.0000 |

Lane County, Oregon

## Direct and Overlapping [a] Property Tax Rates (continued)

Last Ten Fiscal Years - Unaudited

*Rate per $1,000 of assessed value*

| Taxing Entity | Fiscal Year [b] 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| Rural Fire Protection Districts | | | | |
| Bailey-Spencer | 2.3930 | 2.3930 | 2.3930 | 2.3930 |
| Coburg | 1.5885 | 1.5826 | 1.5750 | 1.5525 |
| Dexter | 2.4151 | 2.4151 | 1.9151 | 1.9151 |
| Eugene | 2.5417 | 1.8500 | 2.1000 | 2.3500 |
| Goshen | 1.7196 | 1.7196 | 2.2196 | 2.2196 |
| Hazeldell | 2.7115 | 2.7115 | 2.7115 | 2.7115 |
| Junction City | 1.4357 | 1.4386 | 2.0858 | 2.0203 |
| Lake Creek | 3.0757 | 3.0757 | 3.0757 | 3.0757 |
| Lane County District #1 [i] | 1.9848 | 1.9848 | 1.9848 | 1.9848 |
| Lane Fire Authority [i] | - | - | - | - |
| Lane Rural [i] | 2.1174 | 2.1174 | 2.1174 | 2.1174 |
| Lorane | 2.8854 | 2.8618 | 2.7573 | 2.7267 |
| Lowell | 2.9855 | 2.6970 | 2.6970 | 2.6970 |
| Mapleton | 2.0869 | 2.0869 | 2.0869 | 2.0869 |
| McKenzie | 2.0606 | 2.0606 | 2.0606 | 2.0606 |
| Mohawk Valley | 1.9126 | 1.9126 | 1.9126 | 1.9126 |
| Monroe | 1.6854 | 1.6854 | 1.6854 | 1.6854 |
| Pleasant Hill | 1.1031 | 1.1031 | 1.1031 | 1.1031 |
| Santa Clara | 1.6439 | 1.6439 | 1.6439 | 1.6439 |
| Siuslaw | 1.5417 | 0.8717 | 0.8891 | 0.9391 |
| South Lane | 1.0335 | 1.0335 | 1.0335 | 1.5035 |
| Swisshome-Deadwood | 2.1452 | 2.1452 | 2.1452 | 2.1452 |
| Upper McKenzie | 1.1951 | 1.1951 | 1.1951 | 1.6951 |
| Willakenzie | 3.0669 | 3.0669 | 3.0669 | 3.0669 |
| Zumwalt | 2.3419 | 2.3419 | 2.3419 | 2.3419 |
| Miscellaneous Districts | | | | |
| Fern Ridge Library | 0.6324 | 0.6324 | 0.6324 | 0.6324 |
| Lane Library | 0.5900 | 0.5900 | 0.5900 | 0.5900 |
| Port of Siuslaw | 0.1474 | 0.1474 | 0.1474 | 0.1474 |
| River Road Park & Recreation | 3.8946 | 3.8791 | 3.8730 | 3.8631 |
| Siuslaw Library | 0.5163 | 0.5163 | 0.5163 | 0.5163 |
| Western Lane Ambulance | 0.5698 | 0.5698 | 0.7698 | 0.7698 |
| Willamalane Park & Recreation | 2.0074 | 2.0074 | 2.0074 | 2.4543 |

**Notes**

a. Overlapping rates are those of other local governments that apply to property owners within Lane County.
who are located within the other local government's boundaries.
b. Rates may vary based on map code combination of taxing districts and application of Oregon Ballot Measure 5 limits.
c. Lane County rate is shown net of timber offset.
d. New Shangri La Water District. Measure 20-155 passed in November 2009.
e. New Lane County Public Safety Levy. Measure 20-213 passed in May 2013.
f. Juvenile Justice Center 2003A General Obligation Bond was paid off by Lane County in June 2015.
g. New Lane County 4-H/Extension LO. Measure 20-239 passed in May 2016.
h. Heceta Water PUD no longer has a levy in 2017.
i. Lane County Fire District #1 and Lane Rural Fire merged together and were renamed Lane Fire Authority in 2018.

**Source**

Lane County Department of Assessment and Taxation

**Exhibit 6** (continued)

| Fiscal Year [b] | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 2.3930 | 2.3930 | 2.3930 | 2.3930 | 2.3930 | 2.3930 |
| 1.5231 | 1.4829 | 1.4788 | 1.4972 | 1.5477 | 1.5477 |
| 1.9151 | 1.9151 | 1.9151 | 1.9151 | 1.9151 | 1.9151 |
| 2.5417 | 2.5417 | 2.5417 | 2.5417 | 2.5417 | 2.5417 |
| 2.2196 | 2.2196 | 2.2196 | 2.2196 | 2.2196 | 2.2196 |
| 1.7998 | 2.7115 | 2.7115 | 2.7115 | 2.7115 | 2.7115 |
| 1.9538 | 1.5844 | 1.5844 | 1.5844 | 1.5844 | 1.5844 |
| 3.0757 | 3.0757 | 3.0757 | 3.0757 | 3.0757 | 3.0757 |
| 1.9848 | 1.9848 | 1.9848 | - | - | - |
| - | - | - | 2.0388 | 2.0388 | 2.0388 |
| 2.1174 | 2.1174 | 2.1174 | - | - | - |
| 2.6931 | 2.6654 | 2.5926 | 2.2952 | 2.2952 | 2.2952 |
| 2.6970 | 2.6970 | 2.6970 | 2.6970 | 2.6970 | 2.6970 |
| 2.0869 | 2.0869 | 2.0869 | 2.0869 | 1.3869 | 1.3869 |
| 2.0606 | 2.0606 | 2.0606 | 2.0606 | 2.0606 | 2.0606 |
| 1.9126 | 1.9126 | 1.9126 | 1.9126 | 2.3205 | 2.3247 |
| 1.6854 | 1.6854 | 1.6854 | 1.6854 | 1.6854 | 1.6854 |
| 1.1031 | 1.1031 | 1.1031 | 1.1031 | 1.1031 | 1.1031 |
| 1.0439 | 1.4939 | 1.4939 | 1.4939 | 1.4939 | 1.4939 |
| 1.1391 | 1.1391 | 1.1391 | 1.1391 | 1.1391 | 1.5417 |
| 1.5035 | 1.5035 | 1.8035 | 1.8035 | 1.7792 | 1.7616 |
| 2.1452 | 2.1452 | 2.1452 | 2.1452 | 2.1452 | 2.1452 |
| 1.6951 | 1.6951 | 1.6951 | 1.6951 | 1.6951 | 1.6951 |
| 3.0669 | 3.0669 | 3.0669 | 3.0669 | 3.0669 | 3.0669 |
| 2.3419 | 2.3419 | 2.3419 | 2.3419 | 2.3419 | 2.3419 |
| 0.6324 | 0.6324 | 0.6324 | 0.7324 | 0.7324 | 0.7324 |
| 0.5900 | 0.5900 | 0.5900 | 0.5900 | 0.5900 | 0.5900 |
| 0.1474 | 0.1474 | 0.1474 | 0.1474 | 0.1474 | 0.1474 |
| 3.8535 | 3.5259 | 3.5259 | 3.5259 | 3.5259 | 3.5259 |
| 0.5163 | 0.5163 | 0.5163 | 0.5163 | 0.5163 | 0.5163 |
| 0.7698 | 0.7698 | 0.7698 | 0.7698 | 0.7698 | 0.7698 |
| 2.3701 | 2.3386 | 2.3486 | 2.3290 | 2.3024 | 2.2946 |

