

For Year Ended June 30, 2015



O R E G O N

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

MARION COUNTY, OREGON

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015

Marion County Finance Department

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INTRODUCTORY SECTION



Marion County

OREGON

FINANCE DEPARTMENT

BOARD OF COMMISSIONERS

Sam Brentano
Kevin Cameron
Janet Carlson

CHIEF ADMINISTRATIVE OFFICER

John Lattimer

CHIEF FINANCIAL OFFICER

Jeff White

Telephone:
(503) 589-3295

Fax:
(503) 373-4379

December 14, 2015

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

We are pleased to submit this Comprehensive Annual Financial Report (CAFR) of Marion County, Oregon for the fiscal year ended June 30, 2015 in accordance with state requirements. Oregon law requires local governments to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) for the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants within six months of the close of each fiscal year.

This report consists of management's representations concerning the finances of Marion County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to provide sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. The County has designed its internal controls to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement, recognizing the need to balance the cost of internal controls with their benefits. 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 County's financial statements have been audited by Grove, Mueller & Swank, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the County's financial statements for the fiscal year ended June 30, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2015 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the County's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Federal Grant Compliance Report.

In accordance with GAAP, County management has provided 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. MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

Marion County, then called Champooick, was created in 1843 by the provisional government 16 years before Oregon gained statehood on February 14, 1859. In 1849 the name was changed to Marion honoring American Revolutionary General Francis Marion. The County is located in the heart of the Willamette Valley, and the Willamette River was established as its western boundary in 1856. Salem, the county seat and state capital, is one of the valley's oldest cities.

There are 20 incorporated cities and 37 unincorporated communities in Marion County, and the County's population is currently estimated at 329,770. The County's present boundary encompasses 1,194 square miles. The County is empowered to levy a property tax on both real and personal properties located within its boundaries.

The County is governed by a three-member Board of Commissioners. The commissioners are elected to four-year staggered terms from the County at large, and a chair and vice chair are selected annually. Policy-making, legislative authority and quasi-judicial powers are vested in the Board of Commissioners, which is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Chief Administrative Officer and the heads of various departments. The Chief Administrative Officer is responsible for carrying out the policies of the Board of Commissioners and overseeing the day-to-day operations of the County.

The County provides a full range of services including elections, property assessment and taxation, public and behavioral health, law enforcement, corrections, prosecution, justice courts, supervision of juvenile offenders, road and bridge maintenance and construction, emergency management, dog licensing and control, parks maintenance, solid waste disposal, and environmental services. Sewer and lighting services are provided through legally separate entities, which function, in essence, as part of Marion County and therefore are included as part of the County's financial statements. Additional information on these legally separate entities can be found in Note 1A of the notes to the financial statements.

The annual budget serves as the foundation for the County's financial planning and control. The County adheres to Oregon Local Budget Law in the preparation, adoption and execution of the budget. To oversee the process, the Board of Commissioners has appointed the Chief Administrative Officer as the County's Budget Officer. County departments submit requests for appropriation to the Budget Officer in March or April each year. The Budget Officer uses these requests as the starting point for developing a proposed budget. The Budget Officer then presents this proposed budget to the County's Budget Committee for review in May or early June. After approval by the Budget Committee, the Board of Commissioners is required to hold a public hearing on the approved budget and adopt a final budget by no later than June 30, the

close of the preceding fiscal year. The appropriated budget is prepared by fund and category or by fund and department. Department heads may make transfers of appropriations between line items within a fund and category; however, transfers of appropriations between categories require the approval of the Board of Commissioners. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the financial environment within which the County operates.

Local Economy – Marion County is the largest producer of agriculture among Oregon's 36 counties. Marion County's economy is also based on government and education. In addition to the state capitol, 126 state agencies are located in Marion County, providing employment to approximately 19,600 employees. Marion County employs about 1,500 workers, the City of Salem employs about 1,300 workers, and the County's ten public school districts employ about 6,400 workers. As of September 2015, the seasonally adjusted unemployment rate in Marion County was 6.8%, a decrease from 7.6% last year, and comparable to the state average of 6.2% but higher than the national average of 5.1%.

Long-Term Financial Planning – The County heads into fiscal year 2016 with an acceptable financial position and a low ratio of outstanding debt to the real market value of taxable property within the County. Major long-term concerns for the County include changes in state and federal funding, rising employee benefit costs, replacing experienced personnel due to retirements, and pressing capital needs.

Relevant Financial Policies – The County has established, by policy, minimum requirements for budgeting ending fund balance in the General Fund. Maintaining a minimum balance requirement for the General Fund helps ensure that the County has adequate resources for operations at the beginning of the following fiscal year until property taxes (a major funding source) are received.

Cash temporarily idle during the year was invested in certificates of deposit, obligations of the U.S. government, municipal and corporate bonds, and the State's local government investment pool. Investments of the County and other entrusted funds are made under the restrictions of Oregon law, and in accordance with the County's Investment Policy.

The County budgets for its risk management activities in an internal service fund. Risk management is predicated on an actuarial study, which is assigned a probability of loss related to workers' compensation, automobile and general liability. Third-party coverage is currently maintained for workers' compensation claims in excess of \$750,000 and liability claims in excess of \$1,000,000. Additional information on the County's risk management activity can be found in Note 7 of the notes to the financial statements.

Major Initiatives – The County's long-term strategic priorities center on the following areas: 1) operational efficiency and quality service, 2) growth and infrastructure, 3) public safety, 4) economic development, 5) transportation, 6) health and community services, and 7) emergency management. In an effort to provide better information for decision-making, county departments have established key indicators that relate to the County's strategic priorities. These key indicators are used to help forecast trends and determine program and budget needs.

Current initiatives include: expansion of the county's stormwater management program; implementation of a new service district for agricultural education; renovation projects at the health building, work center and jail; construction projects for parole and probation and juvenile administration; and replacement of the case management system for the District Attorney's Office.

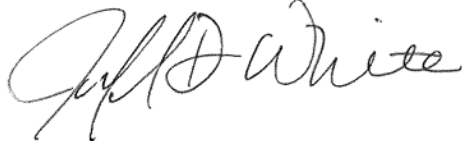
AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Marion County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. This was the 14th consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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.

In addition, the County also received the GFOA Award for Distinguished Budget Presentation for its budget document for the fiscal year beginning July 1, 2014, making this the 4th consecutive year the County has received this award. To qualify for the award, the budget document must be judged to be proficient in several categories as a policy document, financial plan, operations guide, and communication 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.

We would like to express our appreciation to all members of the Finance Department and other County personnel who assisted and contributed to the preparation of this report. Credit must also be given to the County's Board of Commissioners, elected officials, Chief Administrative Officer and appointed department heads for maintaining the highest standards of accountability in the management of the County's finances.

Respectfully submitted,



Jeff White
Chief Financial Officer



Cynthia A. Granatir
Chief Accountant

MARION COUNTY, OREGON
Principal Officials
June 30, 2015

Board of Commissioners

Janet Carlson	Chair
Kevin Cameron	Vice Chair
Samuel Brentano	Second Vice Chair

P.O. Box 14500
Salem, Oregon 97309-5036

Other Elected Officials

Tom Rohlfiing	Assessor
Bill Burgess	County Clerk
Walt Beglau	District Attorney
Janice Zyryanoff	Justice of the Peace
Jason Myers	Sheriff
Laurie Steele	Treasurer

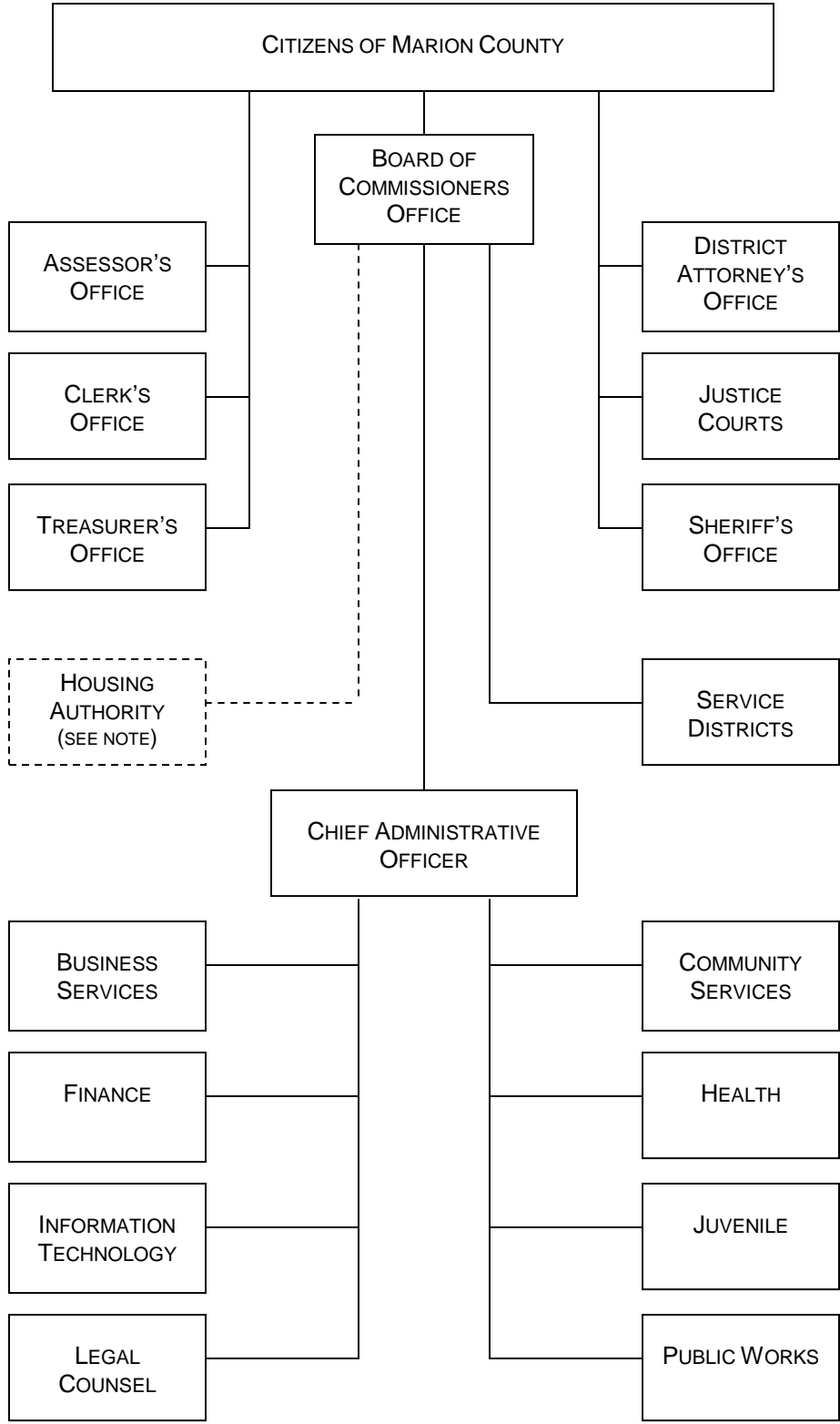
Chief Administrative Officer

John Lattimer

Legal Counsel

Gloria Roy

MARION COUNTY, OREGON
 Organization Chart
 June 30, 2015



Note: The Marion County Housing Authority is reported in separate financial statements.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Marion County
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

FINANCIAL SECTION



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Marion County, Oregon
Salem, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Marion County, Oregon (the County) as of and for the year ended June 30, 2015, 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 County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Marion County, Oregon, as of June 30, 2015, 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.

Emphasis of Matter

As discussed in notes to the financial statements, the County adopted the accounting requirements of Governmental Accounting Standards Board Statements No. 68, Accounting and Financial Reporting for Pensions, and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, which resulted in the restatement of the beginning balances for the year ended June 30, 2015. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) (pages 3-10), Oregon public employees retirement system – schedule of County's proportionate share of the net pension

liability (page 50), Oregon public employees retirement system – schedule of County contributions (page 51), other post-employment benefits – schedule of funding progress (page 52) and budgetary comparison information (pages 46-49) 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 MD&A, both Oregon public employee retirement system schedules, and the other post-employment benefits schedule 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.

The budgetary comparison 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 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 comparison information is 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 supplementary information, introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards and Other Legal and Regulatory Requirements


Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2015, on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 14, 2015, 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.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, A Shareholder
December 14, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Marion County, Oregon, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report.

FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows exceeded its liabilities and deferred inflows at the end of the current fiscal year by \$217,407,346 (*net position*). Of this amount, \$181,348,675 reflects the County's net investment in capital assets, and \$35,146,993 represents resources that are subject to external restrictions. The remaining balance of \$911,678 is unrestricted.
- The County's financial position improved from the prior fiscal year with an increase in total restated net position of \$29,413,303, primarily due to the implementation of new accounting and reporting standards for pensions.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$89,375,265, an increase of \$11,955,287 from the prior year. Of this amount, \$955,954 is nonspendable, and \$29,692,731 is subject to external restrictions. The remaining amount of \$58,726,580 is available to support the County's various governmental programs and operations.
- At the end of the current fiscal year, the unassigned fund balance for the General Operating Fund was \$10,788,435, equal to 17% of total General Operating Fund expenditures.
- The County's total debt decreased by \$2,717,391 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The *statement of net position* presents information on all of the County's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or declining.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items in which the cash flows will occur in future fiscal periods (such as uncollected taxes and unused vacation).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, health and social services, public safety and judicial, community service, roads and bridges, and pass-through support for education. The business-type activities of the

County include environmental services, and sewer and lighting services. Sewer and lighting services are provided through legally separate entities which function, in essence, as part of Marion County and therefore have been included as part of the primary government.

The government-wide financial statements can be found on pages 11-12 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. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The County reports twenty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Operating Fund, Public Works Fund, Health Fund, Lottery & Economic Development Fund, and Facility Renovation Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for each of its governmental funds, except as follows: the County budgets and maintains five individual funds that are combined and reported as a single General Operating Fund in the fund financial statements. Individual fund data for each of these budgetary funds is provided in the form of *combining statements* elsewhere in this report. Budgetary comparison schedules have been provided for each fund to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found on pages 13-15 of this report.

Proprietary funds – Marion County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its environmental services, and sewer and lighting operations. *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 central administration, risk management and fleet management activities. Because these activities predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Environmental Services Fund, which is considered to be a major fund of the County. Data from the other enterprise funds are combined into a single, aggregated

presentation; individual fund data for each of these non-major enterprise funds is provided in the form of *combining statements* elsewhere in this report. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of the internal service funds is also provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for each of its proprietary funds, except the Illahe Hills Street Lighting District. Budgetary comparison schedules have been provided for each fund to demonstrate budgetary compliance.

The basic proprietary fund financial statements can be found on pages 16-19 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 of these funds are *not* available to support the County's own programs. The accrual basis of accounting is used for fiduciary funds, similar to that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 20 of this report.

Notes to the 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 21-45 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report presents certain *required supplementary information* consisting of 1) budgetary comparisons for the General Fund, Public Works Fund, Health Fund, and Lottery & Economic Development Fund, 2) proportionate share of net pension liability, 3) pension contributions, and 4) funding progress for other post-employment benefits. Required supplementary information can be found on pages 46-52 of this report.

The combining statements referred to earlier in connection with the General Operating Fund, nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 53-102 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position – As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Marion County, assets and deferred outflows exceeded liabilities and deferred inflows by \$217,407,346 at the end of fiscal year 2015.

The largest portion of the County's net position (83%) is its investment in capital assets (e.g., land, buildings, equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the County's net position (16%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (1%) may be used to meet the County's ongoing obligations to citizens and creditors.

The County's financial position improved from the prior fiscal year with an increase in total net position of \$29,413,303 primarily due to the implementation of new accounting and reporting standards for pensions. For fiscal year 2015, the County recognized a negative pension expense of \$16,555,253 due to legislative changes that had a significant impact on the valuation of the net pension liability. Additional information on the County's pension plan can be found in Note 8 on pages 37-40 of this report.

Marion County's Net Position (thousands)

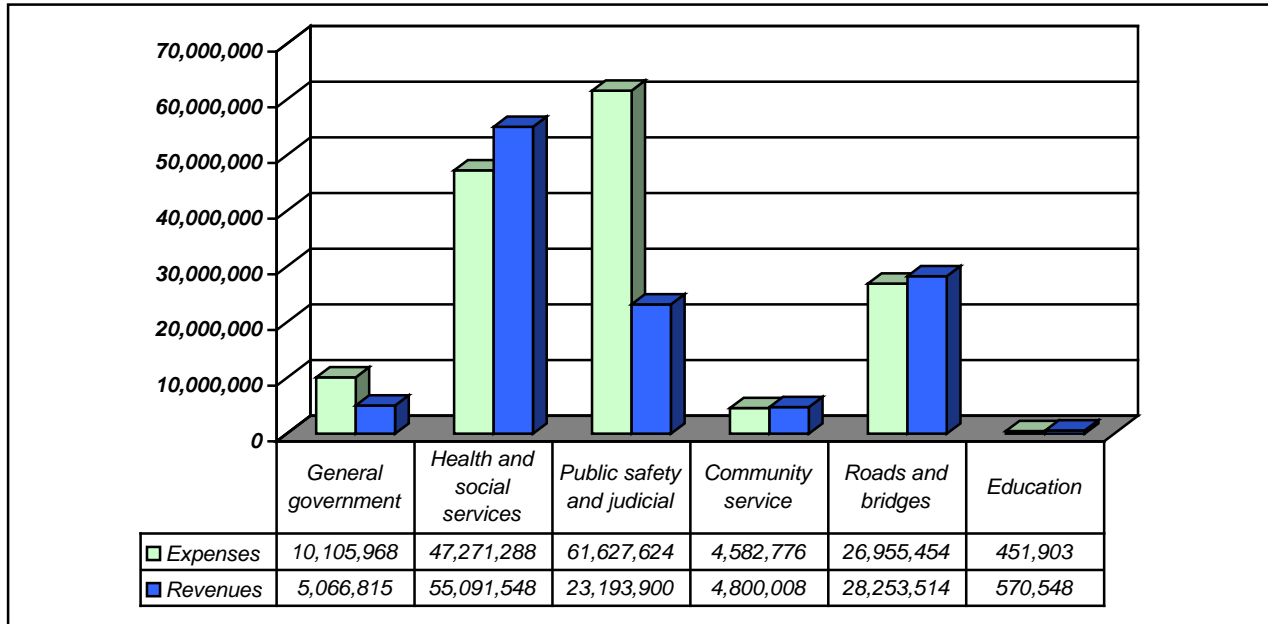
	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 137,881	\$ 152,055	\$ 15,831	\$ 17,549	\$ 153,712	\$ 169,604
Capital assets	187,330	192,729	9,173	9,821	196,503	202,550
Total assets	325,211	344,784	25,004	27,370	350,215	372,154
Deferred outflows of resources	6,153	-	132	-	6,285	-
Long-term liabilities outstanding	86,736	87,264	6,589	7,728	93,325	94,992
Other liabilities	8,227	13,318	2,100	2,948	10,327	16,266
Total liabilities	94,963	100,582	8,689	10,676	103,652	111,258
Deferred inflows of resources	34,695	-	746	-	35,441	-
Net position:						
Net investment in capital assets	172,837	177,507	8,511	9,201	181,348	186,708
Restricted	35,147	31,524	-	-	35,147	31,524
Unrestricted	(6,278)	35,171	7,190	7,493	912	42,664
Total net position	\$ 201,706	\$ 244,202	\$ 15,701	\$ 16,694	\$ 217,407	\$ 260,896

Marion County's Changes in Net Position (thousands)

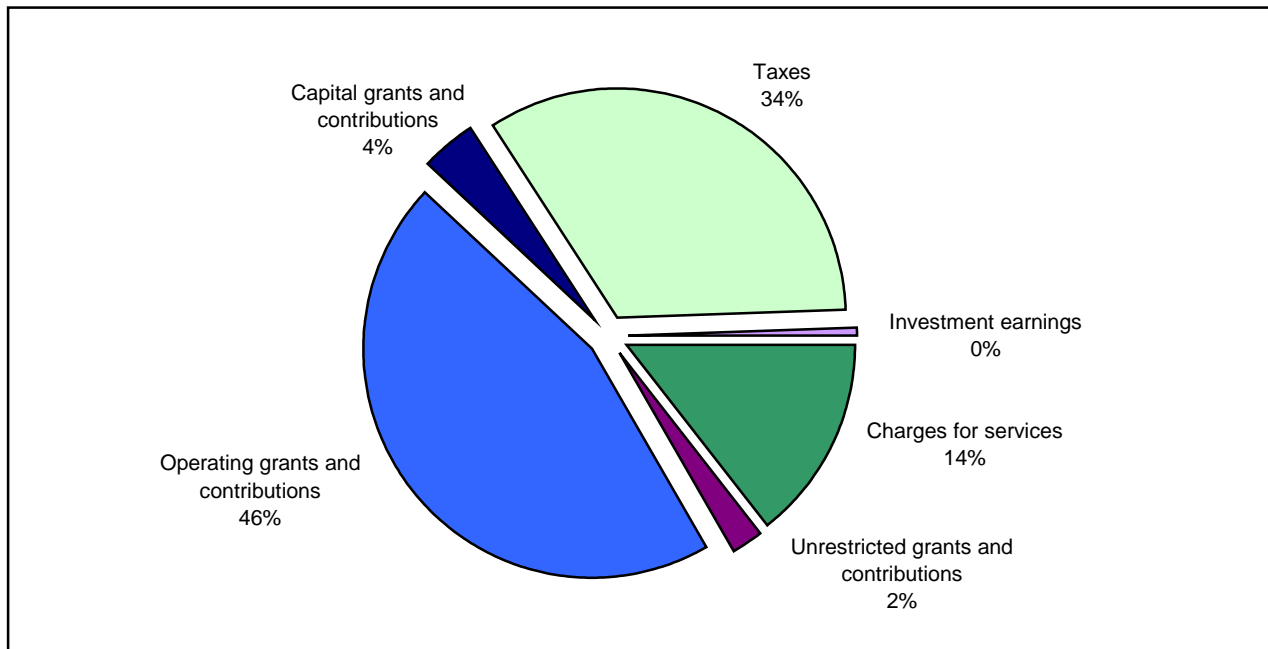
	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 26,413	\$ 25,490	\$ 18,499	\$ 20,971	\$ 44,912	\$ 46,461
Operating grants and contributions	83,266	87,998	-	-	83,266	87,998
Capital grants and contributions	7,297	5,125	-	-	7,297	5,125
General revenues:						
Property taxes	61,711	59,111	244	248	61,955	59,359
Other taxes	266	296	325	298	591	594
Unrestricted grants and contributions	4,415	4,199	-	-	4,415	4,199
Unrestricted investment earnings	912	744	78	64	990	808
Total revenues	184,280	182,963	19,146	21,581	203,426	204,544
Expenses:						
General government	10,106	10,955	-	-	10,106	10,955
Health and social services	47,271	56,642	-	-	47,271	56,642
Public safety and judicial	61,628	72,525	-	-	61,628	72,525
Community service	4,583	5,052	-	-	4,583	5,052
Roads and bridges	26,955	29,633	-	-	26,955	29,633
Education	452	403	-	-	452	403
Interest on long-term debt	3,914	3,826	-	-	3,914	3,826
Environmental services	-	-	18,054	21,199	18,054	21,199
Sewer and lighting services	-	-	1,050	1,046	1,050	1,046
Total expenses	154,909	179,036	19,104	22,245	174,013	201,281
Change in net position	29,371	3,927	42	(664)	29,413	3,263
Net position - beginning of year	244,202	240,275	16,694	17,358	260,896	257,633
Restatement of beginning net position	(71,867)	-	(1,035)	-	(72,902)	-
Net position - end of year	\$ 201,706	\$ 244,202	\$ 15,701	\$ 16,694	\$ 217,407	\$ 260,896

Governmental Activities – Governmental activities increased the County’s net position by \$29,371,153 primarily due to the implementation of new accounting and reporting standards for pensions as noted previously in the government-wide financial analysis.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Business-type Activities – Business-type activities increased the County’s net position by \$42,150. The County’s business-type activities include environmental services, and sewer and lighting services. In the current fiscal year, expenses for environmental services were \$18,054,237 with program revenues of \$17,844,368. For sewer and lighting services, expenses were \$1,049,626, and program revenues were \$654,696.

Charges for services are the primary source of revenue for business-type activities, comprising 97% of total revenues for fiscal 2015. Other sources of revenue include taxes and investment earnings.

FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

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

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

As of the end of the current fiscal year, the County’s governmental funds reported combined ending fund balances of \$89,375,265, an increase of 15% in comparison with the prior year. \$955,954 (1%) of this amount is nonspendable in the form of inventory and prepaid items. \$29,692,731 (33%) is subject to restrictions imposed by creditors, grantors, contributors, laws or regulations. \$58,726,580 (66%) constitutes unrestricted fund balance and is available to support the County’s programs in general government, health and social services, public safety and judicial, community service, roads and bridges, and pass-through funding for education.

The General Operating Fund is the chief operating fund of the County. At the end of the current fiscal year, the General Operating Fund had a total fund balance of \$14,350,138, of which \$19,960 is nonspendable for inventories and prepaid items, \$2,209,958 is committed, \$1,332,565 is assigned, and \$10,788,435 is unassigned. The \$825,252 net increase in fund balance during the current year was primarily due to vacancy savings in a number of departments, most notably the Sheriff’s Office. As a measure of the General Operating Fund’s liquidity, it may be useful to note that unassigned fund balance represents 15% of revenues and 17% of expenditures for fiscal 2015.

The Public Works Fund has a total fund balance of \$25,303,139, of which \$909,900 is nonspendable, \$2,584,774 is committed, and \$21,808,465 is assigned. Fund balance increased \$2,720,301 during the current year due to vacancy savings and delays in road and bridge construction projects.

The Health Fund has a total fund balance of \$24,398,753, of which \$6,425 is nonspendable, \$18,144,480 is restricted, and \$6,247,848 is assigned. Fund balance increased \$4,915,405 during the current year due to vacancy savings and payments to health providers that were less than anticipated.

The Lottery & Economic Development Fund has a total fund balance of \$1,382,330, all of which is restricted. Fund balance increased \$109,533 during the current year due to a reduction in grant disbursements.

The Facility Renovation Fund has a total fund balance of \$12,329,205, of which \$5,811,288 is restricted, and \$6,517,917 is assigned. Fund balance increased \$3,651,734 during the current year due to resources transferred from other funds for upcoming renovation projects.

Proprietary Funds – The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position at the end of the fiscal year amounted to \$6,911,369 for Environmental Services. Net position for Environmental Services increased slightly by \$29,732.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total appropriations in the General Fund's final amended budget were \$1,439,132 higher than the original adopted budget (includes expenditures and transfers out); the only significant change was an increase of \$1,186,000 for transfers to the Facility Renovation Fund. Intergovernmental revenues were 18% higher than budgeted, most notably because a final reimbursement for the Keizer Urban Renewal District was received earlier than expected. Actual expenditures did not vary significantly from the final amended budget.

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, 2015 amounts to \$196,503,122 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, landfills, buildings and improvements, equipment, and infrastructure. The total decrease in the County's investment in capital assets for the current fiscal year was 3% (a 3% decrease for governmental activities and a 7% decrease for business-type activities).

Major capital projects during the current fiscal year included road and bridge construction, and renovations of the jail and health buildings. Construction in progress at the end of the year was approximately \$6,183,000 for roads and bridges, \$649,000 for facility renovation projects, and \$321,000 for various other projects.

Marion County's Capital Assets (thousands)
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 11,889	\$ 11,889	\$ 3,035	\$ 3,035	\$ 14,924	\$ 14,924
Construction in progress	7,153	4,831	-	-	7,153	4,831
Landfills	-	-	2	5	2	5
Buildings and improvements	80,061	80,106	4,054	4,352	84,115	84,458
Equipment	13,371	12,665	2,082	2,429	15,453	15,094
Infrastructure	74,856	83,238	-	-	74,856	83,238
Total	\$ 187,330	\$ 192,729	\$ 9,173	\$ 9,821	\$ 196,503	\$ 202,550

Additional information on the County's capital assets can be found in Note 5 on pages 28-29 of this report.

Long-Term Debt – At the end of the current fiscal year, the County had total debt outstanding of \$60,673,343, a decrease of 4% from the previous fiscal year. This amount includes \$1,292,413 in revenue bonds (Oregon Garden), \$10,640,837 in refunding bonds (Courthouse Square), \$9,662,966 in capital financing agreements, \$38,535,195 in limited tax pension obligations (PERS) and \$541,932 in notes payable (service districts). The County currently has no outstanding general obligation bonds.

State statutes limit the amount of bonded debt a county may issue to a percentage of the real market value of the County's taxable property; the limit is 2% for general obligation bonds and 1% for limited tax obligations. Based on the County's real market value for fiscal year 2015, the current limitation is \$698 million for general obligation bonds and \$349 million for limited tax obligations. As of June 30, 2015, the County's total outstanding debt represents 0.17% of real market value. Standard & Poor's has given the County an issuer credit rating of AA.

Marion County's Outstanding Debt (thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenue bonds	\$ 1,292	\$ 1,767	\$ -	\$ -	\$ 1,292	\$ 1,767
Refunding bonds	10,641	11,684	-	-	10,641	11,684
Capital financing agreements	9,663	9,950	-	-	9,663	9,950
Limited tax pension obligations	38,535	39,369	-	-	38,535	39,369
Notes payable	-	-	542	621	542	621
Total	\$ 60,131	\$ 62,770	\$ 542	\$ 621	\$ 60,673	\$ 63,391

Additional information on the County's long-term debt can be found in Note 6 on pages 30-35 of this report.

SEC Annual Disclosure Requirements – In order to meet the requirements of SEC Rule 15c2-12, the County must provide annual updates of certain financial information to state and national repositories. All of the information needed to meet the requirement for this fiscal year is provided in this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Total assessed value of taxable property in Marion County is expected to increase by an estimated 4.1%.
- The unemployment rate in Marion County is currently 6.8%, a decrease from the rate of 7.4% a year ago. The County's unemployment rate is comparable to the state average of 6.2% and higher than the national average of 5.1%.
- For the six months ending September 2015, the University of Oregon Index of Economic Indicators fell 0.3%; comparable national indices showed an increase of 1.5%.
- As of September 2015, forecasted revenues for the State of Oregon's general fund in the 2015-2017 biennium were \$55 million lower than previously forecasted at the close of the legislative session.

All of these factors have been considered in preparing the County's budget for fiscal year 2016.

During the current fiscal year, fund balance in the General Operating Fund increased from \$13,524,846 to \$14,350,098. The County has appropriated \$7,201,833 of this amount for spending in fiscal year 2016.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Marion County Finance Department, PO Box 14500, Salem, OR 97309, or FinancialServices@co.marion.or.us.

BASIC FINANCIAL STATEMENTS

MARION COUNTY, OREGON
STATEMENT OF NET POSITION

June 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 98,412,407	\$ 15,085,046	\$ 113,497,453
Receivables	18,407,104	1,872,286	20,279,390
Internal balances	1,502,946	(1,502,946)	-
Inventories and prepaid items	2,054,064	-	2,054,064
Net pension asset	17,504,481	376,632	17,881,113
Capital assets not being depreciated:			
Land	11,888,914	3,034,916	14,923,830
Construction in progress	7,152,949	-	7,152,949
Capital assets being depreciated:			
Landfills	-	6,430,703	6,430,703
Buildings and improvements	113,270,995	13,904,296	127,175,291
Equipment	30,961,729	4,008,654	34,970,383
Infrastructure	565,460,345	-	565,460,345
Less accumulated depreciation	(541,404,732)	(18,205,647)	(559,610,379)
Total assets	<u>325,211,202</u>	<u>25,003,940</u>	<u>350,215,142</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related deferred outflows	6,152,429	132,378	6,284,807
Total deferred outflows of resources	<u>6,152,429</u>	<u>132,378</u>	<u>6,284,807</u>
LIABILITIES			
Accounts payable and other current liabilities	7,905,860	2,084,822	9,990,682
Accrued interest payable	321,064	15,285	336,349
Noncurrent liabilities:			
Due within one year	9,384,525	172,533	9,557,058
Due in more than one year	77,351,615	6,416,027	83,767,642
Total liabilities	<u>94,963,064</u>	<u>8,688,667</u>	<u>103,651,731</u>
DEFERRED INFLOWS OF RESOURCES			
Pension-related deferred inflows	34,694,377	746,495	35,440,872
Total deferred inflows of resources	<u>34,694,377</u>	<u>746,495</u>	<u>35,440,872</u>
NET POSITION			
Net investment in capital assets	172,837,685	8,510,990	181,348,675
Restricted for:			
General government	478,992	-	478,992
Health and social services	18,162,103	-	18,162,103
Public safety and judicial	2,057,043	-	2,057,043
Community service	7,116,421	-	7,116,421
Roads and bridges	1,397,909	-	1,397,909
Education	123,237	-	123,237
Capital projects	5,811,288	-	5,811,288
Unrestricted	(6,278,488)	7,190,166	911,678
Total net position	<u>\$ 201,706,190</u>	<u>\$ 15,701,156</u>	<u>\$ 217,407,346</u>

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

MARION COUNTY, OREGON

STATEMENT OF ACTIVITIES

For the year ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General government	\$ 10,105,968	\$ 5,066,815	\$ -	\$ -	\$ (5,039,153)	\$ -	\$ (5,039,153)
Health and social services	47,271,288	6,516,683	48,205,655	369,210	7,820,260	-	7,820,260
Public safety and judicial	61,627,624	8,079,397	15,103,153	11,350	(38,433,724)	-	(38,433,724)
Community service	4,582,776	2,806,613	1,993,395	-	217,232	-	217,232
Roads and bridges	26,955,454	3,943,448	17,393,471	6,916,595	1,298,060	-	1,298,060
Education	451,903	-	570,548	-	118,645	-	118,645
Interest on long-term debt	3,914,517	-	-	-	(3,914,517)	-	(3,914,517)
Total governmental activities	154,909,530	26,412,956	83,266,222	7,297,155	(37,933,197)	-	(37,933,197)
Business-type activities:							
Environmental services	18,054,237	17,844,368	-	-	-	(209,869)	(209,869)
Sewer and lighting services	1,049,626	654,696	-	-	-	(394,930)	(394,930)
Total business-type activities	19,103,863	18,499,064	-	-	-	(604,799)	(604,799)
Total	\$ 174,013,393	\$ 44,912,020	\$ 83,266,222	\$ 7,297,155	(37,933,197)	(604,799)	(38,537,996)
General revenues:							
Property taxes					61,711,673	243,556	61,955,229
Franchise taxes					265,819	324,940	590,759
Unrestricted grants and contributions					4,414,818	-	4,414,818
Unrestricted investment earnings					912,040	78,453	990,493
Total general revenues					67,304,350	646,949	67,951,299
Change in net position					29,371,153	42,150	29,413,303
Net position - beginning, as restated					172,335,037	15,659,006	187,994,043
Net position - ending					\$ 201,706,190	\$ 15,701,156	\$ 217,407,346

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

MARION COUNTY, OREGON

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2015

	General Operating Fund	Public Works Fund	Health Fund	Lottery & Economic Development Fund	Facility Renovation Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and investments	\$ 14,184,150	\$ 22,866,529	\$ 23,847,322	\$ 1,412,376	\$ 12,369,130	\$ 11,412,057	\$ 86,091,564
Receivables	4,853,562	3,331,116	1,701,426	5,043,237	27,335	2,054,306	17,010,982
Advances to other funds	-	800,000	-	-	-	-	800,000
Inventories and prepaids	19,960	909,900	6,425	-	-	19,669	955,954
Total assets	<u>\$ 19,057,672</u>	<u>\$ 27,907,545</u>	<u>\$ 25,555,173</u>	<u>\$ 6,455,613</u>	<u>\$ 12,396,465</u>	<u>\$ 13,486,032</u>	<u>\$ 104,858,500</u>
LIABILITIES							
Accounts payable	\$ 687,232	\$ 1,480,589	\$ 449,639	\$ 30,000	\$ 67,260	\$ 1,003,628	\$ 3,718,348
Payroll related liabilities	1,009,187	238,853	666,393	3,185	-	375,592	2,293,210
Deposits	7,917	884,964	-	-	-	80,908	973,789
Unearned revenue	-	-	40,388	-	-	-	40,388
Total liabilities	<u>1,704,336</u>	<u>2,604,406</u>	<u>1,156,420</u>	<u>33,185</u>	<u>67,260</u>	<u>1,460,128</u>	<u>7,025,735</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	<u>3,003,238</u>	<u>-</u>	<u>-</u>	<u>5,040,098</u>	<u>-</u>	<u>414,164</u>	<u>8,457,500</u>
FUND BALANCES							
Nonspendable	19,960	909,900	6,425	-	-	19,669	955,954
Restricted	-	-	18,144,480	1,382,330	5,811,288	4,354,633	29,692,731
Committed	2,209,138	2,584,774	-	-	-	378,168	5,172,080
Assigned	1,332,565	21,808,465	6,247,848	-	6,517,917	6,863,031	42,769,826
Unassigned	10,788,435	-	-	-	-	(3,761)	10,784,674
Total fund balances	<u>14,350,098</u>	<u>25,303,139</u>	<u>24,398,753</u>	<u>1,382,330</u>	<u>12,329,205</u>	<u>11,611,740</u>	<u>89,375,265</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,057,672</u>	<u>\$ 27,907,545</u>	<u>\$ 25,555,173</u>	<u>\$ 6,455,613</u>	<u>\$ 12,396,465</u>	<u>\$ 13,486,032</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	187,330,200
The net pension asset is not an available resource and, therefore, is not reported in the funds.	14,948,961
Deferred amounts related to pensions are not reported in the funds:	
Pension-related deferred outflows of resources	5,254,221
Pension-related deferred inflows of resources	(29,629,263)
Other long-term assets are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds.	8,457,500
Internal service funds assets and liabilities are included in governmental activities in the statement of net position.	4,296,106
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable	58,838,998
Accrued interest payable	321,064
Compensated absences	3,583,416
Net OPEB obligation	15,583,322
	<u>(78,326,800)</u>

Net position of governmental activities \$ 201,706,190

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

MARION COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the year ended June 30, 2015

	General Operating Fund	Public Works Fund	Health Fund	Lottery & Economic Development Fund	Facility Renovation Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 62,345,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,345,375
Licenses and permits	62,525	190,770	-	-	-	2,788,423	3,041,718
Intergovernmental	4,612,477	24,310,066	46,711,529	1,392,465	-	17,951,658	94,978,195
Charges for services	4,040,500	3,264,145	6,436,859	-	-	8,801,624	22,543,128
Fines and forfeitures	2,185,618	93	-	-	-	891,210	3,076,921
Interest	531,719	104,997	105,644	6,887	41,595	80,862	871,704
Other	20,553	38,477	39,007	155,509	-	974,359	1,227,905
Total revenues	73,798,767	27,908,548	53,293,039	1,554,861	41,595	31,488,136	188,084,946
Expenditures:							
Current:							
General government	9,105,028	-	-	-	-	243,842	9,348,870
Health and social services	-	-	51,225,765	-	-	2,367,471	53,593,236
Public safety and judicial	54,460,488	-	-	-	-	18,090,434	72,550,922
Community service	754,610	-	-	589,265	-	3,766,947	5,110,822
Roads and bridges	-	18,273,938	-	-	-	490,269	18,764,207
Education	-	-	-	-	-	451,903	451,903
Debt service:							
Principal	-	-	-	474,899	-	2,712,034	3,186,933
Interest	-	-	-	77,164	-	3,301,305	3,378,469
Capital outlay	134,826	6,916,593	369,210	-	635,420	1,105,933	9,161,982
Total expenditures	64,454,952	25,190,531	51,594,975	1,141,328	635,420	32,530,138	175,547,344
Excess (deficiency) of revenues over expenditures	9,343,815	2,718,017	1,698,064	413,533	(593,825)	(1,042,002)	12,537,602
Other financing sources (uses):							
Transfers in	3,859,952	4,000	3,217,341	20,000	4,245,559	7,183,560	18,530,412
Transfers out	(12,378,515)	(1,716)	-	(324,000)	-	(6,408,496)	(19,112,727)
Total other financing sources (uses)	(8,518,563)	2,284	3,217,341	(304,000)	4,245,559	775,064	(582,315)
Net change in fund balances	825,252	2,720,301	4,915,405	109,533	3,651,734	(266,938)	11,955,287
Fund balances - beginning	13,524,846	22,582,838	19,483,348	1,272,797	8,677,471	11,878,678	77,419,978
Fund balances - ending	\$ 14,350,098	\$ 25,303,139	\$ 24,398,753	\$ 1,382,330	\$ 12,329,205	\$ 11,611,740	\$ 89,375,265

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

MARION COUNTY, OREGON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the year ended June 30, 2015

Amounts reported for governmental activities in the statement of activities (page 12) are different because:

Net change in fund balances - total governmental funds (page 14)		\$ 11,955,287
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation during the year.</p>		
Capital outlay	\$ 9,831,068	
Depreciation expense	<u>(14,220,461)</u>	(4,389,393)
<p>In the statement of activities, only the gain or loss on disposal of capital assets is reported. However, in the governmental funds, proceeds from disposal of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of disposed capital assets.</p>		
		(1,009,189)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the effect of the change in these amounts during the year.</p>		
Property taxes	(367,883)	
Loans receivable	<u>32,432</u>	(335,451)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while repayment of long-term debt principal consumes current financial resources. However, neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.</p>		
Repayment of long-term debt principal	3,186,933	
Amortization of premium issued on refunding bonds	82,900	
Amortization of deferred interest bonds	<u>(630,978)</u>	2,638,855
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the effect of the change in these liabilities during the year.</p>		
Interest payable	12,030	
Compensated absences	(192,621)	
Net pension asset/liability and related deferrals	19,094,738	
Net OPEB obligation	<u>(1,346,391)</u>	17,567,756
<p>Adjustment to reflect the consolidation of internal service fund activities related to governmental activities.</p>		
		<u>2,943,288</u>
Change in net position of governmental activities (page 12)		<u>\$ 29,371,153</u>

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

MARION COUNTY, OREGON

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

June 30, 2015

	Business-type Activities - Enterprise Funds			Governmental
	Environmental Services	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS				
Current assets:				
Cash and investments	\$ 13,569,274	\$ 1,515,772	\$ 15,085,046	\$ 12,320,843
Receivables	1,560,482	311,804	1,872,286	103,709
Prepays	-	-	-	1,098,110
Total current assets	<u>15,129,756</u>	<u>1,827,576</u>	<u>16,957,332</u>	<u>13,522,662</u>
Net pension asset	376,632	-	376,632	2,555,520
Capital assets:				
Land	2,807,567	227,349	3,034,916	-
Landfills	6,430,703	-	6,430,703	-
Buildings and improvements	3,447,515	10,456,781	13,904,296	-
Equipment	4,008,654	-	4,008,654	-
Less accumulated depreciation	(9,693,859)	(8,511,788)	(18,205,647)	-
Total assets	<u>22,506,968</u>	<u>3,999,918</u>	<u>26,506,886</u>	<u>16,078,182</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension-related deferred outflows	<u>132,378</u>	<u>-</u>	<u>132,378</u>	<u>898,208</u>
LIABILITIES				
Current liabilities:				
Accounts payable	1,880,255	150,548	2,030,803	540,324
Payroll related liabilities	54,019	-	54,019	339,801
Accrued interest	-	15,285	15,285	-
Compensated absences, current	89,935	-	89,935	575,835
Accrued claims liability, current	-	-	-	1,662,533
Advances, current	85,000	17,143	102,143	-
Loans payable, current	-	82,598	82,598	-
Total current liabilities	<u>2,109,209</u>	<u>265,574</u>	<u>2,374,783</u>	<u>3,118,493</u>
Noncurrent liabilities, net of current portion:				
Compensated absences	16,905	-	16,905	44,503
Net OPEB obligation	390,860	-	390,860	2,048,468
Landfill closure and postclosure liability	5,548,928	-	5,548,928	-
Accrued claims liability	-	-	-	3,106,652
Advances	595,000	102,857	697,857	-
Loans payable	-	459,334	459,334	-
Total liabilities	<u>8,660,902</u>	<u>827,765</u>	<u>9,488,667</u>	<u>8,318,116</u>
DEFERRED INFLOWS OF RESOURCES				
Pension-related deferred inflows	<u>746,495</u>	<u>-</u>	<u>746,495</u>	<u>5,065,114</u>
NET POSITION				
Net investment in capital assets	7,000,580	1,510,410	8,510,990	-
Unrestricted	<u>6,231,369</u>	<u>1,661,743</u>	<u>7,893,112</u>	<u>3,593,160</u>
Total net position	<u>\$ 13,231,949</u>	<u>\$ 3,172,153</u>	16,404,102	<u>\$ 3,593,160</u>
Adjustment to reflect consolidation of internal service fund activities			<u>(702,946)</u>	
Net position of business-type activities			<u>\$ 15,701,156</u>	