Lane County, Oregon

## Principal Property Tax Payers

Current Year and Nine Years Ago

| | 2020 | | |
|---|---|---|---|
| Taxpayer | Taxable Assessed Value | Rank | Percent of Total Taxable Assessed Value |
| IP Eat Three LLC (International Paper) | $ 312,766,166 | 1 | 0.88% |
| Centurylink | 161,519,999 | 2 | 0.45% |
| Valley River Center | 118,350,061 | 3 | 0.33% |
| Weyerhaeuser NR Company | 112,248,874 | 4 | 0.32% |
| Verizon Communications | 111,711,000 | 5 | 0.31% |
| Comcast Corporation | 110,027,000 | 6 | 0.31% |
| Northwest Natural Gas Co. | 109,753,029 | 7 | 0.31% |
| Shepard Investment Group LLC | 88,706,837 | 8 | 0.25% |
| McKenzie Willamette Regional Medical Ctr | 81,074,603 | 9 | 0.23% |
| BRFI Gateway LLC | 78,541,377 | 10 | 0.22% |
| Gateway Mall Partners | | | |
| Hynix Semiconductor Mfg America Inc. | | | |
| PeaceHealth Corp | | | |
| Qwest Corp. (formerly U.S. West Communications) | | | |
| Symantec Corporation | | | |
| Weyerhaeuser Company | | | |
| | $ 1,284,698,946 | | 3.62% |

**Source**

Lane County Department of Assessment and Taxation

## Exhibit 7

| 2011 | | |
|---|---|---|
| Taxable Assessed Value | Rank | Percent of Total Taxable Assessed Value |
| $ 174,559,097 | 2 | 0.66% |
| 102,444,362 | 7 | 0.39% |
| 67,020,200 | 10 | 0.25% |
| 135,537,400 | 3 | 0.51% |
| 88,509,700 | 8 | 0.34% |
| 122,377,695 | 5 | 0.46% |
| 513,717,632 | 1 | 1.95% |
| 113,894,000 | 6 | 0.43% |
| 77,550,173 | 9 | 0.29% |
| 128,152,715 | 4 | 0.49% |
| $ 1,523,762,974 | | 5.77% |

Lane County, Oregon

## Property Tax Levies and Collections

Last Ten Fiscal Years - Unaudited

| Fiscal Year Ended June 30, | Tax Levied for the Fiscal Year (Original Levy) b | Adjustments c | Total Adjusted Levy | Collections within the Fiscal Year of the Levy d: Amount | Collections within the Fiscal Year of the Levy d: Percentage of Original Levy |
|---|---|---|---|---|---|
| 2011 a | $ 36,237,023 | $ (1,090,196) | $ 35,146,827 | $ 34,193,768 | 94.36% |
| 2012 a | 37,170,413 | (1,139,453) | 36,030,960 | 34,921,112 | 93.95% |
| 2013 a | 37,754,601 | (1,252,526) | 36,502,075 | 35,498,057 | 94.02% |
| Total outstanding delinquent taxes prior to 2014 | | | | | |
| 2014 | $ 53,319,160 | $ (1,757,022) | $ 51,562,138 | $ 50,207,786 | 94.16% |
| 2015 | 53,793,143 | (1,815,178) | 51,977,965 | 50,693,058 | 94.24% |
| 2016 | 50,517,693 | (2,005,565) | 48,512,128 | 47,524,812 | 94.08% |
| 2017 | 52,438,312 | (1,863,576) | 50,574,736 | 49,583,296 | 94.56% |
| 2018 | 54,565,979 | (1,820,066) | 52,745,913 | 51,893,228 | 95.10% |
| 2019 | 61,503,432 | (1,944,882) | 59,558,550 | 58,555,844 | 95.21% |
| 2020 | 65,096,837 | (1,900,517) | 63,196,320 | 61,958,638 | 95.18% |

**Notes**

a. The Lane County Department of Assessment and Taxation does not report property tax adjustments and collections by year for levies more than seven years old. As a result, complete statistical information for 2010, 2011, and 2012 have not been updated for years eight, nine, and ten subsequent to the levy.

b. The information in this schedule relates to the County's own property tax levies, and does not include those it collects on behalf of other governments.

c. Adjustments include discounts allowed and corrections.

d. Collections do not include interest on delinquent taxes.