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

MARION COUNTY, OREGON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the year ended June 30, 2015

	Business-type Activities - Enterprise Funds			Governmental
	Environmental Services	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues:				
Charges for services	\$ 17,801,681	\$ 654,696	\$ 18,456,377	\$ 43,483,506
Other	235	-	235	13,493
Total operating revenues	17,801,916	654,696	18,456,612	43,496,999
Operating expenses:				
Salaries and wages	2,017,255	-	2,017,255	12,077,141
Repairs and maintenance	190,045	184,215	374,260	1,486,233
Utilities	49,105	244,866	293,971	84,272
Building and equipment rentals	147,097	439	147,536	191,252
Professional services	13,725,099	246,314	13,971,413	658,014
Communication	18,087	896	18,983	221,532
Fuel and operating supplies	148,965	30,322	179,287	1,247,011
Insurance claims and premiums	1,500	11,684	13,184	23,060,704
Administrative expenses	1,138,852	-	1,138,852	1,570,861
Depreciation	495,018	297,976	792,994	-
Other	275,201	4,508	279,709	423,224
Total operating expenses	18,206,224	1,021,220	19,227,444	41,020,244
Operating income (loss)	(404,308)	(366,524)	(770,832)	2,476,755
Nonoperating revenues (expenses):				
Property taxes	-	243,556	243,556	-
Franchise taxes	324,940	-	324,940	-
Interest revenue	70,779	7,674	78,453	40,336
Interest expense	(4,131)	(28,406)	(32,537)	-
Gain (loss) on sale of assets	42,452	-	42,452	-
Total nonoperating revenues (expenses)	434,040	222,824	656,864	40,336
Income (loss) before transfers	29,732	(143,700)	(113,968)	2,517,091
Transfers in	-	-	-	582,315
Change in net position	29,732	(143,700)	(113,968)	3,099,406
Net position - beginning, as restated	13,202,217	3,315,853		493,754
Net position - ending	\$ 13,231,949	\$ 3,172,153		\$ 3,593,160
Adjustment to reflect consolidation of internal service fund activities			156,118	
Change in net position of business-type activities			\$ 42,150	

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

MARION COUNTY, OREGON

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the year ended June 30, 2015

	Business-type Activities - Enterprise Funds			Governmental
	Environmental Services	Other	Total	Activities
		Enterprise Funds		Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	\$ 18,965,881	\$ 646,157	\$ 19,612,038	\$ 43,550,169
Cash payments to suppliers for goods and services	(17,566,704)	(727,150)	(18,293,854)	(30,242,616)
Cash payments to employees for services	(2,527,735)	-	(2,527,735)	(15,510,303)
Net cash from operating activities	(1,128,558)	(80,993)	(1,209,551)	(2,202,750)
Cash flows from noncapital financing activities:				
Property taxes received	-	244,606	244,606	-
Franchise taxes received	324,940	-	324,940	-
Transfers received	-	-	-	582,315
Net cash from noncapital financing activities	324,940	244,606	569,546	582,315
Cash flows from capital and related financing activities:				
Purchase of capital assets	(28,613)	(122,162)	(150,775)	-
Sale of capital assets	48,583	-	48,583	-
Interfund advances	-	120,000	120,000	-
Debt principal payments	(85,000)	(78,536)	(163,536)	-
Debt interest payments	(4,131)	(31,101)	(35,232)	-
Net cash from capital and related financing activities	(69,161)	(111,799)	(180,960)	-
Cash flows from investing activities:				
Interest on investments	81,488	8,455	89,943	53,854
Net cash from investing activities	81,488	8,455	89,943	53,854
Net change in cash and investments	(791,291)	60,269	(731,022)	(1,566,581)
Cash and investments - beginning	14,360,565	1,455,503	15,816,068	13,887,424
Cash and investments - ending	\$ 13,569,274	\$ 1,515,772	\$ 15,085,046	\$ 12,320,843

(Continued on following page)

MARION COUNTY, OREGON

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the year ended June 30, 2015

	Business-type Activities - Enterprise Funds			Governmental
	Environmental Services	Other	Total	Internal
		Enterprise Funds		Service Funds
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ (404,308)	\$ (366,524)	\$ (770,832)	\$ 2,476,755
Depreciation	495,018	297,976	792,994	-
Change in:				
Accounts receivable	1,163,965	(8,539)	1,155,426	53,170
Prepaid expenses	-	-	-	(1,048,110)
Accounts payable	(782,263)	(3,906)	(786,169)	(564,694)
Payroll related liabilities	(59,388)	-	(59,388)	(427,574)
Compensated absences	5,144	-	5,144	22,127
Net pension asset/liability and deferred pension outflows/inflows	(481,083)	-	(481,083)	(3,264,239)
Net OPEB obligation	24,847	-	24,847	236,524
Landfill closure and postclosure liability	(1,090,490)	-	(1,090,490)	-
Accrued claims liability	-	-	-	313,291
Net cash from operating activities	<u>\$ (1,128,558)</u>	<u>\$ (80,993)</u>	<u>\$ (1,209,551)</u>	<u>\$ (2,202,750)</u>

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

MARION COUNTY, OREGON
STATEMENT OF NET POSITION
FIDUCIARY FUNDS

June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash and investments	\$ 25,558,452
Receivables:	
Accounts and interest	393,040
Property taxes	<u>15,334,681</u>
Total assets	<u>\$ 41,286,173</u>
LIABILITIES	
Accounts payable	\$ 5,720,695
Due to other agencies	<u>35,565,478</u>
Total liabilities	<u>\$ 41,286,173</u>

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

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Reporting Entity:

Marion County, Oregon (the County) is organized under the laws of the State of Oregon as a general law county. The County is governed by an elected three-member Board of Commissioners. These financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are in substance part of the County's operations; thus data from these units are combined with data of the County. Each blended component unit has a June 30 year end.

Blended Component Units – The Brooks Community Service District, East Salem Service District, Fargo Interchange Service District, Illahe Hills Street Lighting District, and Labish Village Sewage and Drainage District provide sewer, drainage and lighting services to County residents that live within the boundaries of each district. These five distinct districts are reported as blended component units because the County's Board of Commissioners acts as the districts' governing body, approving budgets, setting user rates, and issuing debt. In addition, County personnel are responsible for managing the districts' day-to-day operations. These districts are reported as enterprise funds.

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices.

Brooks Community Service District
East Salem Service District
Fargo Interchange Service District
Illahe Hills Street Lighting District
Labish Village Sewage and Drainage District
5155 Silverton Rd. NE
Salem, OR 97305

Jointly Governed Organizations – The County participates in the Mid-Willamette Valley Cable Regulatory Commission (MWVCRC), a jointly governed organization between Marion County and the City of Salem. The MWVCRC is responsible for monitoring and enforcing the provisions of franchise agreements with local cable companies and providing cable access for public purposes within the Salem Urban Growth Boundary. The County, under a renewable annual agreement, funds the MWVCRC based upon the amount of cable franchise fees collected by the County. During fiscal year 2015, the County paid \$144,512 to the MWVCRC. Separate financial statements of the MWVCRC may be obtained at:

Mid-Willamette Valley Cable Regulatory Commission
555 Court Street NE, Suite 4247
Salem, OR 97301

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 nonfiduciary activities of the primary government and its component units. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely primarily on fees and charges for support.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds; fiduciary funds are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

The government-wide financial statements and the proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*; agency funds are also reported using the *accrual basis of accounting* but have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days after fiscal year end. Expenditures are generally recorded when a liability is incurred, except for expenditures related to debt service, compensated absences, and claims and judgments which are recorded when payment is due. Property taxes, federal and state grants, shared revenues, and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenues are considered to be measurable and available only when cash is received by the County.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments between funds where the amounts are reasonably equivalent in value to the services provided; elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

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

The County reports the following major governmental funds:

General Operating Fund – This is the County's primary operating fund. It accounts for all financial resources of the general government, except for those requiring separate accounting in another fund.

Public Works Fund – Expenditures of this fund are restricted under Article IX of the Constitution of the State of Oregon for construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads and streets within the County. Principal revenues include state gas tax apportionments, federal and state grants, ferry tolls and other charges for services.

Health Fund – Accounts for community health and mental health programs. Principal revenues include federal and state grants and contracts, various fees and charges for services.

Lottery & Economic Development Fund – Accounts for shared revenues received from the Oregon State Lottery Fund to be used for economic development activities. State video lottery payments are the principal source of revenue.

Facility Renovation Fund – Accounts for major facility renovation projects.

The County reports the following major enterprise fund:

Environmental Services Fund – Accounts for the operation of the County's solid waste collection and disposal system.

Additionally, the County reports the following fund types:

Internal Service Funds – These funds account for the County's central administrative services, risk management program and fleet management program, the costs of which are charged to other departments on a cost-reimbursement basis.

Agency Funds – These funds account for property taxes collected on behalf of other taxing districts and miscellaneous fees collected on behalf of other government agencies.

D. Investments:

Investments are reported at fair value. A written investment policy, adopted by the Board of Commissioners, controls the types of investments allowed to be purchased by the County.

E. Receivables:

The County levies, collects and distributes property taxes for all taxing jurisdictions within its boundaries. Property taxes receivable in the General Operating Fund that are not available to finance current operations are offset by deferred inflows in the governmental fund financial statements. Such receivables are not reflected as revenue until they become available to finance current operations.

Receivables for federal and state financial assistance are recorded as revenue, in all fund types, when earned.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Loans receivable consist of an operating loan to the Marion County Housing Authority in the General Operating Fund, housing rehabilitation loans made with federal funds in the Community Development Block Grant Fund, land sale contracts in the Tax Title Land Sales Fund, and receivership advances in the Lottery Distribution Fund. Loans receivable that are not available to finance current operations are offset by deferred inflows in the governmental fund financial statements.

Enterprise fund receivables are recorded as revenue when earned, including charges for services rendered but not billed, net of any required allowance for doubtful accounts.

F. Inventories and Prepaid Items:

Inventories of materials and supplies are valued at average cost. Prepaid items are recorded when payments are made to vendors for costs applicable to future accounting periods. Inventories and prepaid items are charged to expenditures/expenses when consumed rather than when purchased.

G. Capital Assets:

Capital assets, which include land, landfills, buildings and improvements, equipment, and infrastructure (i.e., roads, bridges, sidewalks), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date donated. Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value or extend the life of the asset are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Landfills	6 to 26
Buildings and improvements	20 to 55
Equipment	5 to 40
Infrastructure	10 to 65

H. Long-Term Debt:

All of the County's long-term debt is included in the government-wide financial statements. Long-term debt directly related to and expected to be paid from proprietary funds is also included in those funds.

I. Landfill Closure and Post-Closure Liabilities:

The County accrues the costs it expects to incur for closure and post-closure of landfills over the landfill's estimated useful life.

J. Compensated Absences:

Vested compensated absences are accrued in the government-wide and proprietary fund financial statements when earned by employees. Sick pay does not vest and is recorded when used.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

K. Pensions:

The County reports its proportionate share of the net pension asset of the Oregon Public Employees Retirement System (PERS). For purposes of measuring the net pension asset, pension expense and related deferrals, information about PERS' fiduciary net position, additions to and deductions from fiduciary net position, have been determined on the same basis as that reported by PERS. Benefit payments, including refunds of employee contributions, are recognized when due and payable; investments are reported at fair value.

L. Deferred Outflows and Inflows of Resources:

Deferred outflows of resources represents a consumption of net position that will be recognized as expenditure or expense in future periods. Within this category, the County reports deferred amounts for pension contributions made after the date used to measure the net pension asset for the current fiscal year. These amounts will be included in pension expense in the following fiscal year.

Deferred inflows of resources represents an acquisition of financial position that will be recognized as revenue in future periods. Within this category, the County reports pension-related deferrals for differences between estimated and actual investment earnings, and differences between estimated and actual employer contributions; these amounts will be recognized as reductions of pension expense in future years. In addition, the governmental funds report deferred inflows for resources not yet available from property taxes and loans receivable; these amounts will be recognized as revenue when available.

M. Restricted Net Position:

Restricted net position reported in the Statement of Net Position represent amounts for which constraints were imposed by creditors, grantors, contributors, laws or regulations.

N. Fund Balance:

In the fund financial statements, governmental funds report classifications of fund balance based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which those funds can be spent. *Nonspendable fund balance* includes amounts that cannot be spent because they are not in spendable form. *Restricted fund balance* represents amounts for which constraints have been imposed by creditors, grantors, contributors, laws or regulations. *Committed fund balance* represents amounts for which constraints have been imposed by resolution of the Board of Commissioners; committed amounts cannot be used for any other purpose unless the specified use is removed or changed by the same type of action. *Assigned fund balance* represents amounts that are not restricted or committed, but are intended to be used for specific purposes as directed by the board through the annual budget process. *Unassigned fund balance* is the residual classification for amounts that are not restricted, committed or assigned to specific purposes. When more than one category of fund balance is available for a certain expenditure, the County considers fund balance to be spent in the following order: restricted, committed, assigned, and unassigned.

County policy requires that the General Fund maintain a fund balance of no less than 5% of revenues, in order to ensure that sufficient working capital is available to finance operations at the start of the ensuing fiscal year.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

O. Stabilization Arrangements:

The Rainy Day Fund was established by board resolution in accordance with ORS 294.525. The fund's specified purpose is to accumulate resources to be used in the event of natural or manmade disasters, labor disputes, or financial emergencies; and to offset PERS rate increases and other PERS obligations. Fund balance was \$2,209,138 as of June 30, 2015.

P. Cash Flows Statement:

For purposes of the Statement of Cash Flows, all highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents.

Q. Property Tax Calendar:

Property taxes attach as an enforceable lien on July 1 for real property and personal property. Taxes are levied as of July 1 and payable in three installments on November 15, February 15 and May 15. Real property taxes unpaid on May 16 are considered delinquent. The County levies, collects and distributes property taxes for all taxing jurisdictions within its boundaries. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through liens or foreclosure.

NOTE 2 – CASH AND INVESTMENTS:

The County maintains an internal cash and investments pool that is available for use by all funds. In addition, cash and investments are held separately by some of the County's funds. Cash and investments are comprised of the following at June 30, 2015:

Cash on hand	\$	15,794
Deposits with financial institutions		1,634,894
Investments		137,405,217
Total cash and investments	\$	<u>139,055,905</u>

Cash and investments consist of \$113,497,453 shown on the government-wide Statement of Net Position and \$25,558,452 shown on the fiduciary Statement of Net Position.

Deposits with Financial Institutions – Deposits with financial institutions are comprised of demand deposits and savings deposits. The County participates in the Oregon Public Funds Collateralization Program formed by the State of Oregon under ORS 295. The program creates a statewide pool of qualified bank depositories for local governments, providing collateralization for bank balances that exceed the limits of federal depository insurance. As of June 30, 2015, the County had total bank balances of \$2,632,218. Of this amount, \$1,111,587 was covered by federal depository insurance, and the remainder was collateralized by the statewide pool.

Investments – The types of investments in which the County may invest are restricted by Oregon statutes and County policy. Authorized investments include general obligations of the U.S. government and its agencies, obligations of the states of Oregon, California, Idaho, Washington and their municipalities, corporate indebtedness, certificates of deposit, banker's acceptances, repurchase agreements, and the State of Oregon local government investment pool.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued):

As of June 30, 2015, the County had the following investments:

Investment Type	Carrying Value	Percent of Investment Portfolio	Weighted Average Maturity (Months)
US treasury securities	\$ 9,805,219	7.2%	29.33
US agency securities	84,924,006	61.8%	27.10
Municipal bonds	7,207,895	5.2%	14.13
Corporate bonds	17,842,663	13.0%	19.77
State of Oregon local government investment pool	17,625,434	12.8%	n/a
	<u>\$ 137,405,217</u>	<u>100.0%</u>	

The State of Oregon local government investment pool (LGIP) is an open-ended, no-load diversified portfolio created under Oregon Revised Statutes 294.805 to 294.895 and administered by the Oregon State Treasurer as part of the Oregon Short Term Fund. Investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council. Separate financial statements for the Oregon Short Term Fund are available from the Oregon State Treasurer. The fair value of the County's position in the pool is the same as the value of the pool shares.

Interest rate risk – In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of total deposits and investments to 36 months; the maturity of individual securities is limited to 60 months.

Credit risk – In accordance with Oregon statutes, municipal obligations must be rated A or better for issuers within Oregon, and AA or better for issuers outside Oregon. Corporate indebtedness must be rated A / P-2 or better (Moody's Investor Service), A / A-2 or better (Standard & Poor's) or the equivalent for issuers within Oregon, and Aa / P-1 or better (Moody's Investor Service), AA / A-1 or better (Standard & Poor's) or the equivalent for issuers outside Oregon. As of June 30, 2015, ratings (Moody's unless otherwise noted) for the County's investments were as follows: US treasury securities \$9,805,219, Aaa; US agency securities \$78,922,930, Aaa, \$6,001,076, not rated; municipal bonds \$4,057,462, Aa, \$1,549,012, A, \$600,613, AAA (S&P), \$1,000,808, AA (S&P); corporate bonds \$1,675,973, Aaa, \$8,035,582, Aa, \$8,131,108, A. The LGIP is not rated.

Concentration of credit risk – County policy limits corporate indebtedness to 35% of total deposits and investments, and the amount per issuer may not exceed 5%. Municipal securities are limited to 25% total, US agency securities are limited to 75% total and 50% per issuer, US treasury obligations are not limited, and investment in the LGIP is subject to statutory limits.

Custodial credit risk – This is the risk that, in the event of the 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.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 3 – INTERFUND RECEIVABLES AND PAYABLES:

The Public Works Fund has the following capital advances receivable: \$680,000 from the Environmental Services Fund for heavy equipment purchases, \$85,000 due annually plus interest at 0.54%; and \$120,000 from the Fargo Interchange Service District for a sewer pump upgrade, \$17,143 due annually plus interest at 1.5%.

NOTE 4 – RECEIVABLES:

Receivables for the County's major funds, nonmajor funds, and fiduciary funds are as follows. The majority of loans and assessments receivable are not expected to be collected within one year.

	Property Taxes	Accounts	Interest	Loans	Total
General Operating Fund	\$ 3,371,205	\$ 1,306,443	\$ 55,914	\$ 120,000	\$ 4,853,562
Public Works Fund	-	3,280,819	50,297	-	3,331,116
Health Fund	-	1,648,462	52,964	-	1,701,426
Lottery Distribution Fund	-	-	3,139	5,040,098	5,043,237
Facility Renovation Fund	-	-	27,335	-	27,335
Environmental Services	-	1,530,176	30,306	-	1,560,482
Nonmajor governmental funds	-	1,615,527	24,615	414,164	2,054,306
Nonmajor enterprise funds	17,480	290,917	3,407	-	311,804
Internal service funds	-	88,878	14,831	-	103,709
Agency funds	15,334,681	351,169	41,871	-	15,727,721
	<u>\$ 18,723,366</u>	<u>\$ 10,112,391</u>	<u>\$ 304,679</u>	<u>\$ 5,574,262</u>	<u>\$ 34,714,698</u>

NOTE 5 – CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2015 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 11,888,914	\$ -	\$ -	\$ 11,888,914
Construction in progress	4,830,593	5,752,053	3,429,697	7,152,949
Total capital assets not being depreciated	<u>16,719,507</u>	<u>5,752,053</u>	<u>3,429,697</u>	<u>19,041,863</u>
Capital assets being depreciated:				
Buildings and improvements	111,041,337	2,229,658	-	113,270,995
Equipment	29,512,259	2,994,464	1,544,994	30,961,729
Infrastructure	564,040,704	1,419,641	-	565,460,345
Total capital assets being depreciated	<u>704,594,300</u>	<u>6,643,763</u>	<u>1,544,994</u>	<u>709,693,069</u>
Less accumulated depreciation for:				
Buildings and improvements	30,934,935	2,274,395	-	33,209,330
Equipment	16,847,091	2,144,322	1,400,754	17,590,659
Infrastructure	480,802,999	9,801,744	-	490,604,743
Total accumulated depreciation	<u>528,585,025</u>	<u>14,220,461</u>	<u>1,400,754</u>	<u>541,404,732</u>
Total capital assets being depreciated, net	<u>176,009,275</u>	<u>(7,576,698)</u>	<u>144,240</u>	<u>168,288,337</u>
Governmental activities capital assets, net	<u>\$ 192,728,782</u>	<u>\$ (1,824,645)</u>	<u>\$ 3,573,937</u>	<u>\$ 187,330,200</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 5 – CAPITAL ASSETS (Continued):

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 3,034,916	\$ -	\$ -	\$ 3,034,916
Capital assets being depreciated:				
Landfills	6,430,703	-	-	6,430,703
Buildings and improvements	13,782,134	122,162	-	13,904,296
Equipment	4,113,633	28,613	133,592	4,008,654
Total capital assets being depreciated	<u>24,326,470</u>	<u>150,775</u>	<u>133,592</u>	<u>24,343,653</u>
Less accumulated depreciation for:				
Landfills	6,425,649	2,527	-	6,428,176
Buildings and improvements	9,430,444	420,074	-	9,850,518
Equipment	1,684,021	370,393	127,461	1,926,953
Total accumulated depreciation	<u>17,540,114</u>	<u>792,994</u>	<u>127,461</u>	<u>18,205,647</u>
Total capital assets being depreciated, net	<u>6,786,356</u>	<u>(642,219)</u>	<u>6,131</u>	<u>6,138,006</u>
Business-type activities capital assets, net	<u>\$ 9,821,272</u>	<u>\$ (642,219)</u>	<u>\$ 6,131</u>	<u>\$ 9,172,922</u>

Depreciation expense was charged to functions/programs of the County as follows:

Governmental activities:	
General government	\$ 1,892,891
Health and social services	119,166
Public safety and judicial	1,464,837
Community service	32,647
Roads and bridges	<u>10,710,920</u>
Total depreciation expense, governmental activities	<u>\$ 14,220,461</u>
Business-type activities:	
Environmental services	\$ 495,018
Sewer and lighting services	<u>297,976</u>
Total depreciation expense, business-type activities	<u>\$ 792,994</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 6 – LONG-TERM OBLIGATIONS:

Changes in long-term obligations for the year ended June 30, 2015 are as follows:

	Beginning Balances	Additions	Deletions	Ending Balances	Due within One Year
Governmental activities:					
Revenue bonds	\$ 1,767,312	\$ -	\$ 474,899	\$ 1,292,413	\$ 498,354
Refunding obligations	11,683,737	-	1,042,900	10,640,837	1,015,000
Capital financing agreement	9,950,000	-	287,034	9,662,966	587,623
Limited tax pension obligations	39,369,217	-	834,022	38,535,195	1,655,000
Accrued claims liability	4,455,894	1,998,407	1,685,116	4,769,185	1,662,533
Compensated absences	3,989,006	4,234,636	4,019,888	4,203,754	3,966,015
Net OPEB obligation	16,048,875	2,326,693	743,778	17,631,790	-
Governmental activities long-term obligations	<u>\$ 87,264,041</u>	<u>\$ 8,559,736</u>	<u>\$ 9,087,637</u>	<u>\$ 86,736,140</u>	<u>\$ 9,384,525</u>
Business-type activities:					
Notes payable	\$ 620,468	\$ -	\$ 78,536	\$ 541,932	\$ 82,598
Landfill closure and postclosure liability	6,639,418	-	1,090,490	5,548,928	-
Compensated absences	101,696	97,808	92,664	106,840	89,935
Net OPEB obligation	366,013	41,810	16,963	390,860	-
Business-type activities long-term liabilities	<u>\$ 7,727,595</u>	<u>\$ 139,618</u>	<u>\$ 1,278,653</u>	<u>\$ 6,588,560</u>	<u>\$ 172,533</u>

Compensated absences are liabilities of the funds in which the related payroll costs are accrued. Expenditures for liquidating the liabilities are recorded in the general, special revenue, enterprise and internal service funds. Internal service funds predominately serve the governmental funds. Accordingly, the accrued claims liability, compensated absences and net OPEB obligation of the internal service funds are included as part of the above totals for governmental activities.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 6 – LONG-TERM OBLIGATIONS (Continued):

Revenue Bonds – In December 2002, the County issued \$5,000,000 in revenue bonds to provide funds for the acquisition, construction, improvement and equipping of the Oregon Garden. The bonds are payable solely from rental amounts received from a sublease agreement between the County and the Oregon Garden Foundation (OGF), and if those are not sufficient, from video lottery funds the County receives from the State of Oregon. Principal and interest is payable quarterly through December 1, 2017 at an interest rate of 4.85%.