**Source**

Lane County Department of Assessment and Taxation

**Exhibit 8**

| Collections in Subsequent Years | Total Collections to Date [d] Total Tax Collections | Percentage of Adjusted Levy | Outstanding Delinquent Taxes |
|---|---|---|---|
| $ 780,109 | $ 34,973,877 | 99.51% | |
| 935,408 | 35,856,520 | 99.52% | |
| 990,435 | 36,488,492 | 99.96% | |
| | | | $ 281,289 |
| $ 1,335,053 | $ 51,542,839 | 99.96% | 19,299 |
| 1,260,531 | 51,953,589 | 99.95% | 24,376 |
| 948,045 | 48,472,857 | 99.92% | 39,271 |
| 881,945 | 50,465,241 | 99.78% | 109,495 |
| 595,183 | 52,488,411 | 99.51% | 257,502 |
| 482,181 | 59,038,025 | 99.13% | 520,525 |
| - | 61,958,638 | 98.04% | 1,237,682 |
| | | | $ 2,489,439 |

Lane County, Oregon

## Ratios of Outstanding Debt by Type

Last Ten Fiscal Years - Unaudited

| | Fiscal Year | | | |
|---|---|---|---|---|
| **Governmental Activities** [a,b] | 2011 [c] | 2012 | 2013 | 2014 |
| Notes Payable | $ - | $ - | $ - | $ 2,080,000 |
| General Obligation Bonds [f] | 10,610,000 | 8,170,000 | 5,585,000 | 2,870,000 |
| Limited Tax Bonds | 114,787,424 | 111,865,300 | 108,570,312 | 105,163,087 |
| Total Governmental Activities Debt | 125,397,424 | 120,035,300 | 114,155,312 | 110,113,087 |
| **Business-Type Activites** [a,b,c] | | | | |
| Notes Payable | 3,475 | - | - | - |
| Total Business Type Activities Debt | 3,475 | - | - | - |
| **Total Primary Government Debt** [d] | $ 125,400,899 | $ 120,035,300 | $ 114,155,312 | $ 110,113,087 |
| **Ratios of Outstanding Debt** | | | | |
| Total Primary Government Debt as a % of Personal Income [e] | 1.03% | 0.94% | 0.87% | 0.82% |
| Total Primary Government Debt Per Capita [e] | 360 | 340 | 322 | 309 |

**Notes**

a. Details regarding the County's outstanding debt can be found in the notes to the financial statements.
b. All debt is shown net of unamortized premiums and discounts.
c. In accordance with GASB No. 61, Homes for Good (previously known as the Housing and Community Services Agency) has been reclassified as a discretely presented component unit. In order to enhance comparability, Homes for Good has been removed from this exhibit for fiscal years 2011 and prior.
d. Total Primary Government Debt is the sum of Governmental Activities Debt and Business-Type Activities Debt.
e. Percentage of Personal Income and Total Debt Per Capita were calculated using personal income and population data located in Exhibit 13 - Demographic and Economic Statistics.
f. The GO bond was paid off in June 2015 as scheduled; there is no balance outstanding as of June 30, 2015.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 9**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ 2,080,000 | $ 1,960,000 | $ 1,840,000 | $ 1,720,000 | $ 1,600,000 | $ 4,240,655 |
| - | - | - | - | - | - |
| 100,969,498 | 96,427,164 | 86,486,100 | 80,688,427 | 74,230,576 | 67,041,498 |
| 103,049,498 | 98,387,164 | 88,326,100 | 82,408,427 | 75,830,576 | 71,282,153 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| $ 103,049,498 | $ 98,387,164 | $ 88,326,100 | $ 82,408,427 | $ 75,830,576 | $ 71,282,153 |
| 0.71% | 0.65% | 0.54% | 0.47% | 0.44% | 0.41% |
| 287 | 272 | 241 | 222 | 202 | 188 |

Lane County, Oregon

## Ratios of General Bonded/Gross Direct, Net Direct, and Overlapping Debt Outstanding

Last Ten Fiscal Years - Unaudited

| General Bonded/Gross Direct Debt | Fiscal Year 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| General Obligation Bonds [h] | $ 10,610,000 | $ 8,170,000 | $ 5,585,000 | $ 2,870,000 |
| Limited Tax Bonds | 114,787,424 | 111,865,300 | 108,570,312 | 105,163,087 |
| Notes Payable [i] | - | - | - | - |
| Total General Bonded/Gross Direct [a] Debt | $ 125,397,424 | $ 120,035,300 | $ 114,155,312 | $ 108,033,087 |
| **Net Direct and Overlapping Debt** | | | | |
| Net Direct Debt [b] | $ 119,282,424 | $ 114,385,300 | $ 108,809,594 | $ 103,230,306 |
| Net Overlapping Debt [c] | 524,596,748 | 522,860,586 | 554,474,697 | 590,058,017 |
| Net Direct and Overlapping Debt [d] | $ 643,879,172 | $ 637,245,886 | $ 663,284,291 | $ 693,288,323 |
| **Ratios of Outstanding Debt** | | | | |
| *Debt as a % of Assessed Value of Taxable Property [e]:* | | | | |
| General Bonded/Gross Direct Debt as a % of Assessed Value of Taxable Property | 0.49% | 0.45% | 0.42% | 0.39% |
| *Debt as a % of Real Market Value (RMV) of Taxable Property [f]:* | | | | |
| General Bonded/Gross Direct Debt as a % of RMV | 0.33% | 0.32% | 0.32% | 0.30% |
| Net Direct Debt as a % of RMV | 0.31% | 0.31% | 0.30% | 0.29% |
| Net Overlapping Debt as a % of RMV | 1.38% | 1.40% | 1.55% | 1.63% |
| Net Direct and Net Overlapping Debt as a % of RMV | 1.69% | 1.71% | 1.86% | 1.92% |
| *Debt per Capita [g]:* | | | | |
| General Bonded/Gross Direct Debt per Capita | $ 360 | $ 340 | $ 322 | $ 303 |
| Net Direct Debt per Capita | 342 | 324 | 307 | 290 |
| Net Overlapping Debt per Capita | 1,505 | 1,481 | 1,565 | 1,657 |
| Net Direct and Net Overlapping Debt per Capita | 1,847 | 1,804 | 1,873 | 1,947 |