Beginning September 2004, OGF was unable to make the rent payments necessary to stay current on the sublease and service the debt; the County has subsequently made all required debt service payments on the revenue bonds. In September 2005, OGF was placed in receivership. Under the terms of the distribution plan filed by the receiver, the County has a secured claim in the receivership proceeds for \$5,000,000 plus interest paid on the bonds. Because of the leasing arrangement with OGF, the revenue bonds had been classified as conduit debt and were not recognized in the County's financial statements. However, when OGF was placed in receivership, the County reported the revenue bonds as a long-term liability.

The bondholder has permanently waived the requirement that the County maintain a minimum balance in a debt reserve fund.

Annual requirements to repay the Oregon Garden Revenue Bonds are as follows:

Fiscal Year of Maturity	Principal			
	Outstanding July 1, 2014	Matured and Paid During Year	Outstanding June 30, 2015	Future Interest
2015	\$ 474,899	\$ 474,899	\$ -	\$ -
2016	498,354	-	498,354	53,709
2017	522,968	-	522,968	29,096
2018	271,091	-	271,091	4,941
	<u>\$ 1,767,312</u>	<u>\$ 474,899</u>	<u>\$ 1,292,413</u>	<u>\$ 87,746</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 6 – LONG-TERM OBLIGATIONS (Continued):

Refunding Obligations – In December 1998, the County sold Certificates of Participation to fund a portion of the County's share of development, design and construction costs for the Courthouse Square Project. In May 2005, the County issued full faith and credit refunding obligations of \$17,975,000 to advance refund the outstanding certificates of participation. Principal payments are due annually through June 1, 2023, and interest is payable in December and June of each year with interest rates ranging from 3.0% to 5.5%. The defeased certificates of participation were fully repaid to bondholders in June 2009.

Annual requirements to repay the Courthouse Square Refunding Obligations are as follows:

Fiscal Year of Maturity	Principal			Future Interest
	Outstanding July 1, 2014	Matured and Paid During Year	Outstanding June 30, 2015	
2015	\$ 960,000	\$ 960,000	\$ -	\$ -
2016	1,015,000	-	1,015,000	534,500
2017	1,070,000	-	1,070,000	478,675
2018	1,100,000	-	1,100,000	419,825
2019	1,190,000	-	1,190,000	360,700
2020	1,245,000	-	1,245,000	298,100
2021-2023	4,175,000	-	4,175,000	467,775
	10,755,000	960,000	9,795,000	2,559,575
Unamortized premium	928,737	82,900	845,837	-
	<u>\$ 11,683,737</u>	<u>\$ 1,042,900</u>	<u>\$ 10,640,837</u>	<u>\$ 2,559,575</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 6 – LONG-TERM OBLIGATIONS (Continued):

Capital Financing Agreement – In October 2013, the County issued a full faith and credit financing agreement for a bank loan in the amount of \$9,950,000 to finance various capital projects. Interest payments at the rate of 3.12% were due quarterly from January 2014 through October 2014; thereafter, payments of principal and interest at the rate of 3.12% are due quarterly from January 2015 through October 2028.

In accordance with the financing agreement, the County may not prepay any portion of the outstanding balance before October 1, 2018. Prepayments on or after that date are subject to a 5% prepayment fee that declines by 1% each subsequent year. There is no penalty for prepayments made on or after October 1, 2023.

Annual requirements to repay the 2013 Capital Financing Agreement are as follows:

Fiscal Year of Maturity	Principal			Future Interest
	Outstanding July 1, 2014	Paid During Year	Outstanding June 30, 2015	
2015	\$ 287,034	\$ 287,034	\$ -	\$ -
2016	587,623	-	587,623	294,654
2017	606,172	-	606,172	276,104
2018	625,307	-	625,307	256,969
2019	645,046	-	645,046	237,230
2020	665,409	-	665,409	216,868
2021-2025	3,655,697	-	3,655,697	755,687
2026-2029	2,877,712	-	2,877,712	169,135
	<u>\$ 9,950,000</u>	<u>\$ 287,034</u>	<u>\$ 9,662,966</u>	<u>\$ 2,206,647</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 6 – LONG-TERM OBLIGATIONS (Continued):

Limited Tax Pension Obligations (2002) – In March 2002, the County issued Limited Tax Pension Obligations of \$26,708,830 and transferred the net proceeds to the State of Oregon Public Employees Retirement System to cover the County's unfunded actuarial liability. Principal payments are due annually through June 1, 2028, and interest is payable in December and June of each year with rates ranging from 4.72% to 7.41%. Obligations maturing through June 1, 2020 are deferred interest obligations and are shown at matured value. Annual requirements to repay the 2002 Limited Tax Pension Obligations are as follows:

Fiscal Year of Maturity	Principal			
	Outstanding July 1, 2014	Matured and Paid During Year	Outstanding June 30, 2015	Future Interest
2015	\$ 1,040,000	\$ 1,040,000	\$ -	\$ -
2016	1,150,000	-	1,150,000	1,459,350
2017	1,270,000	-	1,270,000	1,459,350
2018	1,390,000	-	1,390,000	1,459,350
2019	1,520,000	-	1,520,000	1,459,350
2020	1,650,000	-	1,650,000	1,459,350
2021-2025	11,905,000	-	11,905,000	5,841,195
2026-2028	9,175,000	-	9,175,000	1,167,135
	29,100,000	1,040,000	28,060,000	14,305,080
Less deferred interest	(5,405,783)	(630,978)	(4,774,805)	-
	<u>\$ 23,694,217</u>	<u>\$ 409,022</u>	<u>\$ 23,285,195</u>	<u>\$ 14,305,080</u>

Limited Tax Pension Obligations (2004) – In May 2004, the County issued \$16,860,000 of Limited Tax Pension Obligations and transferred the net proceeds to the State of Oregon Public Employees Retirement System to cover the County's unfunded actuarial liability. Principal payments are due annually through June 1, 2028, and interest is payable in June and December of each year with rates ranging from 4.29% to 6.09%. Annual requirements to repay the 2004 Limited Tax Pension Obligations are as follows:

Fiscal Year of Maturity	Principal			
	Outstanding July 1, 2014	Matured and Paid During Year	Outstanding June 30, 2015	Future Interest
2015	\$ 425,000	\$ 425,000	\$ -	\$ -
2016	505,000	-	505,000	921,228
2017	595,000	-	595,000	892,085
2018	695,000	-	695,000	857,152
2019	800,000	-	800,000	815,862
2020	920,000	-	920,000	767,742
2021-2025	6,715,000	-	6,715,000	2,846,850
2026-2028	5,020,000	-	5,020,000	565,311
	<u>\$ 15,675,000</u>	<u>\$ 425,000</u>	<u>\$ 15,250,000</u>	<u>\$ 7,666,230</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 6 – LONG-TERM OBLIGATIONS (Continued):

Notes Payable – Fargo Interchange Service District has outstanding loans payable to the State of Oregon Special Public Works Fund. Proceeds from the loans were restricted for construction of a sewer system and related improvements. Principal and interest payments are due annually through December 1, 2033, with interest rates ranging from 3.00% to 6.5%. Annual requirements to repay the loans are as follows:

Fiscal Year of Maturity	Principal			
	Outstanding July 1, 2014	Matured and Paid During Year	Outstanding June 30, 2015	Future Interest
2015	\$ 78,536	\$ 78,536	\$ -	\$ -
2016	82,598	-	82,598	26,440
2017	17,946	-	17,946	21,517
2018	18,064	-	18,064	20,799
2019	18,186	-	18,186	20,076
2020	18,322	-	18,322	19,303
2021-2025	108,991	-	108,991	83,309
2026-2030	139,062	-	139,062	53,989
2031-2034	138,763	-	138,763	16,899
	<u>\$ 620,468</u>	<u>\$ 78,536</u>	<u>\$ 541,932</u>	<u>\$ 262,332</u>

Landfill Closure and Postclosure Liability – In accordance with Governmental Accounting Standards Board Statement No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs," the County records the estimated closure and postclosure care costs of landfills over the useful life of the landfill.

Marion County Environmental Services is currently operating two landfill sites: the North Marion County Disposal Facility and the Brown's Island Demolition Landfill. Federal regulations require the County to place a final cover on each site when it reaches capacity and to perform postclosure maintenance and monitoring for an additional thirty years. Due to the recent addition of metal recovery processes that allow for alternative use of screened incinerator ash, the County does not anticipate closing the North Marion site for the foreseeable future; the County expects to continue receiving demolition waste at Brown's Island for 24 years.

Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, Marion County Environmental Services reports a portion of these costs as an operating expense in each fiscal year based on the landfill capacity use as of the end of the fiscal year. The \$5,548,928 reported as landfill closure and postclosure liability at June 30, 2015, represents the cumulative amount reported to date based on the use of 86% of the estimated capacity at the North Marion facility and 78% at Brown's Island. The estimated total closure and postclosure care costs remaining to be recognized are \$1,144,988. These amounts are based on what it would cost to perform all closure and postclosure care in 2015. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County demonstrates financial assurance for closure and postclosure care requirements using the local government financial assurance test in accordance with Oregon Administrative Rule 340-094-0140 and 40 CFR 258.74. The County was in compliance with the requirements as of June 30, 2014 (the most recent analysis).

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 7 – RISK MANAGEMENT:

The County is exposed to various risks of loss related to workers' compensation, automobile and general liability. The County has established the Self-Insurance Fund, an internal service fund, to account for and finance its risks of loss. The County carries an excess liability policy which is subject to a \$1,000,000 self-insured retention with a \$10,000,000 limit per occurrence. The County also carries an excess workers' compensation policy which is subject to a \$750,000 self-insured retention with statutory limits for workers' compensation claims. Closed claims have not exceeded this commercial coverage to date.

All County departments participate in the risk management program and make payments to the Self-Insurance Fund based on estimates needed to pay current and prior year claims and to establish a reserve for catastrophic losses. The claims liability of \$4,769,185 reported in the Self-Insurance Fund at June 30, 2015 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. The claims liability is based on an evaluation of outstanding claims, using past experience and current assessments of potential and probable exposure, as well as an estimate for claims incurred but not reported as of June 30, 2015.

Changes in estimates of claims costs resulting from the County's continuous review process and differences between estimates and payments of claims are recognized in the results of operations of the Self-Insurance Fund as determinable.

Changes in claims liabilities for the current and previous fiscal years were:

	Fiscal Year 2014-15	Fiscal Year 2013-14
Claims liability, beginning of year	\$ 4,455,894	\$ 4,807,781
Current year claims and changes in estimates	1,998,407	1,560,782
Claim payments	<u>(1,685,116)</u>	<u>(1,912,669)</u>
Claims liability, end of year	<u>\$ 4,769,185</u>	<u>\$ 4,455,894</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 8 – PENSION PLAN:

Plan Description – County employees are provided pension benefits through the Oregon Public Employees Retirement System (PERS). PERS is a cost-sharing multiple-employer defined benefit pension plan for units of state and local government in Oregon, containing multiple actuarial pools. Benefits are established and amended by the Oregon State Legislature pursuant to ORS Chapters 238 and 238A. The legislature has delegated the authority to administer and manage PERS to the Public Employees Retirement Board. PERS issues a publicly available financial report that can be found at:

http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx

Benefits Provided – PERS provides retirement, disability, and death benefits which vary based on a qualified employee's hiring date and employment class (general service or police/fire). All County employees are eligible to participate after six months of covered employment. Details applicable to police/fire employees are noted in **[square brackets]** where different.

The Tier One/Tier Two Retirement Plan applies to qualifying employees hired before August 29, 2003 and is closed to new members.

Monthly retirement benefits are based on final 3-year average salary multiplied by years of service and a factor of 1.67% [2.00%]. Benefits may also be based on a money match computation, or formula plus annuity (for members contributing before August 21, 1981), if a greater benefit results. Employees are fully vested after making contributions in each of five calendar years, and are eligible to retire at age 55 [50]. Tier One benefits are reduced if retirement occurs prior to age 58 [55] with less than 30 [25] years of service; Tier Two benefits are reduced for retirement prior to age 60.

Employees are eligible for service-related disability benefits regardless of length of service; 10 years of service is required for nonservice-related benefits. Disability benefits are determined in the same manner as retirement benefits with service time computed to age 58 [55].

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance. The beneficiary may also receive a matching lump-sum payment from employer funds if the member was in covered employment at the time of death, or if the member died less than 120 days after termination, while on official leave of absence, or as a result of a job-related injury.

Monthly benefits are subject to annual cost-of-living adjustments (COLA). Under legislation in effect at the measurement date, the COLA is subject to a cap of 1.25% on the first \$60,000 of annual benefits and 0.15% thereafter (ORS 238.360).

The Oregon Public Service Retirement Plan (OPSRP) applies to qualifying employees hired on or after August 29, 2003.

Monthly retirement benefits are based on final 3-year average salary multiplied by years of service and a factor of 1.50% [1.80%]. Employees are fully vested after completing 600 hours of service in each of five calendar years, and are eligible to retire at age 58 [53] with 30 [25] years of service, or at age 65 [60] otherwise.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 8 – PENSION PLAN (Continued):

Employees are eligible for service-related disability benefits regardless of length of service; 10 years of service is required for nonservice-related benefits. The benefit is 45% of the employee's salary during the last full month of employment before the disability occurred.

Upon the death of a non-retired member, the beneficiary receives a monthly benefit equal to 50% of the retirement benefit that would have been paid to the member.

Monthly benefits are subject to annual cost-of-living adjustments (COLA). Under legislation in effect at the measurement date, the COLA is subject to a cap of 1.25% on the first \$60,000 of annual benefits and 0.15% thereafter (ORS 238.360).

Contribution Requirements – As a participating employer, the County is required to make monthly contributions to PERS based on actuarially determined percentages of covered payroll. Rates in effect for fiscal year 2015 were 10.41% for Tier One/Tier Two employees, 6.53% for OPSRP general service employees, and 9.26% for OPSRP police/fire employees. The County's total contributions to PERS were \$6,741,037 for fiscal year 2015.

Contribution requirements are established by Oregon statute and may be amended by an act of the Oregon State Legislature. Employer contribution rates for fiscal year 2015 were based on the December 31, 2011 actuarial valuation using the projected unit credit actuarial cost method, as subsequently modified by legislated changes in benefit provisions in 2013. The actuarially determined rates also reflect lump sum payments the County made to PERS in 2002 and 2004. It is important to note that the actuarial valuations used for rate setting are based on different methods and assumptions than those used for financial reporting which are described later in this note.

Employee contributions are set by statute at 6% of salary and are remitted by participating employers, who may agree to make employee contributions on the employee's behalf. Prior to January 1, 2004, employee contributions were credited to the defined benefit pension plan. Beginning January 1, 2004, all employee contributions were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan described further at the end of this note.

Pension Assets/Liabilities, Pension Expense, and Pension-Related Deferrals – At June 30, 2015, the County reported a net pension asset of \$17,881,113 as its proportionate share of the collective net pension asset for PERS, measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was based on a December 31, 2012 actuarial valuation, rolled forward to the measurement date. The County's proportion of the net pension asset was based on a projection of the County's long-term share of contributions to PERS relative to the projected contributions of all participating employers, as actuarially determined. At June 30, 2014, the County's proportion was 0.79%, which was unchanged from its proportion measured at June 30, 2013.

For fiscal year 2015, the County recognized a negative pension expense of \$16,555,253. At June 30, 2015, the County reported \$6,284,807 of pension-related deferred outflows of resources for contributions made subsequent to the measurement date – this amount will be recognized as a reduction of net pension liability in fiscal year 2016. The County also reported \$35,440,872 of pension-related deferred inflows of resources as of June 30, 2015 – \$34,503,304 for the difference between projected and actual earnings on pension plan investments, and \$937,568 for the difference between the County's actual contributions and its proportionate share of contributions.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 8 – PENSION PLAN (Continued):

These deferred inflows of resources will be recognized as reductions of pension expense in subsequent years as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 8,829,645
2017	8,829,645
2018	8,829,645
2019	8,829,645
2020	122,292

Subsequent to the prior measurement date of June 30, 2013, PERS implemented legislative changes that: (1) limited the annual COLA to 1.25% on the first \$60,000 of annual benefits and 0.15% on annual benefits above \$60,000, and (2) eliminated tax remedy payments to benefit recipients who are not subject to Oregon income tax because they do not reside in Oregon. These changes reduced PERS' total pension liability by approximately \$5 billion.

After the current measurement date of June 30, 2014, the Oregon Supreme Court ruled that the legislative changes to limit COLAs were unconstitutional for benefits accrued prior to the new legislation. As a result, members who retired before the change should continue to receive a COLA tied to the Consumer Price Index (typically 2%), and members who accrued benefits both before and after the change should receive a blended COLA when they retire. This court ruling was not reflected in the pension calculations used for this reporting period because it occurred after the measurement date. The estimated impact of the court ruling would be an increase of \$38,811,711 in the County's net pension liability.

Actuarial Methods and Assumptions – The total pension liability in the December 31, 2012 actuarial valuation was determined using the entry age normal method and the following actuarial assumptions, applied to all periods included in the measurement: inflation rate of 2.75%, projected salary increases of 3.75%, investment rate of return of 7.75%, and mortality rates based on the RP-2000 sex-distinct mortality tables, with generational adjustments per scale AA. These assumptions were based on the results of an actuarial experience study for the four-year period ending December 31, 2012.

The long-term expected rate of return on pension plan investments was developed by combining estimated rates of return for each major asset class weighted by target asset allocation percentages and adjusting for inflation.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 8 – PENSION PLAN (Continued):

Target allocations and estimated geometric rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Rate of Return</u>
Core Fixed Income	7.20 %	4.50 %
Short-Term Bonds	8.00	3.70
Intermediate-Term Bonds	3.00	4.10
High Yield Bonds	1.80	6.66
Large Cap US Equities	11.65	7.20
Mid Cap US Equities	3.88	7.30
Small Cap US Equities	2.27	7.45
Developed Foreign Equities	14.21	6.90
Emerging Market Equities	5.49	7.40
Private Equity	20.00	8.26
Hedge Funds	5.00	6.01
Real Estate (Property)	13.75	6.51
Real Estate (REITS)	2.50	6.76
Commodities	1.25	6.07
	<u>100.00 %</u>	

The discount rate used to measure the total pension liability was 7.75%. 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 was applied to all periods of projected benefit payments to determine the total pension liability.

The following chart shows the sensitivity of the net pension liability (asset) to changes in the discount rate, based on calculations using discount rates of 6.75%, 7.75%, and 8.75%.

	<u>1% Decrease 6.75%</u>	<u>Current Rate 7.75%</u>	<u>1% Increase 8.75%</u>
County's proportionate share of the net pension liability (asset)	\$ 37,865,738	\$ (17,881,113)	\$ (65,029,873)

Pension Plan Fiduciary Net Position – Detailed information about PERS' net position is available in its separately issued financial report.