**Notes**

a. General Bonded/Gross Direct Debt includes all voter approved General Obligation bonds, Limited Tax bonds, and any other bonded obligations, Certificates of Participation, or leases backed by the full faith and credit of the County. Details regarding the County's outstanding debt can be found in the notes to the financial statements.
b. Net Direct Debt is Gross Direct Debt less Series 2002A and 2011R (all Lane Events Center) bonds, self-supporting obligations whose debt is paid by Transient Room Tax revenue and other non-property tax source revenue.
c. Net Overlapping Debt is obtained from the Municipal Debt Advisory Commission, Oregon State Treasury.
d. Net Direct and Overlapping Debt is Net Direct Debt plus Net Overlapping Debt.
e. Debt as a % of Assessed Value of Taxable Property was calculated using property values located in Exhibit 5 - Assessed Value and Estimated Actual Value of Taxable Property.
f. Debt as a % of Real Market Value of Taxable Property was calculated using property values located in Exhibit 5 - Assessed Value and Estimated Actual Value of Taxable Property.
g. Debt per Capita was calculated using population numbers from Exhibit 13 - Demographic and Economic Statistics.
h. The GO bond was paid off in June 2015 as scheduled; there is no balance outstanding as of June 30, 2015.
i. The Notes Payable was added effective June 30, 2020.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 10**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ - | $ - | $ - | $ - | $ - | $ - |
| 100,969,498 | 96,427,164 | 86,486,100 | 80,688,427 | 74,230,576 | 67,041,498 |
| - | - | - | - | - | 4,240,655 |
| $ 100,969,498 | $ 96,427,164 | $ 86,486,100 | $ 80,688,427 | $ 74,230,576 | $ 71,282,153 |
| $ 96,824,498 | $ 92,817,164 | $ 83,426,100 | $ 78,198,427 | $ 72,330,576 | $ 69,987,153 |
| 755,252,991 | 814,359,516 | 878,781,869 | 831,403,217 | 987,076,852 | 946,432,330 |
| $ 852,077,489 | $ 907,176,680 | $ 962,207,969 | $ 909,601,644 | $ 1,059,407,428 | $ 1,016,419,483 |
| 0.35% | 0.32% | 0.28% | 0.25% | 0.22% | 0.20% |
| 0.26% | 0.24% | 0.20% | 0.17% | 0.14% | 0.13% |
| 0.25% | 0.23% | 0.20% | 0.17% | 0.14% | 0.13% |
| 1.93% | 1.99% | 2.07% | 1.76% | 1.93% | 1.73% |
| 2.18% | 2.21% | 2.26% | 1.92% | 2.07% | 1.86% |
| $ 281 | $ 266 | $ 236 | $ 218 | $ 198 | $ 188 |
| 270 | 256 | 228 | 211 | 193 | 185 |
| 2,105 | 2,249 | 2,401 | 2,243 | 2,631 | 2,498 |
| 2,375 | 2,505 | 2,629 | 2,454 | 2,824 | 2,683 |

Lane County, Oregon

## Legal Debt Margin - General Obligation Bonded Indebtedness

Last Ten Fiscal Years - Unaudited

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 | 2012 | 2013 | 2014 |
| Real market value of property | $ 38,108,802,366 | $ 37,261,878,627 | $ 35,736,940,602 | $ 36,172,462,575 |
| Debt limit (2% of real market value) [a] | $ 762,176,047 | $ 745,237,573 | $ 714,738,812 | $ 723,449,252 |
| Debt applicable to limit: | | | | |
| GO Refunding Bonds, Series 2003A [c] | 10,610,000 | 8,170,000 | 5,585,000 | 2,870,000 |
| Total debt applicable to limit | 10,610,000 | 8,170,000 | 5,585,000 | 2,870,000 |
| Legal debt margin [b] | $ 751,566,047 | $ 737,067,573 | $ 709,153,812 | $ 720,579,252 |
| Total debt applicable to the limit as a percentage of debt limit | 1.39% | 1.10% | 0.78% | 0.40% |

**Notes**

a. Oregon Revised Statutes 287A.100 provides a debt limit on general obligation bonds of 2% of the real market value of all taxable property within the County's boundaries.

b. The legal debt margin is the difference between the debt limit and the County's outstanding general obligation debt, and represents the County's legal general obligation borrowing authority.

c. The GO bond was paid off in June 2015 as scheduled; there is no balance outstanding as of June 30, 2015.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 11**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ 39,151,561,247 | $ 41,012,353,816 | $ 42,542,906,425 | $ 47,310,338,510 | $ 51,263,666,086 | $ 54,759,767,694 |
| $ 783,031,225 | $ 820,247,076 | $ 850,858,129 | $ 946,206,770 | $ 1,025,273,322 | $ 1,095,195,354 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| $ 783,031,225 | $ 820,247,076 | $ 850,858,129 | $ 946,206,770 | $ 1,025,273,322 | $ 1,095,195,354 |
| 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