Defined Contribution Plan – PERS-eligible employees are statutorily required to contribute 6% of their annual covered salary to the OPSRP Individual Account Program (IAP), a defined contribution pension plan. Benefits terms, including contribution requirements, are established by the Oregon Legislature. As permitted, the County has opted to pick-up the contributions on behalf of employees; contributions were \$4,561,978 for the year ended June 30, 2015. Employees are fully vested after completing 600 hours of service in each of five calendar years. PERS contracts with VOYA Financial to administer the IAP.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS:

The County implemented Governmental Accounting Standards Board Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions*, in fiscal year 2008. To comply with GASB 45, the County must account for other postemployment benefits (OPEB) using the accrual basis of accounting rather than a pay-as-you-go basis. Under accrual accounting, a liability must be recognized when employees earn OPEB rather than when the benefits are paid. To determine OPEB liabilities, the County must obtain an actuarial valuation every two years.

Benefit Description – Until they become eligible for Medicare, the County allows retirees to continue health insurance coverage for themselves and their qualified dependents at the same rates as active employees, as required by ORS 243.303. Retirees must pay the entire premium in order to maintain coverage; the County does not directly contribute to the cost of premiums for retirees. However, premiums paid by retirees do not represent the full cost of providing health insurance to retirees because the County’s rates are determined based on claims experience for both active employees and retirees. Since retirees typically have higher medical claims than active employees, medical coverage would be more expensive for retirees in a separately rated health plan. Conversely, active employees would be expected to generate lower medical claims resulting in lower premiums. The additional cost of allowing retirees to purchase health insurance at a blended rate is called an implicit rate subsidy and is required to be valued under GASB 45. The County treats this implicit rate subsidy as a single-employer, defined benefit OPEB plan administered by the County only to satisfy the accounting and financial reporting requirements of GASB 45, and a separate financial report is not issued. In addition to the requirements imposed by ORS 243.303, benefits provided to employees are established and may be amended by the County’s board of commissioners in conjunction with various collective bargaining agreements.

Funding Policy – Retirees pay the entire cost of premiums at blended rates. The County’s only contribution is the implicit rate subsidy which continues to be financed on a pay-as-you-go basis. Contribution requirements are established and may be amended by the County’s board of commissioners in conjunction with various collective bargaining agreements.

Annual OPEB Cost and Net OPEB Obligation – The County’s annual OPEB cost is calculated based on the annual required contribution (ARC) determined by an actuary. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

	FY 2015	FY 2014	FY 2013
Net OPEB obligation, beginning of year	\$ 16,414,888	\$ 14,779,080	\$ 12,003,188
Annual required contribution (ARC)	2,298,162	2,220,446	3,776,104
Interest on net OPEB obligation	656,596	591,163	480,127
Amortization adjustment to ARC	(586,255)	(527,833)	(428,693)
Annual OPEB cost	<u>2,368,503</u>	<u>2,283,776</u>	<u>3,827,538</u>
Contributions made (implicit rate subsidy)	<u>(760,741)</u>	<u>(647,968)</u>	<u>(1,051,646)</u>
Change in net OPEB obligation	<u>1,607,762</u>	<u>1,635,808</u>	<u>2,775,892</u>
Net OPEB obligation, end of year	<u>\$ 18,022,650</u>	<u>\$ 16,414,888</u>	<u>\$ 14,779,080</u>
Percentage of annual OPEB cost contributed	32%	28%	27%

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued):

Funded Status and Funding Progress – As of July 1, 2013, the most recent actuarial valuation date, the actuarially accrued liability was \$20,074,533, all of which is unfunded because the County has not set aside any assets to pre-fund OPEB resulting from the implicit rate subsidy. The annual payroll of active employees covered by the County's healthcare plan was \$68,404,003, and the ratio of the unfunded actuarially accrued liability (UAAL) to covered payroll was 29%. The schedule of funding progress included as required supplementary information presents multi-year trend information.

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided at the time of the valuation and the pattern of cost-sharing between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective, including techniques designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

For the July 1, 2013 actuarial valuation, the actuary used the projected unit credit actuarial cost method. Actuarial assumptions included a discount rate of 4%, inflation rate of 3%, projected salary increases of 3.5% per year, and a healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 5% after 18 years. The UAAL is being amortized over an open period of 30 years as a level percentage of projected payroll.

NOTE 10 – FUND BALANCE CLASSIFICATIONS:

	General Operating	Public Works	Health	Lottery & Econ Dev	Facility Renovation	Other Governmental	Total Governmental
Restricted for:							
Capitated health services	\$ -	\$ -	\$ 10,618,409	\$ -	\$ -	\$ -	\$ 10,618,409
Health programs	-	-	7,526,071	-	-	-	7,526,071
Economic development	-	-	-	1,382,330	-	-	1,382,330
Forest & wildfire programs	-	-	-	-	-	574,475	574,475
Public safety programs	-	-	-	-	-	716,454	716,454
Court security	-	-	-	-	-	883,792	883,792
Law library	-	-	-	-	-	456,797	456,797
Corner restoration	-	-	-	-	-	1,397,909	1,397,909
Capital projects	-	-	-	-	5,811,288	-	5,811,288
Other purposes	-	-	-	-	-	325,206	325,206
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,144,480</u>	<u>\$ 1,382,330</u>	<u>\$ 5,811,288</u>	<u>\$ 4,354,633</u>	<u>\$ 29,692,731</u>
Committed to:							
Financial stabilization	\$ 2,209,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,209,138
Road improvements	-	2,584,774	-	-	-	-	2,584,774
Other purposes	-	-	-	-	-	378,168	378,168
	<u>\$ 2,209,138</u>	<u>\$ 2,584,774</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 378,168</u>	<u>\$ 5,172,080</u>
Assigned to:							
Health programs	\$ -	\$ -	\$ 6,247,848	\$ -	\$ -	\$ -	\$ 6,247,848
Public safety programs	1,307,745	-	-	-	-	2,172,786	3,480,531
Roads & bridges	-	21,808,465	-	-	-	73,574	21,882,039
Building inspection	-	-	-	-	-	1,318,475	1,318,475
Debt service	-	-	-	-	-	981,614	981,614
Capital projects	-	-	-	-	6,517,917	1,920,162	8,438,079
Other purposes	24,820	-	-	-	-	396,420	421,240
	<u>\$ 1,332,565</u>	<u>\$ 21,808,465</u>	<u>\$ 6,247,848</u>	<u>\$ -</u>	<u>\$ 6,517,917</u>	<u>\$ 6,863,031</u>	<u>\$ 42,769,826</u>

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 11 – TRANSFERS:

Transfers are summarized as follows:

Transfer To	Transfer From				Total
	Governmental Funds				
	General Operating Fund	Public Works Fund	Lottery & Econ Dev Fund	Nonmajor funds	
Governmental Funds:					
General Operating Fund	\$ -	\$ -	\$ -	\$ 3,859,952	\$ 3,859,952
Public Works Fund	4,000	-	-	-	4,000
Health Fund	3,217,341	-	-	-	3,217,341
Lottery & Econ Dev Fund	20,000	-	-	-	20,000
Facility Renovation Fund	2,451,015	-	-	1,794,544	4,245,559
Nonmajor funds	6,229,379	1,716	324,000	628,465	7,183,560
Proprietary Funds:					
Internal service funds	456,780	-	-	125,535	582,315
Total	\$ 12,378,515	\$ 1,716	\$ 324,000	\$ 6,408,496	\$ 19,112,727

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and to use unrestricted revenues collected in the General Operating Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 12 – COMMITMENTS AND CONTINGENCIES:

The County is party in its official capacity to various lawsuits and claims, all of which, in the opinion of management and legal counsel, are covered by the County's excess insurance policies if they should exceed the County's retained risk.

The County has a service agreement with the owner of a mass burn solid waste disposal, electric power generation, and resource recovery facility located in Marion County. Under this agreement, the facility will accept 145,000 tons of acceptable waste from the County for disposal each year. In return, the County pays service fees for operations, maintenance and pass through costs, and receives credits for electricity generation and the sale of secondary materials. For fiscal year 2015, monthly service fees were approximately \$824,000. These costs are recorded in the Environmental Services Fund, an Enterprise Fund.

The County has long-term agreements to lease space for storage and various offices. Rent for these facilities was \$1,160,556 for the year ended June 30, 2015. Future obligations under these agreements are as follows:

Fiscal Year	Amount
2016	\$ 1,285,978
2017	1,217,052
2018	1,165,664
2019	848,262
2020	368,866
2021-2025	1,105,993

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 13 – SUBSEQUENT EVENTS:

Management has evaluated subsequent events through December 14, 2015 and is not aware of any subsequent events that require recognition or disclosure in the financial statements.

NOTE 14 – PRIOR PERIOD RESTATEMENT:

Beginning net position has been restated as follows:

	Governmental Activities	Business-type Activities	Total Primary Government
Beginning net position, as previously reported	\$ 244,202,452	\$ 16,694,005	\$ 260,896,457
Change in pension accounting per GASB 68	(71,867,415)	(1,034,999)	(72,902,414)
Beginning net position, as restated	<u>\$ 172,335,037</u>	<u>\$ 15,659,006</u>	<u>\$ 187,994,043</u>

NOTE 15 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

The County budgets all funds except agency funds, and the Illahe Hills Street Lighting District, which is exempt from Oregon Local Budget Law (ORS 294). In accordance with Oregon Local Budget Law, the County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In May or early June, the County's Budget Officer submits a proposed budget to the County Budget Committee for the ensuing fiscal year starting July 1. The budget includes recommended expenditure category levels and the estimated revenues that will finance them.
2. The Budget Committee holds public hearings on the proposed budget and approves a budget which is published at least one week prior to the adoption of the budget resolution by the County's Board of Commissioners at a public meeting.
3. The Board of Commissioners, after a public hearing and prior to July 1, adopts the budget, makes appropriations and imposes taxes by resolution. If not adopted prior to July, the County has no authority to expend monies until a budget is adopted. The budget must be balanced in accordance with Oregon Local Budget Law.
4. Funds are appropriated by department, including amounts for personnel services, materials and services, and capital outlay; non-departmental activity is appropriated by the following categories: personnel services, materials and services, capital outlay, debt service, special payments, transfers and contingency. Departments are authorized to transfer appropriations between line items within a category but transfers between categories or departments must be approved by the Board of Commissioners. Revisions that alter the total appropriations of any fund, other than the receipt of new, designated grants, must be made using a supplemental budget. This process requires a public hearing and enactment by the Board of Commissioners.
5. Budgets for the General Operating, Special Revenue, Debt Service and Capital Projects Funds are adopted on a modified accrual basis. Budgets for the Enterprise and Internal Service Funds are adopted on a basis consistent with GAAP, except that depreciation and vacation pay are not recognized.
6. Appropriations lapse at the end of the fiscal year.

The County adopted four supplemental budgets during the year ended June 30, 2015.

MARION COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2015

NOTE 16 – NEW PRONOUNCEMENTS:

The County implemented the following pronouncements of the Governmental Accounting Standards Board (GASB) in the current fiscal year:

GASB Statement No. 68, “Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27,” which replaces the requirements of Statements No. 27 and No. 50 related to pension plans administered through trusts or equivalent arrangements; and **GASB Statement No. 71**, “Pension Transition for Contributions Made Subsequent to the Measurement Date; an amendment of GASB Statement No. 68.”

The GASB has also issued the following pronouncements that may impact future financial presentations:

GASB Statement No. 72, “Fair Value Measurement and Application,” provides guidance for determining fair value measurements for financial reporting purposes. **GASB Statement No. 75**, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” supercedes Statement No. 45, establishing new accounting and financial reporting requirements for governments whose employees are provided with other postemployment benefits. **GASB Statement No. 76**, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,” supercedes Statement No. 55, reducing the GAAP hierarchy to two categories of authoritative GAAP and addressing the use of non-authoritative literature. **GASB Statement No. 77**, “Tax Abatement Disclosures,” establishes disclosure requirements for tax abatement agreements. The requirements of these pronouncements are effective for the County’s financial statements beginning in fiscal year 2016, except for Statement No. 75 which is effective beginning in fiscal year 2018.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL AND MAJOR SPECIAL REVENUE FUNDS

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
General	Property taxes, grants, state shared revenue, fees, service charges, fines and forfeitures, and interest.	Accounts for all operations not required to be accounted for in other funds.
Public Works	Motor vehicle fees and gasoline tax apportionments from the State of Oregon, federal forest revenues, property improvement assessments and revenues from various federal and state agencies.	Accounts for construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads and streets. Certain revenues are restricted for these purposes under Article IX of the State Constitution.
Health	Federal and state grants, fees, and transfers from the General Fund.	Accounts for community health and mental health programs.
Lottery & Economic Development	State Lottery Commission shared revenues.	Accounts for disbursements related to the state Lottery Video Poker Fund.

The County's budgets are accounted for using the modified accrual basis of accounting. Funds are appropriated by department; non-departmental activities are appropriated by the categories of personnel services, materials and services, capital outlay, debt service, special payments, transfers and contingency.

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the year ended June 30, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes:				
Property	\$ 61,203,000	\$ 62,209,390	\$ 62,079,556	\$ (129,834)
Franchise	274,000	274,000	265,819	(8,181)
Licenses and permits	60,000	60,000	62,525	2,525
Intergovernmental	3,865,094	3,864,474	4,541,560	677,086
Charges for services	3,415,206	3,415,206	3,770,332	355,126
Fines and forfeitures	250,000	250,000	271,616	21,616
Interest	385,000	385,000	512,313	127,313
Other	15,000	18,492	18,861	369
Total revenues	<u>69,467,300</u>	<u>70,476,562</u>	<u>71,522,582</u>	<u>1,046,020</u>
EXPENDITURES:				
Assessor's Office	5,535,129	5,636,711	5,173,776	462,935
Clerk's Office	2,437,682	2,465,011	2,175,871	289,140
Community Services Department	838,431	854,834	754,610	100,224
District Attorney's Office	7,882,079	8,166,375	7,661,362	505,013
Justice Court	898,946	914,415	845,421	68,994
Juvenile Department	9,513,821	9,609,589	9,220,889	388,700
Sheriff's Office	36,099,590	36,189,533	34,677,454	1,512,079
Treasurer's Office	452,365	459,297	400,202	59,095
Non-Departmental:				
Materials and services	1,570,284	1,586,844	1,274,316	312,528
Special payments	-	30,000	-	30,000
Contingency	1,249,437	347,598	-	347,598
Total expenditures	<u>66,477,764</u>	<u>66,260,207</u>	<u>62,183,901</u>	<u>4,076,306</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	3,821,437	3,873,912	3,859,952	(13,960)
Transfers out	<u>(11,409,800)</u>	<u>(13,066,489)</u>	<u>(12,258,975)</u>	<u>807,514</u>
Total other financing sources (uses)	<u>(7,588,363)</u>	<u>(9,192,577)</u>	<u>(8,399,023)</u>	<u>793,554</u>
Net change in fund balance	(4,598,827)	(4,976,222)	939,658	5,915,880
FUND BALANCE - beginning	<u>9,102,089</u>	<u>9,883,864</u>	<u>9,868,737</u>	<u>(15,127)</u>
FUND BALANCE - ending	<u>\$ 4,503,262</u>	<u>\$ 4,907,642</u>	10,808,395	<u>\$ 5,900,753</u>
Reconciliation to generally accepted accounting principles (GAAP) basis:				
Funds budgeted separately:				
CH2 Redevelopment Fund			24,820	
Traffic Safety Team Fund			1,104,954	
Inmate Welfare Fund			202,791	
Rainy Day Fund			<u>2,209,138</u>	
FUND BALANCE - ending, as reported in the Statement of Revenues, Expenditures and Changes in Fund Balances - General Operating Fund			<u>\$ 14,350,098</u>	

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC WORKS FUND

For the year ended June 30, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 166,800	\$ 166,800	\$ 190,770	\$ 23,970
Intergovernmental	25,929,348	27,379,434	24,310,066	(3,069,368)
Charges for services	3,424,566	3,428,566	3,264,145	(164,421)
Fines and forfeitures	3,000	3,000	93	(2,907)
Interest	65,600	65,600	104,997	39,397
Other	92,100	88,100	123,477	35,377
Total revenues	29,681,414	31,131,500	27,993,548	(3,137,952)
EXPENDITURES:				
Public Works Department	30,858,248	32,890,661	25,190,531	7,700,130
Special payments	-	120,000	120,000	-
Contingency	2,592,566	1,827,909	-	1,827,909
Total expenditures	33,450,814	34,838,570	25,310,531	9,528,039
OTHER FINANCING SOURCES (USES):				
Transfers in	4,000	4,000	4,000	-
Transfers out	-	(1,716)	(1,716)	-
Total other financing sources (uses)	4,000	2,284	2,284	-
Net change in fund balance	(3,765,400)	(3,704,786)	2,685,301	6,390,087
FUND BALANCE - beginning	19,759,398	21,817,838	21,817,838	-
FUND BALANCE - ending	\$ 15,993,998	\$ 18,113,052	24,503,139	\$ 6,390,087
Add interfund loan receivable			800,000	
FUND BALANCE - ending, as reported in the Statement of Revenues, Expenditures and Changes in Fund Balances			\$ 25,303,139	

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HEALTH FUND

For the year ended June 30, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 48,153,199	\$ 46,738,985	\$ 46,711,529	\$ (27,456)
Charges for services	5,986,535	6,131,535	6,436,859	305,324
Interest	65,050	65,050	105,644	40,594
Other	38,050	38,050	39,007	957
Total revenues	<u>54,242,834</u>	<u>52,973,620</u>	<u>53,293,039</u>	<u>319,419</u>
EXPENDITURES:				
Health Department	58,495,888	57,054,764	51,594,975	5,459,789
Contingency	<u>5,801,627</u>	<u>6,446,007</u>	-	<u>6,446,007</u>
Total expenditures	<u>64,297,515</u>	<u>63,500,771</u>	<u>51,594,975</u>	<u>11,905,796</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>3,439,682</u>	<u>3,439,682</u>	<u>3,217,341</u>	<u>(222,341)</u>
Net change in fund balance	(6,614,999)	(7,087,469)	4,915,405	12,002,874
FUND BALANCE - beginning	<u>16,459,468</u>	<u>19,483,348</u>	<u>19,483,348</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 9,844,469</u>	<u>\$ 12,395,879</u>	<u>\$ 24,398,753</u>	<u>\$ 12,002,874</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOTTERY & ECONOMIC DEVELOPMENT FUND

For the year ended June 30, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,376,388	\$ 1,392,465	\$ 1,392,465	\$ -
Interest	2,394	5,537	6,887	1,350
Other	101,416	132,373	155,509	23,136
Total revenues	1,480,198	1,530,375	1,554,861	24,486
EXPENDITURES:				
Community Services Department	-	893,395	589,265	304,130
Non-Departmental:				
Materials and services	694,424	-	-	-
Debt service - principal	474,900	474,900	474,899	1
Debt service - interest	77,164	77,164	77,164	-
Contingency	100,000	129,357	-	129,357
Total expenditures	1,346,488	1,574,816	1,141,328	433,488
OTHER FINANCING SOURCES (USES):				
Transfers in	-	20,000	20,000	-
Transfers out	(404,754)	(324,000)	(324,000)	-
Total other financing sources (uses)	(404,754)	(304,000)	(304,000)	-
Net change in fund balance	(271,044)	(348,441)	109,533	457,974
FUND BALANCE - beginning	1,195,400	1,272,797	1,272,797	-
FUND BALANCE - ending	\$ 924,356	\$ 924,356	\$ 1,382,330	\$ 457,974

MARION COUNTY, OREGON

OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
 SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	<u>Measurement Date</u>	<u>County's Proportion of Net Pension Liability (Asset)</u>	<u>County's Proportionate Share of Net Pension Liability (Asset)</u>	<u>County's Covered Employee Payroll</u>	<u>County's Proportionate Share of NPL(A) as % of Payroll</u>	<u>Plan Fiduciary Net Position as % of Total Pension Liability</u>
2015	6/30/2014	0.79%	\$ (17,881,113)	\$ 72,770,005	-24.57%	103.59%
2014	6/30/2013	0.79%	40,256,473	73,461,710	54.80%	91.97%

Notes:

Changes of benefit terms: Amounts reported in fiscal 2015 reflect new limits placed on cost-of-living adjustments, and the elimination of tax remedy payments for non-Oregon residents.

MARION COUNTY, OREGON

OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
SCHEDULE OF COUNTY CONTRIBUTIONS

	<u>Contractually Required Contributions</u>	<u>Actual Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>County's Covered Employee Payroll</u>	<u>Contributions as % of Payroll</u>
2015	\$ 6,741,037	\$ 6,741,037	\$ -	\$ 76,032,919	8.87%
2014	6,552,862	6,552,862	-	72,770,005	9.00%

MARION COUNTY, OREGON

OTHER POST-EMPLOYMENT BENEFITS
SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAL as % of Payroll</u>
7/1/2013	\$ -	\$ 20,074,533	\$ 20,074,533	0.0%	\$ 68,404,003	29.3%
7/1/2011	-	31,387,612	31,387,612	0.0%	74,519,598	42.1%
7/1/2009	-	28,117,581	28,117,581	0.0%	62,424,328	45.0%

SUPPLEMENTARY INFORMATION

BUDGETARY FUNDS REPORTED AS GENERAL OPERATING FUND

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
CH2 Redevelopment	Electricity revenues, reimbursements from other governments and interfund transfers.	Discovery, relocation, remediation, litigation and operating costs of the Courthouse Square complex during redevelopment.
Traffic Safety Team	Traffic fines.	Operations of the County's traffic safety team.
Inmate Welfare	Vending machine and pay phone charges.	Operation of the jail commissary.
Rainy Day	Investment earnings.	Resources set aside for financial emergencies.

OTHER MAJOR GOVERNMENTAL FUNDS

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
Facility Renovation	Capital financing proceeds and interfund transfers.	Various facility renovation projects.

NONMAJOR GOVERNMENTAL FUNDS

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
Non-Departmental Grants	Federal and state grants.	Multi-departmental grant programs.
County Clerk Records	Recording fees.	Operation of County archives.
Juvenile Grants	Federal and state grants.	Grant programs administered by the Juvenile department.
Tax Title Land Sales	Proceeds from the sale of tax foreclosed property.	Disposition of proceeds from the sale of tax foreclosed property.
Children & Families	Federal and state grants.	Grant programs administered by the Community Services department.
Community Development Block Grant	Federal and state grants.	Various development programs and rehabilitation loans to citizens.
Community Corrections	State grants and charges for services.	Operations of the community corrections program.
Criminal Justice Assessment	Assessments from court fines and state shared revenues.	County assessments for criminal justice programs and court security.

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
County Schools	Federal forest revenues and state shared revenues.	Support provided to schools in accordance with ORS 328.005 to 328.035.
Child Support	Federal and state grants and incentives.	Enforcement of court-ordered spousal and child support.
Dog Control	License and adoption fees; transfers from the General Fund.	Animal control activities and dog shelter operations.
Sheriff Grants	Federal and state grants, contracts with the state and other agencies.	Marine patrols on County waterways, security provided for other agencies, and grant programs administered by the Sheriff's office.
Law Library	Library fees.	Operation of the law library.
County Fair	Admissions, state shared revenues, and local sponsorships.	Operation of the annual County Fair.
District Attorney Grants	Federal, state and local grants.	Grant programs administered by the District Attorney's office.
Land Use Planning	Planning fees and transfers from other funds.	Operations of the County's land use planning division.
Parks	Recreational vehicle registration fees.	Maintenance and improvement of County parks.
Surveyor	Corner restoration fees.	Operations of the County Surveyor's office.
Building Inspection	Building permit fees.	Building inspection activities.
Debt Service	Internal assessments and transfers from the General Fund.	Payment of principal and interest on long-term obligations of governmental funds.
Capital Building & Equipment	Transfers from the General Fund and other funds.	Resources set aside for future capital improvements.
Health Building Reserve	Transfers from the Health Fund.	Resources set aside for future acquisition and construction of health facilities.
Capital Improvement Projects	Transfers from the General Fund and other funds.	Various capital projects and acquisitions.

MARION COUNTY, OREGON

COMBINING BALANCE SHEET
BUDGETARY FUNDS REPORTED AS GENERAL OPERATING FUND

June 30, 2015

	Budgetary Funds					Total General Operating Fund
	General Fund	CH2 Redevelop- -ment	Traffic Safety Team	Inmate Welfare	Rainy Day	
ASSETS:						
Cash and investments	\$ 10,592,288	\$ 58,624	\$ 1,115,873	\$ 213,098	\$ 2,204,267	\$ 14,184,150
Receivables:						
Accounts	1,264,445	-	21,021	20,977	-	1,306,443
Interest	47,699	368	2,496	480	4,871	55,914
Loans	120,000	-	-	-	-	120,000
Taxes	3,371,205	-	-	-	-	3,371,205
Inventories and prepaids	19,960	-	-	-	-	19,960
Total assets	\$ 15,415,597	\$ 58,992	\$ 1,139,390	\$ 234,555	\$ 2,209,138	\$ 19,057,672
LIABILITIES:						
Accounts payable	\$ 625,168	\$ 34,172	\$ 7,843	\$ 20,049	\$ -	\$ 687,232
Payroll related liabilities	977,323	-	26,593	5,271	-	1,009,187
Deposits	1,473	-	-	6,444	-	7,917
Total liabilities	1,603,964	34,172	34,436	31,764	-	1,704,336
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue	3,003,238	-	-	-	-	3,003,238
FUND BALANCES:						
Nonspendable	19,960	-	-	-	-	19,960
Committed	-	-	-	-	2,209,138	2,209,138
Assigned	-	24,820	1,104,954	202,791	-	1,332,565
Unassigned	10,788,435	-	-	-	-	10,788,435
Total fund balances	10,808,395	24,820	1,104,954	202,791	2,209,138	14,350,098
Total liabilities, deferred inflows of resources, and fund balances	\$ 15,415,597	\$ 58,992	\$ 1,139,390	\$ 234,555	\$ 2,209,138	\$ 19,057,672

MARION COUNTY, OREGON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGETARY FUNDS REPORTED AS GENERAL OPERATING FUND

For the year ended June 30, 2015

	Budgetary Funds					Total General Operating Fund
	General Fund	CH2 Redevelop- -ment	Traffic Safety Team	Inmate Welfare	Rainy Day	
REVENUES:						
Taxes	\$ 62,345,375	\$ -	\$ -	\$ -	\$ -	\$ 62,345,375
Licenses and permits	62,525	-	-	-	-	62,525
Intergovernmental	4,541,560	-	70,917	-	-	4,612,477
Charges for services	3,770,332	6,307	3,679	260,182	-	4,040,500
Fines and forfeitures	271,616	-	1,914,002	-	-	2,185,618
Interest	512,313	1,742	5,318	1,271	11,075	531,719
Other	18,861	-	-	1,692	-	20,553
Total revenues	71,522,582	8,049	1,993,916	263,145	11,075	73,798,767
EXPENDITURES:						
Current:						
General government	9,024,165	80,863	-	-	-	9,105,028
Public safety and judicial	52,405,126	-	1,716,783	338,579	-	54,460,488
Community service	754,610	-	-	-	-	754,610
Capital outlay	-	105,540	29,286	-	-	134,826
Total expenditures	62,183,901	186,403	1,746,069	338,579	-	64,454,952
OTHER FINANCING SOURCES (USES):						
Transfers in	3,859,952	-	-	-	-	3,859,952
Transfers out	(12,258,975)	(106,120)	(13,420)	-	-	(12,378,515)
Total other financing sources (uses)	(8,399,023)	(106,120)	(13,420)	-	-	(8,518,563)
Net change in fund balances	939,658	(284,474)	234,427	(75,434)	11,075	825,252
FUND BALANCE - beginning	9,868,737	309,294	870,527	278,225	2,198,063	13,524,846
FUND BALANCE - ending	\$ 10,808,395	\$ 24,820	\$ 1,104,954	\$ 202,791	\$ 2,209,138	\$ 14,350,098

MARION COUNTY, OREGON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2015

	Special Revenue Funds											
	Non- Departmental Grants	County Clerk Records	Juvenile Grants	Tax Title Land Sales	Children & Families	Community Development Block Grant	Community Corrections	Criminal Justice Assessment	County Schools	Child Support	Dog Control	Sheriff Grants
ASSETS:												
Cash and investments	\$ 572,968	\$ 8,664	\$ -	\$ 127,928	\$ 149,246	\$ 48,744	\$ 1,542,800	\$ 1,013,869	\$ 72,370	\$ -	\$ 18,031	\$ 747,545
Receivables:												
Accounts	200	-	472,728	-	168,698	-	15,915	25,532	50,707	247,662	-	364,069
Interest	1,307	21	-	285	367	108	3,629	2,483	160	-	326	1,972
Loans	-	-	-	343,498	-	70,666	-	-	-	-	-	-
Inventories and prepaids	-	-	13,636	-	-	-	-	-	-	-	3,761	2,272
Total assets	\$ 574,475	\$ 8,685	\$ 486,364	\$ 471,711	\$ 318,311	\$ 119,518	\$ 1,562,344	\$ 1,041,884	\$ 123,237	\$ 247,662	\$ 22,118	\$ 1,115,858
LIABILITIES:												
Accounts payable	\$ -	\$ -	\$ 146,266	\$ 21	\$ 131,186	\$ -	\$ 135,572	\$ 19,096	\$ -	\$ 220,826	\$ 8,647	\$ 49,239
Payroll related liabilities	-	1,383	49,477	-	1,733	-	144,916	-	-	26,555	13,471	59,867
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	1,383	195,743	21	132,919	-	280,488	19,096	-	247,381	22,118	109,106
DEFERRED INFLOWS OF RESOURCES:												
Unavailable revenue	-	-	-	343,498	-	70,666	-	-	-	-	-	-
FUND BALANCES:												
Nonspendable	-	-	13,636	-	-	-	-	-	-	-	3,761	2,272
Restricted	574,475	7,302	87,684	128,192	17,342	48,852	174,355	1,022,788	123,237	281	-	224,148
Committed	-	-	-	-	-	-	-	-	-	-	-	63,741
Assigned	-	-	189,301	-	168,050	-	1,107,501	-	-	-	-	716,591
Unassigned	-	-	-	-	-	-	-	-	-	-	(3,761)	-
Total fund balances	574,475	7,302	290,621	128,192	185,392	48,852	1,281,856	1,022,788	123,237	281	-	1,006,752
Total liabilities, deferred inflows of resources, and fund balances	\$ 574,475	\$ 8,685	\$ 486,364	\$ 471,711	\$ 318,311	\$ 119,518	\$ 1,562,344	\$ 1,041,884	\$ 123,237	\$ 247,662	\$ 22,118	\$ 1,115,858

(Continued on following page)

MARION COUNTY, OREGON
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (Continued)

June 30, 2015

	Special Revenue Funds						Debt Service Fund	Capital Projects Funds		Total Nonmajor Governmental Funds	
	Law Library	County Fair	District Attorney Grants	Land Use Planning	Parks	Surveyor		Building Inspection	Capital Building & Equipment		Capital Improvement Projects
ASSETS:											
Cash and investments	\$ 459,279	\$ 96,820	\$ 125,729	\$ 13,438	\$ 151,107	\$ 1,560,507	\$ 1,326,129	\$ 980,824	\$ 288,969	\$ 2,107,090	\$ 11,412,057
Receivables:											
Accounts	19	3,460	141,025	25	59,824	-	53,245	-	-	12,418	1,615,527
Interest	1,021	44	295	419	354	3,441	3,006	790	639	3,948	24,615
Loans	-	-	-	-	-	-	-	-	-	-	414,164
Inventories and prepaids	-	-	-	-	-	-	-	-	-	-	19,669
Total assets	\$ 460,319	\$ 100,324	\$ 267,049	\$ 13,882	\$ 211,285	\$ 1,563,948	\$ 1,382,380	\$ 981,614	\$ 289,608	\$ 2,123,456	\$ 13,486,032
LIABILITIES:											
Accounts payable	\$ 786	\$ 52,369	\$ 3,944	\$ 795	\$ 2,418	\$ 3,274	\$ 25,895	\$ -	\$ -	\$ 203,294	\$ 1,003,628
Payroll related liabilities	2,736	1,429	12,441	13,087	2,204	8,283	38,010	-	-	-	375,592
Deposits	-	-	-	-	-	80,908	-	-	-	-	80,908
Total liabilities	3,522	53,798	16,385	13,882	4,622	92,465	63,905	-	-	203,294	1,460,128
DEFERRED INFLOWS OF RESOURCES:											
Unavailable revenue	-	-	-	-	-	-	-	-	-	-	414,164
FUND BALANCES:											
Nonspendable	-	-	-	-	-	-	-	-	-	-	19,669
Restricted	456,797	-	91,271	-	-	1,397,909	-	-	-	-	4,354,633
Committed	-	-	-	-	24,819	-	-	-	289,608	-	378,168
Assigned	-	46,526	159,393	-	181,844	73,574	1,318,475	981,614	-	1,920,162	6,863,031
Unassigned	-	-	-	-	-	-	-	-	-	-	(3,761)
Total fund balances	456,797	46,526	250,664	-	206,663	1,471,483	1,318,475	981,614	289,608	1,920,162	11,611,740
Total liabilities, deferred inflows of resources, and fund balances	\$ 460,319	\$ 100,324	\$ 267,049	\$ 13,882	\$ 211,285	\$ 1,563,948	\$ 1,382,380	\$ 981,614	\$ 289,608	\$ 2,123,456	\$ 13,486,032

MARION COUNTY, OREGON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the year ended June 30, 2015

	Special Revenue Funds											
	Non- Departmental Grants	County Clerk Records	Juvenile Grants	Tax Title Land Sales	Children & Families	Community Development Block Grant	Community Corrections	Criminal Justice Assessment	County Schools	Child Support	Dog Control	Sheriff Grants
REVENUES:												
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 361,598	\$ 57,960
Intergovernmental	305,505	-	1,206,204	-	743,443	-	11,558,418	-	570,548	1,119,893	-	1,521,266
Charges for services	-	109,552	801,424	171,490	-	-	857,218	-	-	20,908	101,490	1,175,599
Fines and forfeitures	-	-	-	-	-	-	-	883,340	-	-	3,150	3,570
Interest	2,573	56	-	6,960	694	239	19,314	5,700	539	-	470	4,520
Other	2,850	-	20,713	22,113	19,909	1,200	-	-	-	-	23,096	17,059
Total revenues	<u>310,928</u>	<u>109,608</u>	<u>2,028,341</u>	<u>200,563</u>	<u>764,046</u>	<u>1,439</u>	<u>12,434,950</u>	<u>889,040</u>	<u>571,087</u>	<u>1,140,801</u>	<u>489,804</u>	<u>2,779,974</u>
EXPENDITURES:												
Current:												
General government	-	125,683	-	118,159	-	-	-	-	-	-	-	-
Health and social services	-	-	-	-	937,410	-	-	-	-	1,430,061	-	-
Public safety and judicial	-	-	2,974,861	-	-	-	9,841,313	232,467	-	-	1,115,962	2,952,284
Community service	180,867	-	-	-	-	-	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	451,903	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	34,914
Total expenditures	<u>180,867</u>	<u>125,683</u>	<u>2,974,861</u>	<u>118,159</u>	<u>937,410</u>	<u>-</u>	<u>9,841,313</u>	<u>232,467</u>	<u>451,903</u>	<u>1,430,061</u>	<u>1,115,962</u>	<u>2,987,198</u>
OTHER FINANCING SOURCES (USES):												
Transfers in	1,104	-	1,185,925	-	100,318	-	252,940	-	-	294,071	601,660	224,607
Transfers out	(104,595)	-	(51,223)	(43,498)	-	-	(3,620,472)	(758,820)	-	(4,530)	-	(7,923)
Total other financing sources (uses)	<u>(103,491)</u>	<u>-</u>	<u>1,134,702</u>	<u>(43,498)</u>	<u>100,318</u>	<u>-</u>	<u>(3,367,532)</u>	<u>(758,820)</u>	<u>-</u>	<u>289,541</u>	<u>601,660</u>	<u>216,684</u>
Net change in fund balances	26,570	(16,075)	188,182	38,906	(73,046)	1,439	(773,895)	(102,247)	119,184	281	(24,498)	9,460
FUND BALANCE - beginning	<u>547,905</u>	<u>23,377</u>	<u>102,439</u>	<u>89,286</u>	<u>258,438</u>	<u>47,413</u>	<u>2,055,751</u>	<u>1,125,035</u>	<u>4,053</u>	<u>-</u>	<u>24,498</u>	<u>997,292</u>
FUND BALANCE - ending	<u>\$ 574,475</u>	<u>\$ 7,302</u>	<u>\$ 290,621</u>	<u>\$ 128,192</u>	<u>\$ 185,392</u>	<u>\$ 48,852</u>	<u>\$ 1,281,856</u>	<u>\$ 1,022,788</u>	<u>\$ 123,237</u>	<u>\$ 281</u>	<u>\$ -</u>	<u>\$ 1,006,752</u>

(Continued on following page)

MARION COUNTY, OREGON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)

For the year ended June 30, 2015

	Special Revenue Funds						Debt Service Fund	Capital Projects Funds			Total Nonmajor Governmental Funds	
	Law Library	County Fair	District Attorney Grants	Land Use Planning	Parks	Surveyor		Building Inspection	Capital Building & Equipment	Health Building Reserve		Capital Improvement Projects
REVENUES:												
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,368,865	\$ -	\$ -	\$ -	\$ 2,788,423	
Intergovernmental	-	50,964	630,956	-	244,461	-	-	-	-	-	17,951,658	
Charges for services	239,120	232,969	85,641	200,646	22,634	452,283	-	4,180,627	-	150,023	8,801,624	
Fines and forfeitures	-	-	1,150	-	-	-	-	-	-	-	891,210	
Interest	2,288	129	908	622	773	7,541	6,408	3,621	1,452	3,983	80,862	
Other	1,066	30,764	17,389	-	200	-	-	-	-	-	974,359	
Total revenues	242,474	314,826	736,044	201,268	268,068	459,824	2,375,273	4,184,248	1,452	3,983	980,095	31,488,136
EXPENDITURES:												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	243,842
Health and social services	-	-	-	-	-	-	-	-	-	-	-	2,367,471
Public safety and judicial	239,684	-	733,863	-	-	-	-	-	-	-	-	18,090,434
Community service	-	455,320	-	864,419	228,660	-	2,037,681	-	-	-	-	3,766,947
Roads and bridges	-	-	-	-	-	490,269	-	-	-	-	-	490,269
Education	-	-	-	-	-	-	-	-	-	-	-	451,903
Debt service:												
Principal	-	-	-	-	-	-	-	2,712,034	-	-	-	2,712,034
Interest	-	-	-	-	-	-	-	3,301,305	-	-	-	3,301,305
Capital outlay	-	-	-	-	56,378	-	7,591	-	-	-	1,007,050	1,105,933
Total expenditures	239,684	455,320	733,863	864,419	285,038	490,269	2,045,272	6,013,339	-	-	1,007,050	32,530,138
OTHER FINANCING SOURCES (USES):												
Transfers in	-	170,672	94,645	638,151	45,000	101,659	-	2,646,245	-	-	826,563	7,183,560
Transfers out	-	-	-	-	-	-	(22,891)	-	-	(794,544)	(1,000,000)	(6,408,496)
Total other financing sources (uses)	-	170,672	94,645	638,151	45,000	101,659	(22,891)	2,646,245	-	(794,544)	(173,437)	775,064
Net change in fund balances	2,790	30,178	96,826	(25,000)	28,030	71,214	307,110	817,154	1,452	(790,561)	(200,392)	(266,938)
FUND BALANCE - beginning	454,007	16,348	153,838	25,000	178,633	1,400,269	1,011,365	164,460	288,156	790,561	2,120,554	11,878,678
FUND BALANCE - ending	\$ 456,797	\$ 46,526	\$ 250,664	\$ -	\$ 206,663	\$ 1,471,483	\$ 1,318,475	\$ 981,614	\$ 289,608	\$ -	\$ 1,920,162	\$ 11,611,740

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CH2 REDEVELOPMENT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ -	\$ 6,307	\$ 6,307
Interest	-	1,742	1,742
Total revenues	<u>-</u>	<u>8,049</u>	<u>8,049</u>
EXPENDITURES:			
Non-Departmental:			
Materials and services	93,174	80,863	12,311
Capital outlay	<u>110,000</u>	<u>105,540</u>	<u>4,460</u>
Total expenditures	<u>203,174</u>	<u>186,403</u>	<u>16,771</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(106,120)</u>	<u>(106,120)</u>	<u>-</u>
Net change in fund balance	(309,294)	(284,474)	24,820
FUND BALANCE - beginning	<u>309,294</u>	<u>309,294</u>	<u>-</u>
FUND BALANCE - ending, budgetary basis	<u>\$ -</u>	24,820	<u>\$ 24,820</u>
Combined with General Fund		<u>(24,820)</u>	
FUND BALANCE - ending, GAAP basis		<u>\$ -</u>	

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRAFFIC SAFETY TEAM FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 85,614	\$ 70,917	\$ (14,697)
Charges for services	-	3,679	3,679
Fines and forfeitures	1,622,827	1,914,002	291,175
Interest	4,608	5,318	710
	<u>1,713,049</u>	<u>1,993,916</u>	<u>280,867</u>
Total revenues			
EXPENDITURES:			
Sheriff's Office	2,068,571	1,746,069	322,502
Contingency	501,561	-	501,561
	<u>2,570,132</u>	<u>1,746,069</u>	<u>824,063</u>
Total expenditures			
OTHER FINANCING SOURCES (USES):			
Transfers out	(13,420)	(13,420)	-
	<u>(13,420)</u>	<u>(13,420)</u>	<u>-</u>
Net change in fund balance	(870,503)	234,427	1,104,930
FUND BALANCE - beginning	870,503	870,527	24
	<u>870,503</u>	<u>870,527</u>	<u>24</u>
FUND BALANCE - ending, budgetary basis	\$ -	1,104,954	\$ 1,104,954
	<u>\$ -</u>	<u>1,104,954</u>	<u>\$ 1,104,954</u>
Combined with General Fund		(1,104,954)	
		<u>(1,104,954)</u>	
FUND BALANCE - ending, GAAP basis		\$ -	
		<u>\$ -</u>	

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INMATE WELFARE FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 257,450	\$ 260,182	\$ 2,732
Interest	-	1,271	1,271
Other	-	1,692	1,692
	<u>257,450</u>	<u>263,145</u>	<u>5,695</u>
EXPENDITURES:			
Sheriff's Office	446,251	338,579	107,672
Contingency	89,425	-	89,425
	<u>535,676</u>	<u>338,579</u>	<u>197,097</u>
Net change in fund balance	(278,226)	(75,434)	202,792
FUND BALANCE - beginning	<u>278,226</u>	<u>278,225</u>	<u>(1)</u>
FUND BALANCE - ending, budgetary basis	<u>\$ -</u>	202,791	<u>\$ 202,791</u>
Combined with General Fund		<u>(202,791)</u>	
FUND BALANCE - ending, GAAP basis		<u>\$ -</u>	

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RAINY DAY FUND

For the year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	<u>\$ 7,685</u>	<u>\$ 11,075</u>	<u>\$ 3,390</u>
EXPENDITURES:			
Non-Departmental:			
Reserves	<u>2,203,585</u>	<u>-</u>	<u>2,203,585</u>
Net change in fund balance	(2,195,900)	11,075	2,206,975
FUND BALANCE - beginning	<u>2,195,900</u>	<u>2,198,063</u>	<u>2,163</u>
FUND BALANCE - ending, budgetary basis	<u>\$ -</u>	2,209,138	<u>\$ 2,209,138</u>
Combined with General Fund		<u>(2,209,138)</u>	
FUND BALANCE - ending, GAAP basis		<u>\$ -</u>	

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FACILITY RENOVATION FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Interest	\$ 45,265	\$ 41,595	\$ (3,670)
EXPENDITURES:			
Non-Departmental:			
Capital outlay	7,251,023	635,420	6,615,603
Contingency	1,222,653	-	1,222,653
Total expenditures	8,473,676	635,420	7,838,256
OTHER FINANCING SOURCES (USES):			
Transfers in	4,245,765	4,245,559	(206)
Net change in fund balance	(4,182,646)	3,651,734	7,834,380
FUND BALANCE - beginning	8,677,472	8,677,471	(1)
FUND BALANCE - ending	\$ 4,494,826	\$ 12,329,205	\$ 7,834,379