Lane County, Oregon

## Legal Debt Margin - Limited Tax Bonded Indebtedness

Last Ten Fiscal Years - Unaudited

| Limited Tax Bonds [a] (excluding Pension Bonds) | Fiscal Year 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| Real market value of property | $ 38,108,802,366 | $ 37,261,878,627 | $ 35,736,940,602 | $ 36,172,462,575 |
| Debt limit (1% of real market value) [c] | $ 381,088,024 | $ 372,618,786 | $ 357,369,406 | $ 361,724,626 |
| Debt applicable to limit: | | | | |
| Limited Tax Full Faith and Credit Bonds, Series 2002A | 1,170,000 | 795,000 | 740,000 | 680,000 |
| Limited Tax Full Faith and Credit Bonds, Series 2003B | 2,510,000 | 2,260,000 | 2,005,000 | 1,745,000 |
| Limited Tax Full Faith and Credit Bonds, Series 2009A | 27,105,000 | 25,970,000 | 24,795,000 | 23,590,000 |
| Limited Tax Full Faith and Credit Bonds, Series 2011 | 10,345,000 | 9,965,000 | 9,575,000 | 9,180,000 |
| Limited Tax Full Faith and Credit Bonds, Series 2011R | 4,945,000 | 4,855,000 | 4,425,000 | 3,985,000 |
| Limited Tax Full Faith and Credit Bonds, Series 2017 | - | - | - | - |
| | 46,075,000 | 43,845,000 | 41,540,000 | 39,180,000 |
| Less funds to be applied to the payment of principal thereof per ORS 287.053(1): | | | | |
| Lane Events Center Debt Service Fund | (108,920) | (112,102) | (106,313) | (99,961) |
| Total net debt applicable to limit | 45,966,080 | 43,732,898 | 41,433,687 | 39,080,039 |
| Legal debt margin [d] | $ 335,121,944 | $ 328,885,888 | $ 315,935,719 | $ 322,644,587 |
| Total debt applicable to the limit as a percentage of debt limit | 12.06% | 11.74% | 11.59% | 10.80% |
| **Limited Tax Pension Bonds [b]** | | | | |
| Debt limit (5% of real market value) [c] | $ 1,905,440,118 | $ 1,863,093,931 | $ 1,786,847,030 | $ 1,808,623,129 |
| Debt applicable to limit: | | | | |
| Limited Tax Pension Bonds, Series 2002 | 67,451,388 | 66,883,051 | 66,012,840 | 64,808,254 |
| Legal debt margin [d] | $ 1,837,988,730 | $ 1,796,210,880 | $ 1,720,834,190 | $ 1,743,814,875 |
| Total debt applicable to the limit as a percentage of debt limit | 3.54% | 3.59% | 3.69% | 3.58% |

**Notes**

a. Limited Tax Bonds are governed by ORS 287A.105
b. Limited Tax Pension Bonds are governed by ORS 238.694
c. Calculated using the real market value of all taxable property within the County's boundaries.
d. The legal debt margin is the difference between the debt limit and the County's net outstanding limited tax or limited tax pension debt, and represents the County's legal limited tax borrowing authority.

**Source**

Lane County Administration Operations Division - Financial Services

**Exhibit 12**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| $ 39,151,561,247 | $ 41,012,353,816 | $ 42,542,906,425 | $ 47,310,338,510 | $ 51,263,666,086 | $ 54,759,767,694 |
| $ 391,515,612 | $ 410,123,538 | $ 425,429,064 | $ 473,103,385 | $ 512,636,661 | $ 547,597,677 |
| 615,000 | 545,000 | 470,000 | 390,000 | 305,000 | 210,000 |
| 1,465,000 | 1,305,000 | 1,140,000 | 970,000 | 790,000 | 605,000 |
| 22,335,000 | 21,040,000 | 4,935,000 | 3,520,000 | 2,035,000 | 465,000 |
| 8,775,000 | 8,360,000 | 7,935,000 | 7,495,000 | 7,040,000 | 6,565,000 |
| 3,530,000 | 3,065,000 | 2,590,000 | 2,100,000 | 1,595,000 | 1,085,000 |
| - | - | 8,870,000 | 8,870,000 | 8,870,000 | 8,870,000 |
| 36,720,000 | 34,315,000 | 25,940,000 | 23,345,000 | 20,635,000 | 17,800,000 |
| (123,962) | (123,962) | (114,432) | (102,714) | (101,536) | (105,631) |
| 36,596,038 | 34,191,038 | 25,825,568 | 23,242,286 | 20,533,464 | 17,694,369 |
| $ 354,919,574 | $ 375,932,500 | $ 399,603,496 | $ 449,861,099 | $ 492,103,197 | $ 529,903,308 |
| 9.35% | 8.34% | 6.07% | 4.91% | 4.01% | 3.23% |
| $ 1,957,578,062 | $ 2,050,617,691 | $ 2,127,145,321 | $ 2,365,516,926 | $ 2,563,183,304 | $ 2,737,988,385 |
| 63,229,296 | 61,235,394 | 58,783,047 | 55,816,876 | 52,293,058 | 48,150,000 |
| $ 1,894,348,766 | $ 1,989,382,297 | $ 2,068,362,274 | $ 2,309,700,050 | $ 2,510,890,246 | $ 2,689,838,385 |
| 3.23% | 2.99% | 2.76% | 2.36% | 2.04% | 1.76% |

LANE
COUNTY
OREGON

Lane County, Oregon

## Demographic and Economic Statistics

**Exhibit 13**

Last 10 Fiscal Years - Unaudited

| Fiscal Year | Population [c] | Personal Income (in thousands) [a, d] | Per Capita Income [b, d] | Unemployment Rate [e] |
|---|---|---|---|---|
| 2011 | 348,550 | 12,214,306 | 34,561 | 11.1% |
| 2012 | 353,155 | 12,742,734 | 35,941 | 9.5% |
| 2013 | 354,200 | 13,047,961 | 36,630 | 8.6% |
| 2014 | 356,125 | 13,392,647 | 37,374 | 7.6% |
| 2015 | 358,805 | 14,468,971 | 39,871 | 7.1% |
| 2016 | 362,150 | 15,160,278 | 41,027 | 5.9% |
| 2017 | 365,940 | 16,275,162 | 43,430 | 5.1% |
| 2018 | 370,600 | 17,431,415 | 45,919 | 4.5% |
| 2019 | 375,120 | 17,225,135 | 45,919 | 4.5% |
| 2020 | 378,880 | 17,397,791 | 45,919 | 4.1% |

**Notes**

a. The 2019 and 2020 personal income was not available and has been estimated by multiplying population by per capita income.

b. The 2019 and 2020 per capita income was not available and has been estimated to be the same as 2018.