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NON-DEPARTMENTAL GRANTS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 288,870	\$ 305,505	\$ 16,635
Interest	2,620	2,573	(47)
Other	13,695	2,850	(10,845)
	<u>305,185</u>	<u>310,928</u>	<u>5,743</u>
EXPENDITURES:			
Non-Departmental:			
Materials and services	191,997	180,867	11,130
Contingency	233,115	-	233,115
	<u>425,112</u>	<u>180,867</u>	<u>244,245</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	1,305	1,104	(201)
Transfers out	(143,730)	(104,595)	39,135
	<u>(142,425)</u>	<u>(103,491)</u>	<u>38,934</u>
Net change in fund balance	(262,352)	26,570	288,922
FUND BALANCE - beginning	<u>547,905</u>	<u>547,905</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 285,553</u>	<u>\$ 574,475</u>	<u>\$ 288,922</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CLERK RECORDS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 129,560	\$ 109,552	\$ (20,008)
Interest	150	56	(94)
Total revenues	<u>129,710</u>	<u>109,608</u>	<u>(20,102)</u>
EXPENDITURES:			
Clerk's Office	<u>153,087</u>	<u>125,683</u>	<u>27,404</u>
Net change in fund balance	(23,377)	(16,075)	7,302
FUND BALANCE - beginning	<u>23,377</u>	<u>23,377</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 7,302</u>	<u>\$ 7,302</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUVENILE GRANTS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 1,257,568	\$ 1,206,204	\$ (51,364)
Charges for services	866,113	801,424	(64,689)
Other	19,479	20,713	1,234
	<u>2,143,160</u>	<u>2,028,341</u>	<u>(114,819)</u>
Total revenues			
EXPENDITURES:			
Juvenile Department	3,250,863	2,974,861	276,002
Contingency	143,861	-	143,861
	<u>3,394,724</u>	<u>2,974,861</u>	<u>419,863</u>
Total expenditures			
OTHER FINANCING SOURCES (USES):			
Transfers in	1,200,349	1,185,925	(14,424)
Transfers out	(51,225)	(51,223)	2
	<u>1,149,124</u>	<u>1,134,702</u>	<u>(14,422)</u>
Total other financing sources (uses)			
Net change in fund balance	(102,440)	188,182	290,622
FUND BALANCE - beginning	102,440	102,439	(1)
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 290,621</u>	<u>\$ 290,621</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX TITLE LAND SALES FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 300,000	\$ 171,490	\$ (128,510)
Interest	6,500	6,960	460
Other	20,000	22,113	2,113
	<u>326,500</u>	<u>200,563</u>	<u>(125,937)</u>
EXPENDITURES:			
Non-Departmental:			
Materials and services	66,898	34,059	32,839
Special payments	212,994	84,100	128,894
Contingency	10,000	-	10,000
	<u>289,892</u>	<u>118,159</u>	<u>171,733</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	(43,498)	(43,498)	-
	<u>(6,890)</u>	<u>38,906</u>	<u>45,796</u>
Net change in fund balance			
FUND BALANCE - beginning	89,286	89,286	-
FUND BALANCE - ending	<u>\$ 82,396</u>	<u>\$ 128,192</u>	<u>\$ 45,796</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHILDREN & FAMILIES FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 785,374	\$ 743,443	\$ (41,931)
Interest	1,120	694	(426)
Other	32,500	19,909	(12,591)
Total revenues	<u>818,994</u>	<u>764,046</u>	<u>(54,948)</u>
EXPENDITURES:			
Community Services Department	1,031,378	937,410	93,968
Contingency	153,817	-	153,817
Total expenditures	<u>1,185,195</u>	<u>937,410</u>	<u>247,785</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	113,183	100,318	(12,865)
Transfers out	(5,420)	-	5,420
Total other financing sources (uses)	<u>107,763</u>	<u>100,318</u>	<u>(7,445)</u>
Net change in fund balance	(258,438)	(73,046)	185,392
FUND BALANCE - beginning	<u>258,438</u>	<u>258,438</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 185,392</u>	<u>\$ 185,392</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Interest	\$ 114	\$ 239	\$ 125
Other	-	1,200	1,200
Total revenues	<u>114</u>	<u>1,439</u>	<u>1,325</u>
EXPENDITURES:			
Non-Departmental:			
Contingency	<u>47,510</u>	<u>-</u>	<u>47,510</u>
Net change in fund balance	(47,396)	1,439	48,835
FUND BALANCE - beginning	<u>47,396</u>	<u>47,413</u>	<u>17</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 48,852</u>	<u>\$ 48,852</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY CORRECTIONS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 11,555,376	\$ 11,558,418	\$ 3,042
Charges for services	809,000	857,218	48,218
Interest	-	19,314	19,314
	<u>12,364,376</u>	<u>12,434,950</u>	<u>70,574</u>
Total revenues			
EXPENDITURES:			
Sheriff's Office	10,621,545	9,841,313	780,232
Contingency	417,005	-	417,005
	<u>11,038,550</u>	<u>9,841,313</u>	<u>1,197,237</u>
Total expenditures			
OTHER FINANCING SOURCES (USES):			
Transfers in	261,480	252,940	(8,540)
Transfers out	(3,620,473)	(3,620,472)	1
	<u>(3,358,993)</u>	<u>(3,367,532)</u>	<u>(8,539)</u>
Total other financing sources (uses)			
Net change in fund balance	(2,033,167)	(773,895)	1,259,272
FUND BALANCE - beginning	<u>2,033,167</u>	<u>2,055,751</u>	<u>22,584</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 1,281,856</u>	<u>\$ 1,281,856</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CRIMINAL JUSTICE ASSESSMENT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Fines and forfeitures	\$ 663,555	\$ 883,340	\$ 219,785
Interest	4,697	5,700	1,003
Total revenues	<u>668,252</u>	<u>889,040</u>	<u>220,788</u>
EXPENDITURES:			
Non-Departmental:			
Materials and services	241,894	232,467	9,427
Contingency	50,000	-	50,000
Total expenditures	<u>291,894</u>	<u>232,467</u>	<u>59,427</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(784,439)</u>	<u>(758,820)</u>	<u>25,619</u>
Net change in fund balance	(408,081)	(102,247)	305,834
FUND BALANCE - beginning	<u>1,125,035</u>	<u>1,125,035</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 716,954</u>	<u>\$ 1,022,788</u>	<u>\$ 305,834</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY SCHOOLS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 447,700	\$ 570,548	\$ 122,848
Interest	150	539	389
Total revenues	<u>447,850</u>	<u>571,087</u>	<u>123,237</u>
EXPENDITURES:			
Non-Departmental:			
Special payments	<u>451,903</u>	<u>451,903</u>	<u>-</u>
Net change in fund balance	(4,053)	119,184	123,237
FUND BALANCE - beginning	<u>4,053</u>	<u>4,053</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 123,237</u>	<u>\$ 123,237</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHILD SUPPORT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 1,144,381	\$ 1,119,893	\$ (24,488)
Charges for services	20,000	20,908	908
Total revenues	<u>1,164,381</u>	<u>1,140,801</u>	<u>(23,580)</u>
EXPENDITURES:			
District Attorney's Office	<u>1,516,697</u>	<u>1,430,061</u>	<u>86,636</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	356,846	294,071	(62,775)
Transfers out	<u>(4,530)</u>	<u>(4,530)</u>	<u>-</u>
Total other financing sources (uses)	<u>352,316</u>	<u>289,541</u>	<u>(62,775)</u>
Net change in fund balance	-	281	281
FUND BALANCE - beginning	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 281</u>	<u>\$ 281</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOG CONTROL FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Licenses and permits	\$ 380,000	\$ 361,598	\$ (18,402)
Charges for services	101,700	101,490	(210)
Fines and forfeitures	5,000	3,150	(1,850)
Interest	250	470	220
Other	19,022	23,096	4,074
Total revenues	<u>505,972</u>	<u>489,804</u>	<u>(16,168)</u>
EXPENDITURES:			
Community Services Department	1,243,536	1,115,962	127,574
Contingency	7,162	-	7,162
Total expenditures	<u>1,250,698</u>	<u>1,115,962</u>	<u>134,736</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>720,228</u>	<u>601,660</u>	<u>(118,568)</u>
Net change in fund balance	(24,498)	(24,498)	-
FUND BALANCE - beginning	<u>24,498</u>	<u>24,498</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SHERIFF GRANTS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Licenses and permits	\$ 12,832	\$ 57,960	\$ 45,128
Intergovernmental	1,514,001	1,521,266	7,265
Charges for services	1,117,091	1,175,599	58,508
Fines and forfeitures	-	3,570	3,570
Interest	-	4,520	4,520
Other	15,926	17,059	1,133
	<u>2,659,850</u>	<u>2,779,974</u>	<u>120,124</u>
EXPENDITURES:			
Sheriff's Office	3,292,249	2,987,198	305,051
Contingency	620,100	-	620,100
	<u>3,912,349</u>	<u>2,987,198</u>	<u>925,151</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	269,923	224,607	(45,316)
Transfers out	(7,923)	(7,923)	-
	<u>262,000</u>	<u>216,684</u>	<u>(45,316)</u>
Net change in fund balance	(990,499)	9,460	999,959
FUND BALANCE - beginning	<u>990,499</u>	<u>997,292</u>	<u>6,793</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 1,006,752</u>	<u>\$ 1,006,752</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAW LIBRARY FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 250,000	\$ 239,120	\$ (10,880)
Interest	1,300	2,288	988
Other	500	1,066	566
	<u>251,800</u>	<u>242,474</u>	<u>(9,326)</u>
Total revenues			
EXPENDITURES:			
Legal Department	289,013	239,684	49,329
Contingency	135,978	-	135,978
	<u>424,991</u>	<u>239,684</u>	<u>185,307</u>
Total expenditures			
Net change in fund balance	(173,191)	2,790	175,981
FUND BALANCE - beginning	<u>454,007</u>	<u>454,007</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 280,816</u>	<u>\$ 456,797</u>	<u>\$ 175,981</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY FAIR FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 50,964	\$ 50,964	\$ -
Charges for services	201,609	232,969	31,360
Interest	82	129	47
Other	39,964	30,764	(9,200)
Total revenues	292,619	314,826	22,207
EXPENDITURES:			
Community Services Department	467,036	455,320	11,716
Contingency	19,489	-	19,489
Total expenditures	486,525	455,320	31,205
OTHER FINANCING SOURCES (USES):			
Transfers in	177,557	170,672	(6,885)
Net change in fund balance	(16,349)	30,178	46,527
FUND BALANCE - beginning	16,349	16,348	(1)
FUND BALANCE - ending	\$ -	\$ 46,526	\$ 46,526

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT ATTORNEY GRANTS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 775,771	\$ 630,956	\$ (144,815)
Charges for services	89,781	85,641	(4,140)
Fines and forfeitures	-	1,150	1,150
Interest	110	908	798
Other	5,000	17,389	12,389
	<u>870,662</u>	<u>736,044</u>	<u>(134,618)</u>
EXPENDITURES:			
District Attorney's Office	884,187	733,863	150,324
Contingency	250,852	-	250,852
	<u>1,135,039</u>	<u>733,863</u>	<u>401,176</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	110,588	94,645	(15,943)
Net change in fund balance	(153,789)	96,826	250,615
FUND BALANCE - beginning	153,838	153,838	-
FUND BALANCE - ending	<u>\$ 49</u>	<u>\$ 250,664</u>	<u>\$ 250,615</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAND USE PLANNING FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 165,000	\$ 200,646	\$ 35,646
Interest	425	622	197
Total revenues	<u>165,425</u>	<u>201,268</u>	<u>35,843</u>
EXPENDITURES:			
Public Works Department	974,168	864,419	109,749
Contingency	<u>18,936</u>	<u>-</u>	<u>18,936</u>
Total expenditures	<u>993,104</u>	<u>864,419</u>	<u>128,685</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>802,679</u>	<u>638,151</u>	<u>(164,528)</u>
Net change in fund balance	(25,000)	(25,000)	-
FUND BALANCE - beginning	<u>25,000</u>	<u>25,000</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARKS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 192,000	\$ 244,461	\$ 52,461
Charges for services	31,700	22,634	(9,066)
Interest	550	773	223
Other	-	200	200
	<u>224,250</u>	<u>268,068</u>	<u>43,818</u>
EXPENDITURES:			
Public Works Department	307,288	285,038	22,250
Contingency	15,020	-	15,020
	<u>322,308</u>	<u>285,038</u>	<u>37,270</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	45,000	45,000	-
Net change in fund balance	(53,058)	28,030	81,088
FUND BALANCE - beginning	<u>178,633</u>	<u>178,633</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 125,575</u>	<u>\$ 206,663</u>	<u>\$ 81,088</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SURVEYOR FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 420,275	\$ 452,283	\$ 32,008
Interest	5,500	7,541	2,041
Total revenues	<u>425,775</u>	<u>459,824</u>	<u>34,049</u>
EXPENDITURES:			
Public Works Department	518,300	490,269	28,031
Contingency	<u>122,221</u>	-	<u>122,221</u>
Total expenditures	<u>640,521</u>	<u>490,269</u>	<u>150,252</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>101,659</u>	<u>101,659</u>	-
Net change in fund balance	(113,087)	71,214	184,301
FUND BALANCE - beginning	<u>1,400,269</u>	<u>1,400,269</u>	-
FUND BALANCE - ending	<u>\$ 1,287,182</u>	<u>\$ 1,471,483</u>	<u>\$ 184,301</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUILDING INSPECTION FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Licenses and permits	\$ 2,050,000	\$ 2,368,865	\$ 318,865
Interest	2,800	6,408	3,608
Total revenues	<u>2,052,800</u>	<u>2,375,273</u>	<u>322,473</u>
EXPENDITURES:			
Public Works Department	2,133,844	2,045,272	88,572
Contingency	54,713	-	54,713
Total expenditures	<u>2,188,557</u>	<u>2,045,272</u>	<u>143,285</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(22,891)</u>	<u>(22,891)</u>	<u>-</u>
Net change in fund balance	(158,648)	307,110	465,758
FUND BALANCE - beginning	<u>1,011,365</u>	<u>1,011,365</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 852,717</u>	<u>\$ 1,318,475</u>	<u>\$ 465,758</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 4,012,011	\$ 4,180,627	\$ 168,616
Interest	2,400	3,621	1,221
Total revenues	<u>4,014,411</u>	<u>4,184,248</u>	<u>169,837</u>
EXPENDITURES:			
Non-Departmental:			
Debt service - principal	3,210,295	2,712,034	498,261
Debt service - interest	<u>3,305,630</u>	<u>3,301,305</u>	<u>4,325</u>
Total expenditures	<u>6,515,925</u>	<u>6,013,339</u>	<u>502,586</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>2,646,245</u>	<u>2,646,245</u>	<u>-</u>
Net change in fund balance	144,731	817,154	672,423
FUND BALANCE - beginning	<u>164,460</u>	<u>164,460</u>	<u>-</u>
FUND BALANCE - ending	<u><u>\$ 309,191</u></u>	<u><u>\$ 981,614</u></u>	<u><u>\$ 672,423</u></u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL BUILDING & EQUIPMENT FUND

For the year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	\$ 1,730	\$ 1,452	\$ (278)
EXPENDITURES:			
Non-Departmental:			
Reserves	<u>289,999</u>	<u>-</u>	<u>289,999</u>
Net change in fund balance	(288,269)	1,452	289,721
FUND BALANCE - beginning	<u>288,269</u>	<u>288,156</u>	<u>(113)</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 289,608</u>	<u>\$ 289,608</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HEALTH BUILDING RESERVE FUND

For the year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	\$ 3,750	\$ 3,983	\$ 233
OTHER FINANCING SOURCES (USES):			
Transfers out	(794,750)	(794,544)	206
Net change in fund balance	(791,000)	(790,561)	439
FUND BALANCE - beginning	791,000	790,561	(439)
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT PROJECTS FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 157,984	\$ 150,023	\$ (7,961)
Interest	897	12,072	11,175
Other	713,000	818,000	105,000
Total revenues	<u>871,881</u>	<u>980,095</u>	<u>108,214</u>
EXPENDITURES:			
Non-Departmental:			
Capital outlay	1,922,801	1,007,050	915,751
Contingency	790,079	-	790,079
Total expenditures	<u>2,712,880</u>	<u>1,007,050</u>	<u>1,705,830</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	826,563	826,563	-
Transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(173,437)</u>	<u>(173,437)</u>	<u>-</u>
Net change in fund balance	(2,014,436)	(200,392)	1,814,044
FUND BALANCE - beginning	<u>2,120,556</u>	<u>2,120,554</u>	<u>(2)</u>
FUND BALANCE - ending	<u>\$ 106,120</u>	<u>\$ 1,920,162</u>	<u>\$ 1,814,042</u>

ENTERPRISE FUNDS

Major Funds

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
Environmental Services	Franchise fees and disposal charges.	Accounts for the operations of the County's solid waste collection and disposal system.

Nonmajor Funds

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
Brooks Community Service District	Sewer fees.	Accounts for sewer services provided to district residents.
East Salem Service District	Sewer and lighting fees, property taxes and interest.	Accounts for sewer and lighting services provided to district residents.
Labish Village Sewage and Drainage District	Sewer and drainage fees.	Accounts for sewer and drainage services provided to district residents.
Fargo Interchange Service District	Sewer fees.	Accounts for sewer services provided to district residents.
Illaha Hills Street Lighting District	Lighting fees.	Accounts for lighting services provided to district residents.

MARION COUNTY, OREGON

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

For the year ended June 30, 2015

	Sewer and Lighting Service Districts					Totals
	Brooks Community	East Salem	Labish Village	Fargo Interchange	Illaha Hills	
ASSETS						
Current assets:						
Cash and investments	\$ 269,723	\$ 1,103,544	\$ 51,310	\$ 80,192	\$ 11,003	\$ 1,515,772
Receivables:						
Accounts	27,382	227,944	12,058	23,533	-	290,917
Property taxes	807	15,560	-	1,113	-	17,480
Interest	623	2,465	114	181	24	3,407
Total current assets	298,535	1,349,513	63,482	105,019	11,027	1,827,576
Capital assets:						
Land	140,335	87,014	-	-	-	227,349
Buildings and improvements	3,230,468	4,950,308	322,448	1,953,557	-	10,456,781
Less accumulated depreciation	(3,030,611)	(4,203,005)	(322,448)	(955,724)	-	(8,511,788)
Total capital assets (net of accumulated depreciation)	340,192	834,317	-	997,833	-	2,172,342
Total assets	638,727	2,183,830	63,482	1,102,852	11,027	3,999,918
LIABILITIES						
Current liabilities:						
Accounts payable	4,804	132,836	6,401	6,507	-	150,548
Accrued interest	-	-	-	15,285	-	15,285
Loans payable and advances, current	-	-	-	99,741	-	99,741
Total current liabilities	4,804	132,836	6,401	121,533	-	265,574
Noncurrent liabilities:						
Loans payable and advances, net of current portion	-	-	-	562,191	-	562,191
Total liabilities	4,804	132,836	6,401	683,724	-	827,765
NET POSITION						
Net investment in capital assets	340,192	834,317	-	335,901	-	1,510,410
Unrestricted	293,731	1,216,677	57,081	83,227	11,027	1,661,743
Total net position	\$ 633,923	\$ 2,050,994	\$ 57,081	\$ 419,128	\$ 11,027	\$ 3,172,153

MARION COUNTY, OREGON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS

For the year ended June 30, 2015

	Sewer and Lighting Service Districts					Totals
	Brooks Community	East Salem	Labish Village	Fargo Interchange	Ilaha Hills	
Operating revenues:						
Charges for services	\$ 250,237	\$ 151,179	\$ 6,657	\$ 237,007	\$ 9,616	\$ 654,696
Operating expenses:						
Repairs and maintenance	41,321	76,680	-	66,214	-	184,215
Utilities	3,367	230,066	-	1,878	9,555	244,866
Building and equipment rentals	328	111	-	-	-	439
Professional services	167,067	38,603	2,646	37,913	85	246,314
Communication	896	-	-	-	-	896
Fuel and operating supplies	25,738	4,584	-	-	-	30,322
Insurance claims and premiums	1,697	8,118	844	1,025	-	11,684
Depreciation	129,219	90,005	-	78,752	-	297,976
Other	2,664	1,199	167	436	42	4,508
Total operating expenses	372,297	449,366	3,657	186,218	9,682	1,021,220
Operating income (loss)	(122,060)	(298,187)	3,000	50,789	(66)	(366,524)
Nonoperating revenues (expenses):						
Property taxes	-	243,556	-	-	-	243,556
Interest revenue	1,418	5,536	248	410	62	7,674
Interest expense	-	-	-	(28,406)	-	(28,406)
Total nonoperating revenues (expenses)	1,418	249,092	248	(27,996)	62	222,824
Change in net position	(120,642)	(49,095)	3,248	22,793	(4)	(143,700)
Total net position - beginning	754,565	2,100,089	53,833	396,335	11,031	3,315,853
Total net position - ending	\$ 633,923	\$ 2,050,994	\$ 57,081	\$ 419,128	\$ 11,027	\$ 3,172,153

MARION COUNTY, OREGON

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the year ended June 30, 2015

Sewer and Lighting Service Districts

	Brooks Community	East Salem	Labish Village	Fargo Interchange	Illaha Hills	Totals
Cash flows from operating activities:						
Cash received from customers	\$ 249,939	\$ 140,146	\$ 5,249	\$ 241,207	\$ 9,616	\$ 646,157
Cash payments to suppliers for goods and services	(243,958)	(363,640)	(1,993)	(107,877)	(9,682)	(727,150)
Net cash from operating activities	5,981	(223,494)	3,256	133,330	(66)	(80,993)
Cash flows from noncapital financing activities:						
Property taxes	-	244,606	-	-	-	244,606
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	-	(122,162)	-	(122,162)
Interfund loan proceeds	-	-	-	120,000	-	120,000
Debt principal payments	-	-	-	(78,536)	-	(78,536)
Debt interest payments	-	-	-	(31,101)	-	(31,101)
Net cash from capital and related financing activities	-	-	-	(111,799)	-	(111,799)
Cash flows from investing activities:						
Interest on investments	1,578	6,138	270	400	69	8,455
Net change in cash and investments	7,559	27,250	3,526	21,931	3	60,269
Cash and investments - beginning	262,164	1,076,294	47,784	58,261	11,000	1,455,503
Cash and investments - ending	\$ 269,723	\$ 1,103,544	\$ 51,310	\$ 80,192	\$ 11,003	\$ 1,515,772
Reconciliation of operating income (loss) to net cash from operating activities:						
Operating income (loss)	\$ (122,060)	\$ (298,187)	\$ 3,000	\$ 50,789	\$ (66)	\$ (366,524)
Depreciation	129,219	90,005	-	78,752	-	297,976
Change in:						
Accounts receivable	(298)	(11,033)	(1,408)	4,200	-	(8,539)
Accounts payable	(880)	(4,279)	1,664	(411)	-	(3,906)
Net cash from operating activities	\$ 5,981	\$ (223,494)	\$ 3,256	\$ 133,330	\$ (66)	\$ (80,993)