**Source**

c. Population Research Center, Portland State University. Estimates are for July 1 of the fiscal year.

d. Bureau of Economic Analysis, U.S. Department of Commerce.

e. Bureau of Labor Statistics, U.S. Department of Labor. Rates presented are annualized for the calendar year.

Lane County, Oregon

## Principal Employers

Current Year and Nine Years Ago

| | 2020 | | |
|---|---|---|---|
| Employer | Employees [a] | Rank | Percentage of County Employment |
| PeaceHealth Corp | 5,762 | 1 | 3.31% |
| University of Oregon | 5,597 | 2 | 3.21% |
| Eugene 4J School District | 2,248 | 3 | 1.29% |
| US Government | 1,899 | 4 | 1.09% |
| Oregon State Government | 1,748 | 5 | 1.00% |
| Lane County Government | 1,736 | 6 | 1.00% |
| Springfield School District | 1,545 | 7 | 0.89% |
| City of Eugene | 1,536 | 8 | 0.88% |
| Lane Community College | 1,076 | 9 | 0.62% |
| McKenzie-Willamette Medical Center | 1,066 | 10 | 0.61% |
| Wal-Mart | | | |
| | 24,213 | | 13.91% |

**Notes**

a. Employee count is for the 1st Quarter of 2019 and percent of county employment is as of January 1st of each year.

**Source**

Eugene Area Chamber of Commerce and State of Oregon Employment Department

## Exhibit 14

| 2011 | | |
|---|---|---|
| Employees [a] | Rank | Percentage of County Employment |
| 4,212 | 1 | 2.65% |
| 4,038 | 2 | 2.54% |
| 2,794 | 3 | 1.76% |
| 1,717 | 6 | 1.08% |
| 1,967 | 5 | 1.24% |
| 2,000 | 4 | 1.26% |
| 1,300 | 8 | 0.82% |
| 1,310 | 7 | 0.82% |
| 1,118 | 9 | 0.70% |
| 1,050 | 10 | 0.66% |
| 21,506 | | 13.52% |

Lane County, Oregon

## Authorized Number of Employees [a] by Function/Program

Last Ten Fiscal Years - Unaudited

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 [e] | 2012 | 2013 | 2014 |
| Function/Program | | | | |
| General government: | | | | |
| Assessment and taxation | 60.00 | 58.00 | 46.00 | 48.00 |
| Management services [c, d, h] | 58.00 | 57.00 | - | - |
| Human resources [p, q] | 17.50 | 18.00 | 17.00 | - |
| Technology services | 53.00 | 74.75 | 67.50 | 67.75 |
| County administration [h, i, p, q, s, v] | 21.00 | 16.50 | 70.13 | 86.61 |
| Public works [s, v] | 22.00 | 22.00 | 21.00 | 21.00 |
| County counsel [c, d, g, l] | 10.00 | 10.50 | - | 8.00 |
| District attorney [g, l] | - | - | 7.00 | - |
| Public safety: | | | | |
| Sheriff's Office [n] | 370.00 | 337.50 | 278.01 | 271.80 |
| District attorney | 75.00 | 76.00 | 66.00 | 68.00 |
| Youth Services [m] | 72.50 | 67.30 | 50.75 | - |
| Justice courts [i] | 9.95 | 7.42 | - | - |
| Health and human services [j, m] | 22.17 | 17.82 | 4.42 | 55.12 |
| County administration [n] | - | - | 2.25 | 50.75 |
| Public works [j] | - | - | 2.00 | 2.50 |
| Public health and welfare: | | | | |
| Children and families [o] | 5.85 | 5.85 | 3.75 | - |
| Health and human services [o, r, t] | 309.62 | 320.81 | 339.18 | 364.06 |
| Parks: | | | | |
| Public works | 15.50 | 15.50 | 13.50 | 14.63 |
| Roads and bridges: | | | | |
| Public works [u] | 200.50 | 200.00 | 161.64 | 165.80 |
| Sheriff's office | 3.00 | 3.00 | 0.92 | - |
| Community development: | | | | |
| County administration | 3.50 | 3.00 | 3.00 | 2.75 |
| Health and human services [r] | - | - | - | - |
| Public works | 30.00 | 30.00 | 21.09 | 22.00 |
| Workforce partnership [r] | 36.00 | 25.00 | 24.10 | 21.70 |
| Lane Events Center [k] | 17.50 | 19.50 | 16.42 | 14.50 |
| Solid waste disposal | 80.31 | 80.31 | 80.31 | 82.21 |
| Corrections commissary | 0.50 | 0.50 | 0.50 | 0.20 |
| Regional information systems [f] | 34.75 | - | - | - |
| | 1,528.15 | 1,466.26 | 1,296.47 | 1,367.38 |
| Percent of County employees to County population [b] | 0.438% | 0.415% | 0.366% | 0.384% |

**Notes**

a. Number of employees is provided per Full Time Equivalent (FTE) as of the final adopted budget.
b. Number of employees as a percentage of county population was calculated using population data from Exhibit 13 - Demographic and Economic Statistics.
c. County Clerk moved from management services to county counsel in 2010.
d. County Clerk moved from county counsel to manangement services in 2011.
e. In accordance with GASB No. 61, Homes for Good (previously known as the Housing and Community Services Agency) has been reclassified as a discretely presented component unit. In order to enhance comparability, Homes for Good has been removed from the primary government for all fiscal years 2011 and prior.
f. Regional information systems merged with technology services in 2012.
g. Legal services moved from county counsel to district attorney in 2013.
h. Management services merged with county administration in 2013.
i. Justice courts merged with county administration in 2013.
j. Animal services closed the shelter and moved its officer from health and human services to public works in 2013.
k. Lane Events Center merged with Public Works in 2013.
l. County counsel moved from district attorney to become its own department in 2014.
m. Youth Services merged under health and human services in 2014.
n. Parole and probation moved from the Sheriff's office to county administation in 2014.
o. Children and families merged under health and human services in 2014.
p. In 2014, human resources merged into county administration.
q. In 2015, human resources returned to its former status as an independent department after merging with county administration in 2014.
r. Workforce Partnership's direct service programs moved to health and human services in 2015 and in 2016 became a non-profit corporation.
s. Custodial, maintenance and landscaping moved from county administration to public works in 2016.
t. Brookside clinic opened in 2016 so staffing was increased in CHC and in behavioral health to meet the demand for service.
u. In 2016, positions were eliminated in order to balance the road fund budget due to significant decline in federal resources.
v. In 2020 the Facilities Division was moved from Public Works to County Administration.

**Source**

Lane County Budget Office

**Exhibit 15**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 51.00 | 47.00 | 48.00 | 48.00 | 49.00 | 50.00 |
| - | - | - | - | - | - |
| 17.00 | 19.00 | 18.00 | 17.00 | 18.50 | 22.50 |
| 68.75 | 68.75 | 69.75 | 69.75 | 66.25 | 69.25 |
| 71.18 | 46.18 | 47.05 | 48.25 | 49.25 | 84.00 |
| 21.00 | 44.00 | 44.00 | 45.00 | 45.00 | 22.00 |
| 8.00 | 9.00 | 10.00 | 11.00 | 11.00 | 11.00 |
| - | - | - | - | - | - |
| 275.30 | 281.75 | 284.75 | 286.75 | 300.75 | 304.75 |
| 68.00 | 67.00 | 71.00 | 71.00 | 72.00 | 72.00 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 54.90 | 55.61 | 58.01 | 63.34 | 62.05 | 62.80 |
| 52.85 | 53.50 | 56.00 | 60.00 | 61.00 | 60.00 |
| 2.49 | 2.49 | 2.49 | 2.98 | 3.00 | 6.50 |
| - | - | - | - | - | - |
| 428.36 | 471.45 | 500.39 | 540.89 | 581.63 | 623.38 |
| 17.30 | 15.30 | 15.30 | 15.80 | 16.80 | 18.80 |
| 164.29 | 149.49 | 139.99 | 152.99 | 167.49 | 167.00 |
| - | - | - | - | - | - |
| 2.00 | 2.50 | 2.50 | 3.00 | 3.00 | 2.00 |
| 15.00 | 15.50 | 18.50 | 17.57 | 16.06 | 21.00 |
| 24.00 | 28.00 | 29.00 | 33.50 | 35.50 | 36.50 |
| 7.00 | - | - | - | - | - |
| 14.50 | 14.50 | 14.50 | 14.50 | 14.50 | 14.50 |
| 86.74 | 86.74 | 84.38 | 87.87 | 88.33 | 88.10 |
| 0.20 | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,449.86 | 1,477.76 | 1,513.61 | 1,589.19 | 1,661.11 | 1,736.08 |
| 0.404% | 0.408% | 0.414% | 0.429% | 0.443% | 0.458% |

Lane County, Oregon

## Operating Indicators by Function/Program

Last Ten Fiscal Years - Unaudited

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 [c] | 2012 | 2013 | 2014 |
| **Function/Program** | | | | |
| Public safety | | | | |
| Sheriff's office: | | | | |
| Response to calls for service [b] | 56,654 | 61,210 | 56,292 | 63,878 |
| Jail Book Ins | 12,045 | 12,504 | 13,662 | 11,179 |
| Discretionary general fund contribution (in dollars) [f] | [f] | [f] | $22,314,984 | $22,848,837 |
| District attorney: | | | | |
| Criminal cases processed | 7,989 | 7,057 | 6,351 | 5,300 |
| Juvenile delinquency cases referred [a] | 2,400 | 2,394 | 2,505 | 1,800 |
| Victim services volunteer hours | 9,031 | 9,090 | 7,854 | 5,765 |
| Youth services: | | | | |
| Juvenile referrals | 2,429 | 2,334 | 2,042 | 1,605 |
| Justice courts: | | | | |
| Citations processed [d] | 12,844 | 6,375 | 1,252 | 1,290 |
| Public health and welfare | | | | |
| Children and families: | | | | |
| First-Birth familes screened [g] | 1,102 | 1,099 | 1,213 | 898 |
| All Families screened | [g] | [g] | [g] | [g] |
| Health and human services: | | | | |
| Community Health Centers: | | | | |
| Medical, dental, and mental health encounters | 46,191 | 46,477 | 59,108 | 59,733 |
| Roads and bridges | | | | |
| Miles of road receiving surface maintenance | 115 | 103 | 108 | 94 |
| Building permits issued | 1,494 | 1,618 | 1,522 | 1,563 |
| Lane events center | | | | |
| County fair attendance [e] | 150,309 | 147,053 | 100,654 | 99,142 |
| Solid waste disposal | | | | |
| Tons of waste added to landfill | 216,232 | 214,678 | 218,938 | 218,488 |

**Notes**

a. Includes all delinquencies handled by the system. The juvenile intake team handles a large amount of work normally processed by a DA as only one prosecutor is assigned to juvenile.

b. Represents the number of responses to priority calls 1-6.

c. In accordance with GASB No. 61, Homes for Good (previously known as the Housing and Community Services Agency) has been reclassified as a discretely presented component unit. In order to enhance comparability, Homes for Good has been removed from this exhibit for fiscal years 2011 and prior.

d. Central and Eastern Lane Justice Courts closed. Only the Florence Justice Court remains open as of FY 2013.

e. In fiscal year 2013, the Lane Events Center changed how it counts fair attendance. The new methodology is not comparable to prior years.

f. Discretionary general fund contribution excludes intrafund transfers and lapse requirements. Years prior to 2013 have not been calculated.

g. In July 2015, Oregon Revised Statue (ORS 417.795) allowed screening for all families, not just for the first birth families. First births screened are included in all families screened for FY 2015 reporting purposes.

h. On March 12, 2020, Governor Brown issued Executive Order #20-05 prohibiting large gatherings due to the Coronoavirus Outbreak. As a result the Lane County Fair was canceled.

**Source**

Lane County Departments

**Exhibit 16**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 60,934 | 61,661 | 56,221 | 56,620 | 59,948 | 57,723 |
| 11,666 | 12,677 | 13,576 | 13,045 | 12,644 | 11,960 |
| $24,228,469 | $26,212,980 | $25,052,556 | $24,786,539 | $24,584,769 | $25,527,589 |
| 6,075 | 7,452 | 7,649 | 6,958 | 6,631 | 6,086 |
| 1,403 | 1,296 | 1,255 | 1,615 | 1,416 | 979 |
| 5,945 | 5,860 | 5,180 | 6,278 | 5,502 | 2,818 |
| 1,403 | 1,422 | 1,386 | 1,615 | 1,416 | 979 |
| 1,900 | 1,044 | 1,172 | 1,356 | 1,243 | 1,028 |
| 822 | 800 | 1,116 | 1,050 | 1,079 | 471 |
| 64,820 | 73,412 | 80,241 | 87,795 | 84,396 | 75,413 |
| 96 | 57 | 79 | 86 | 99 | 90 |
| 1,811 | 1,976 | 2,079 | 2,590 | 2,133 | 2,240 |
| 109,562 | 111,536 | 113,825 | 108,698 | 112,700 | h |
| 226,080 | 237,623 | 261,546 | 287,956 | 310,543 | 289,979 |

Lane County, Oregon

## Capital Asset Statistics by Function/Program

Last Ten Fiscal Years - Unaudited

| | Fiscal Year | | | |
|---|---|---|---|---|
| | 2011 [c] | 2012 | 2013 | 2014 |
| **Function/Program** | | | | |
| Public safety | | | | |
| Sheriff's office: | | | | |
| Corrections: | | | | |
| Capacity (beds) [a] | | | | |
| County jail | 507 | 507 | 507 | 507 |
| Community corrections center | 122 | 33 | 33 | 36 |
| Youth services: | | | | |
| Youth detention/secure treatment beds | 96 | 96 | 96 | 96 |
| Youth treatment beds [b, d] | 42 | 16 | 0 | 0 |
| Parks | | | | |
| Recreation: | | | | |
| Acreage | 4,528 | 4,528 | 4,479 | 4,318 |
| Recreational sites | 73 | 73 | 71 | 70 |
| Roads and bridges | | | | |
| Miles of Roads | 1,443 | 1,443 | 1,443 | 1,443 |
| Number of Bridges | 418 | 418 | 420 | 417 |
| Solid waste disposal | | | | |
| Municipal solid waste landfill | 1 | 1 | 1 | 1 |
| Public disposal sites | 16 | 16 | 16 | 16 |

**Notes**

a. Use of county jail beds is limited by the Federal Consent Decree Limitation to 93% capacity and further limited by the closure of beds due to lack of adequate/safe staffing levels.

b. As of FY 2013 the County no longer has access to treatment beds at Pathways, which is now a state facility.

c. In accordance with GASB No. 61, Homes for Good (previously known as the Housing and Community Services Agency) has been reclassified as a discretely presented component unit. In order to enhance comparability, Homes for Good has been removed from the primary government for all fiscal years 2011 and prior.

d. The Phoenix Program moved into its own building and has treatment beds available as of FY 2018.

**Source**

Lane County Departments

**Exhibit 17**

| Fiscal Year | | | | | |
|---|---|---|---|---|---|
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 507 | 507 | 507 | 507 | 507 | 507 |
| 39 | 39 | 39 | 39 | 39 | 39 |
| 96 | 96 | 96 | 96 | 96 | 96 |
| 0 | 0 | 0 | 17 | 17 | 17 |
| 4,327 | 4,430 | 4,430 | 4,364 | 4,364 | 4,364 |
| 68 | 71 | 71 | 68 | 68 | 68 |
| 1,443 | 1,443 | 1,436 | 1,435 | 1,472 | 1,472 |
| 417 | 417 | 415 | 414 | 429 | 429 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 16 | 16 | 15 | 15 | 15 | 15 |

LANE
COUNTY
OREGON

# AUDIT COMMENTS AND GOVERNMENT AUDITING STANDARDS SECTIONS

# AUDIT COMMENTS

# AUDIT COMMENTS

(Comments and Disclosure Required by State Regulators)

Oregon Administrative Rules 162-010-0000 through 162-010-0330, 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 required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements are set forth following.

MOSSADAMS

## Report of Independent Auditors on Compliance and on Internal Control Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon Minimum Audit Standards

Board of County Commissioners
Lane County, Oregon

We have audited the basic financial statements of Lane County, Oregon ("the County") as of and for the year ended June 30, 2020 and have issued our report thereon dated November 30, 2020. We conducted our audit 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 provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

### Compliance

As part of obtaining reasonable assurance about whether the County's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-0000 to 162-10-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the annual budgets for fiscal years 2020 and 2021.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The requirements pertaining to the use of revenue from taxes on motor vehicle use fuel funds.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

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. Except as discussed below, the results of our tests disclosed no instances of noncompliance that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

### Excess of Expenditures over Appropriations

As described in Note II B., the results of testing indicated one instance of non-compliance related to an excess of expenditure over appropriation.

### Internal Control Over Financial Reporting

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

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

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

### Purpose of this Report

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

For Moss Adams LLP
Eugene, Oregon
November 30, 2020

LANE
COUNTY
OREGON

# GOVERNMENT AUDITING STANDARDS

# Government Auditing Standards Report

MOSSADAMS

## Report of Independent Auditors 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*

Board of County Commissioners
Lane 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, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Lane County, Oregon ("the County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 30, 2020.

### Internal Control Over Financial Reporting

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

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

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

## Compliance and Other Matters

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

## Purpose of this Report

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

Moss Adams, LLP

Eugene, Oregon
November 30, 2020