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ENVIRONMENTAL SERVICES FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Taxes	\$ 285,000	\$ 324,940	\$ 39,940
Charges for services	18,854,160	17,850,264	(1,003,896)
Interest	50,000	70,779	20,779
Other	400	235	(165)
	<u>19,189,560</u>	<u>18,246,218</u>	<u>(943,342)</u>
Total revenues			
EXPENDITURES:			
Public Works Department	21,063,458	19,281,401	1,782,057
Debt service - principal	85,000	85,000	-
Debt service - interest	5,600	4,131	1,469
Contingency	3,496,840	-	3,496,840
	<u>24,650,898</u>	<u>19,370,532</u>	<u>5,280,366</u>
Total expenditures			
Net change in fund balance	(5,461,338)	(1,124,314)	4,337,024
FUND BALANCE - beginning	<u>14,319,796</u>	<u>14,319,796</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 8,858,458</u>	<u>\$ 13,195,482</u>	<u>\$ 4,337,024</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BROOKS COMMUNITY SERVICE DISTRICT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 266,245	\$ 250,237	\$ (16,008)
Interest	1,100	1,418	318
Total revenues	<u>267,345</u>	<u>251,655</u>	<u>(15,690)</u>
EXPENDITURES:			
Materials and services	250,275	243,078	7,197
Capital outlay	50,164	-	50,164
Contingency	99,748	-	99,748
Total expenditures	<u>400,187</u>	<u>243,078</u>	<u>157,109</u>
Net change in fund balance	(132,842)	8,577	141,419
FUND BALANCE - beginning	<u>285,842</u>	<u>285,154</u>	<u>(688)</u>
FUND BALANCE - ending	<u>\$ 153,000</u>	<u>\$ 293,731</u>	<u>\$ 140,731</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EAST SALEM SERVICE DISTRICT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Taxes	\$ 260,762	\$ 243,556	\$ (17,206)
Charges for services	359,911	151,179	(208,732)
Interest	3,600	5,536	1,936
Total revenues	<u>624,273</u>	<u>400,271</u>	<u>(224,002)</u>
EXPENDITURES:			
Materials and services	606,213	359,361	246,852
Capital outlay	420,000	-	420,000
Contingency	200,000	-	200,000
Total expenditures	<u>1,226,213</u>	<u>359,361</u>	<u>866,852</u>
Net change in fund balance	(601,940)	40,910	642,850
FUND BALANCE - beginning	<u>1,118,078</u>	<u>1,175,767</u>	<u>57,689</u>
FUND BALANCE - ending	<u>\$ 516,138</u>	<u>\$ 1,216,677</u>	<u>\$ 700,539</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LABISH VILLAGE SEWAGE AND DRAINAGE DISTRICT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 9,658	\$ 6,657	\$ (3,001)
Interest	180	248	68
Total revenues	<u>9,838</u>	<u>6,905</u>	<u>(2,933)</u>
EXPENDITURES:			
Materials and services	12,383	3,657	8,726
Contingency	<u>50,835</u>	<u>-</u>	<u>50,835</u>
Total expenditures	<u>63,218</u>	<u>3,657</u>	<u>59,561</u>
Net change in fund balance	(53,380)	3,248	56,628
FUND BALANCE - beginning	<u>53,380</u>	<u>53,833</u>	<u>453</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 57,081</u>	<u>\$ 57,081</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FARGO INTERCHANGE SERVICE DISTRICT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 246,714	\$ 237,007	\$ (9,707)
Interest	250	410	160
Total revenues	<u>246,964</u>	<u>237,417</u>	<u>(9,547)</u>
EXPENDITURES:			
Materials and services	111,999	107,466	4,533
Capital outlay	125,000	122,162	2,838
Debt service - principal	98,538	78,536	20,002
Debt service - interest	40,583	31,101	9,482
Contingency	71,204	-	71,204
Total expenditures	<u>447,324</u>	<u>339,265</u>	<u>108,059</u>
OTHER FINANCING SOURCES (USES):			
Interfund loan proceeds	<u>120,000</u>	<u>120,000</u>	<u>-</u>
Net change in fund balance	(80,360)	18,152	98,512
FUND BALANCE - beginning	<u>80,360</u>	<u>80,360</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ 98,512</u>	<u>\$ 98,512</u>

INTERNAL SERVICE FUNDS

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
Central Services	Internal assessments.	Accounts for the County's central administration including the Board of Commissioners, Business Services, Finance, Information Technology and Legal Counsel.
Self-Insurance	Internal assessments.	Accounts for the County's risk management program.
Fleet Management	Internal assessments.	Accounts for acquisition and maintenance of the County's pooled vehicles.

MARION COUNTY, OREGON

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

June 30, 2015

	Central Services	Self- Insurance	Fleet Management	Totals
ASSETS				
Current assets:				
Cash and investments	\$ 711,353	\$ 7,894,020	\$ 3,715,470	\$ 12,320,843
Receivables:				
Accounts	38,662	1,164	49,052	88,878
Interest	-	14,831	-	14,831
Prepaid expenses	-	1,098,110	-	1,098,110
Total current assets	<u>750,015</u>	<u>9,008,125</u>	<u>3,764,522</u>	<u>13,522,662</u>
Net pension asset	<u>2,555,520</u>	-	-	<u>2,555,520</u>
Total assets	<u>3,305,535</u>	<u>9,008,125</u>	<u>3,764,522</u>	<u>16,078,182</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows	<u>898,208</u>	-	-	<u>898,208</u>
LIABILITIES				
Current liabilities:				
Accounts payable	410,214	128,792	1,318	540,324
Payroll related liabilities	339,801	-	-	339,801
Compensated absences, current	575,835	-	-	575,835
Accrued claims liability, current	-	1,662,533	-	1,662,533
Total current liabilities	<u>1,325,850</u>	<u>1,791,325</u>	<u>1,318</u>	<u>3,118,493</u>
Noncurrent liabilities, net of current portion:				
Compensated absences	44,503	-	-	44,503
Net OPEB obligation	2,048,468	-	-	2,048,468
Accrued claims liability	-	3,106,652	-	3,106,652
Total noncurrent liabilities	<u>2,092,971</u>	<u>3,106,652</u>	<u>-</u>	<u>5,199,623</u>
Total liabilities	<u>3,418,821</u>	<u>4,897,977</u>	<u>1,318</u>	<u>8,318,116</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	<u>5,065,114</u>	-	-	<u>5,065,114</u>
NET POSITION				
Unrestricted	<u>\$ (4,280,192)</u>	<u>\$ 4,110,148</u>	<u>\$ 3,763,204</u>	<u>\$ 3,593,160</u>

MARION COUNTY, OREGON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the year ended June 30, 2015

	Central Services	Self- Insurance	Fleet Management	Totals
Operating revenues:				
Charges for services	\$ 19,065,858	\$ 22,512,427	\$ 1,905,221	\$ 43,483,506
Other	817	12,676	-	13,493
Total operating revenues	<u>19,066,675</u>	<u>22,525,103</u>	<u>1,905,221</u>	<u>43,496,999</u>
Operating expenses:				
Salaries and benefits	12,077,141	-	-	12,077,141
Repairs and maintenance	1,189,449	-	296,784	1,486,233
Utilities	84,272	-	-	84,272
Building and equipment rentals	187,292	-	3,960	191,252
Professional services	459,212	133,152	65,650	658,014
Communication	221,532	-	-	221,532
Fuel and operating supplies	595,315	697	650,999	1,247,011
Insurance claims and premiums	588	23,060,116	-	23,060,704
Administrative expenses	1,454,638	71,635	44,588	1,570,861
Other	247,826	172,822	2,576	423,224
Total operating expenses	<u>16,517,265</u>	<u>23,438,422</u>	<u>1,064,557</u>	<u>41,020,244</u>
Operating income (loss)	<u>2,549,410</u>	<u>(913,319)</u>	<u>840,664</u>	<u>2,476,755</u>
Nonoperating revenues (expenses):				
Interest revenue	-	40,336	-	40,336
Income (loss) before transfers	2,549,410	(872,983)	840,664	2,517,091
Transfers in	456,178	-	126,137	582,315
Change in net position	3,005,588	(872,983)	966,801	3,099,406
Total net position - beginning, as restated	<u>(7,285,780)</u>	<u>4,983,131</u>	<u>2,796,403</u>	<u>493,754</u>
Total net position - ending	<u>\$ (4,280,192)</u>	<u>\$ 4,110,148</u>	<u>\$ 3,763,204</u>	<u>\$ 3,593,160</u>

MARION COUNTY, OREGON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the year ended June 30, 2015

	Central Services	Self- Insurance	Fleet Management	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 19,071,503	\$ 22,608,734	\$ 1,869,932	\$ 43,550,169
Cash payments to suppliers for goods and services	(4,347,662)	(24,831,715)	(1,063,239)	(30,242,616)
Cash payments to employees for services	(15,510,303)	-	-	(15,510,303)
Net cash from operating activities	<u>(786,462)</u>	<u>(2,222,981)</u>	<u>806,693</u>	<u>(2,202,750)</u>
Cash flows from noncapital financing activities:				
Transfers received	456,178	-	126,137	582,315
Cash flows from investing activities:				
Interest on investments	-	53,854	-	53,854
Net change in cash and investments	(330,284)	(2,169,127)	932,830	(1,566,581)
Cash and investments - beginning	1,041,637	10,063,147	2,782,640	13,887,424
Cash and investments - ending	<u>\$ 711,353</u>	<u>\$ 7,894,020</u>	<u>\$ 3,715,470</u>	<u>\$ 12,320,843</u>
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ 2,549,410	\$ (913,319)	\$ 840,664	\$ 2,476,755
Change in:				
Accounts receivable	4,828	83,631	(35,289)	53,170
Prepaid expenses	-	(1,048,110)	-	(1,048,110)
Accounts payable	92,462	(658,474)	1,318	(564,694)
Payroll liabilities	(427,574)	-	-	(427,574)
Compensated absences	22,127	-	-	22,127
Net pension asset/liability and deferred pension outflows/inflows	(3,264,239)	-	-	(3,264,239)
Net OPEB obligation	236,524	-	-	236,524
Accrued claims liability	-	313,291	-	313,291
Net cash from operating activities	<u>\$ (786,462)</u>	<u>\$ (2,222,981)</u>	<u>\$ 806,693</u>	<u>\$ (2,202,750)</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CENTRAL SERVICES FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 20,777,006	\$ 19,065,858	\$ (1,711,148)
Other	-	817	817
	<u>20,777,006</u>	<u>19,066,675</u>	<u>(1,710,331)</u>
Total revenues			
EXPENDITURES:			
Board of Commissioners	2,194,665	2,004,660	190,005
Business Services	6,525,854	6,091,461	434,393
Finance	2,447,377	2,242,121	205,256
Information Technology	8,604,190	7,823,990	780,200
Legal Counsel	1,325,534	1,224,785	100,749
Non-Departmental:			
Materials and services	296,520	105,450	191,070
Capital outlay	30,387	30,386	1
	<u>21,424,527</u>	<u>19,522,853</u>	<u>1,901,674</u>
Total expenditures			
OTHER FINANCING SOURCES (USES):			
Transfers in	647,521	456,178	(191,343)
	<u>647,521</u>	<u>456,178</u>	<u>(191,343)</u>
Net change in fund balance	-	-	-
FUND BALANCE - beginning	-	-	-
FUND BALANCE - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SELF-INSURANCE FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 24,388,466	\$ 22,512,427	\$ (1,876,039)
Interest	33,916	40,336	6,420
Other	15,000	12,676	(2,324)
	<u>24,437,382</u>	<u>22,565,439</u>	<u>(1,871,943)</u>
Total revenues			
EXPENDITURES:			
Non-Departmental:			
Materials and services	25,042,862	23,125,131	1,917,731
Contingency	1,400,000	-	1,400,000
	<u>26,442,862</u>	<u>23,125,131</u>	<u>3,317,731</u>
Total expenditures			
Net change in fund balance	(2,005,480)	(559,692)	1,445,788
FUND BALANCE - beginning	<u>9,439,025</u>	<u>9,439,025</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 7,433,545</u>	<u>\$ 8,879,333</u>	<u>\$ 1,445,788</u>

MARION COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FLEET MANAGEMENT FUND

For the year ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Charges for services	\$ 1,987,617	\$ 1,905,221	\$ (82,396)
Other	25,000	-	(25,000)
Total revenues	<u>2,012,617</u>	<u>1,905,221</u>	<u>(107,396)</u>
EXPENDITURES:			
Public Works Department	1,986,804	1,064,557	922,247
Contingency	<u>229,402</u>	<u>-</u>	<u>229,402</u>
Total expenditures	<u>2,216,206</u>	<u>1,064,557</u>	<u>1,151,649</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	<u>126,139</u>	<u>126,137</u>	<u>(2)</u>
Net change in fund balance	(77,450)	966,801	1,044,251
FUND BALANCE - beginning	<u>2,796,403</u>	<u>2,796,403</u>	<u>-</u>
FUND BALANCE - ending	<u>\$ 2,718,953</u>	<u>\$ 3,763,204</u>	<u>\$ 1,044,251</u>

AGENCY FUNDS

<u>Fund</u>	<u>Principal Resources</u>	<u>Description of Operations</u>
Treasurer's Trust	None.	Accounts for miscellaneous fees collected on behalf of other government agencies.
Due Subdivisions	None.	Accounts for the collection and distribution of property taxes for all political subdivisions within the County; also accounts for contracted accounting services provided to other governments within the County.

MARION COUNTY, OREGON
 COMBINING BALANCE SHEET
 AGENCY FUNDS

June 30, 2015

	Treasurer's Trust	Due Subdivisions	Totals
ASSETS:			
Cash and investments	\$ 1,536,011	\$ 24,022,441	\$ 25,558,452
Receivables:			
Accounts and interest	24	393,016	393,040
Property taxes	-	15,334,681	15,334,681
	\$ 1,536,035	\$ 39,750,138	\$ 41,286,173
Total assets	\$ 1,536,035	\$ 39,750,138	\$ 41,286,173
 LIABILITIES:			
Accounts payable	\$ 1,485,230	\$ 4,235,465	\$ 5,720,695
Due to other agencies	50,805	35,514,673	35,565,478
	\$ 1,536,035	\$ 39,750,138	\$ 41,286,173
Total liabilities	\$ 1,536,035	\$ 39,750,138	\$ 41,286,173

MARION COUNTY, OREGON

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the year ended June 30, 2015

	Balance, July 1, 2014	Additions	Deductions	Balance, June 30, 2015
Treasurer's Trust				
Assets:				
Cash and investments	\$ 365,360	\$ 3,879,618	\$ 2,708,967	\$ 1,536,011
Receivables:				
Accounts and interest	49	-	25	24
Total assets	<u>\$ 365,409</u>	<u>\$ 3,879,618</u>	<u>\$ 2,708,992</u>	<u>\$ 1,536,035</u>
Liabilities:				
Accounts payable	\$ 336,774	\$ 3,004,014	\$ 1,855,558	\$ 1,485,230
Due to other agencies	28,635	875,604	853,434	50,805
Total liabilities	<u>\$ 365,409</u>	<u>\$ 3,879,618</u>	<u>\$ 2,708,992</u>	<u>\$ 1,536,035</u>
Due Subdivisions				
Assets:				
Cash and investments	\$ 23,772,620	\$ 401,725,821	\$ 401,476,000	\$ 24,022,441
Receivables:				
Accounts and interest	998,684	1,591,727	2,197,395	393,016
Property taxes	17,024,419	-	1,689,738	15,334,681
Total assets	<u>\$ 41,795,723</u>	<u>\$ 403,317,548</u>	<u>\$ 405,363,133</u>	<u>\$ 39,750,138</u>
Liabilities:				
Accounts payable	\$ 2,414,385	\$ 33,334,454	\$ 31,513,374	\$ 4,235,465
Due to other agencies	39,381,338	369,983,094	373,849,759	35,514,673
Total liabilities	<u>\$ 41,795,723</u>	<u>\$ 403,317,548</u>	<u>\$ 405,363,133</u>	<u>\$ 39,750,138</u>
Total - All Agency Funds				
Assets:				
Cash and investments	\$ 24,137,980	\$ 405,605,439	\$ 404,184,967	\$ 25,558,452
Receivables:				
Accounts and interest	998,733	1,591,727	2,197,420	393,040
Property taxes	17,024,419	-	1,689,738	15,334,681
Total assets	<u>\$ 42,161,132</u>	<u>\$ 407,197,166</u>	<u>\$ 408,072,125</u>	<u>\$ 41,286,173</u>
Liabilities:				
Accounts payable	\$ 2,751,159	\$ 36,338,468	\$ 33,368,932	\$ 5,720,695
Due to other agencies	39,409,973	370,858,698	374,703,193	35,565,478
Total liabilities	<u>\$ 42,161,132</u>	<u>\$ 407,197,166</u>	<u>\$ 408,072,125</u>	<u>\$ 41,286,173</u>

OTHER SCHEDULES

MARION COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND BALANCES
ELECTED OFFICIALS

For the year ended June 30, 2015

	Cash		Turnovers to			Cash
	Balance July 1, 2014	Receipts	Treasurer	State	Other	Balance June 30, 2015
Assessor	\$ -	\$ 357,394	\$ 357,394	\$ -	\$ -	\$ -
Clerk	-	1,792,534	1,792,534	-	-	-
District Attorney	-	226,522	226,522	-	-	-
Justices of the Peace:	-	4,419,557	3,089,208	1,142,975	187,374	-
Sheriff	-	2,948,953	2,948,953	-	-	-
Treasurer	130,457,455	2,001,255,167	-	-	1,993,541,114	138,171,508

Source of receipts:

- Assessor - Property taxes collected in advance of due date and sale of maps.
- Clerk - Various licenses and fees.
- District Attorney - Photocopies.
- Justice of the Peace - Fines and fees.
- Sheriff - Document serving, permits, board, fees and fines.
- Treasurer - All County receipts and receipts for which the County is an agent.

MARION COUNTY, OREGON

ANNUAL DISCLOSURE INFORMATION

For the year ended June 30, 2015

The Securities and Exchange Commission (SEC) has published amendments to Rule 15c2-12 (the Rule) that require annual disclosure of current financial information and timely disclosure of certain events with respect to the County’s outstanding long-term debt, if material. The SEC has designated the Municipal Securities Rulemaking Board (MSRB) as the nationally recognized municipal securities information repository. The County submits a copy of its Comprehensive Annual Financial Report to the MSRB in order to comply with the Rule’s annual disclosure requirements. All of the financial information needed to meet the annual disclosure requirements for the bonds and obligations listed below is provided in the Comprehensive Annual Financial Report. In addition, the County has agreed to provide notice to the MSRB of certain events pursuant to the requirements of Section (b)(5)(i) of the Rule.

Outstanding CUSIP numbers by bond series are as follows:

Limited Tax Pension Bonds, Series 2002	Limited Tax Pension Bonds, Series 2004	Full Faith and Credit Refunding Obligations, Series 2005
56913R-AQ1	68608D-CT9	569127-AY9
56913R-AR9	68608D-CU6	569127-AZ6
56913R-AS7	68608D-CV4	569127-BA0
56913R-AT5	68608D-DA9	569127-BH5
56913R-AU2	68608D-DF8	569127-BB8
56913R-BR8		569127-BJ1
56913R-BS6		569127-BC6
56913R-BT4		569127-BD4
56913R-BU1		569127-BE2
56913R-BV9		569127-BF9
56913R-BW7		
56913R-BX5		
56913R-BY3		
56913R-BZ0		
56913R-CA4		
56913R-CB2		
56913R-CC0		
56913R-CD8		
56913R-CE6		

Debt Payment Record – The County has promptly met principal and interest payments on outstanding bonds and other indebtedness in the past ten years when due. Additionally, no refunding bonds have been issued for the purpose of preventing an impending default.

Future Financings – The County has no authorized but unissued bonds outstanding, but does anticipate issuing additional long-term debt for capital financing within the next 12 months.

STATISTICAL SECTION

This part of Marion 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.

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.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its most significant revenue source, property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

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 and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the County's comprehensive annual financial reports for the relevant years.

MARION COUNTY, OREGON

NET POSITION BY COMPONENT
(accrual basis of accounting)

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
Net investment in										
capital assets	\$ 172,837,685	\$ 177,507,128	\$ 174,721,319	\$ 172,698,121	\$ 182,594,952	\$ 196,923,549	\$ 206,767,946	\$ 222,278,156	\$ 238,419,017	\$ 253,294,368
Restricted	35,146,993	31,524,428	20,421,355	19,488,538	18,628,146	50,701,287	43,973,267	45,684,895	38,798,499	41,687,192
Unrestricted	(6,278,488)	35,170,896	45,132,635	43,634,598	40,659,828	5,258,497	8,390,930	12,096,689	13,705,240	9,456,798
Total net position,										
governmental activities	<u>\$ 201,706,190</u>	<u>\$ 244,202,452</u>	<u>\$ 240,275,309</u>	<u>\$ 235,821,257</u>	<u>\$ 241,882,926</u>	<u>\$ 252,883,333</u>	<u>\$ 259,132,143</u>	<u>\$ 280,059,740</u>	<u>\$ 290,922,756</u>	<u>\$ 304,438,358</u>
Business-Type Activities:										
Net investment in										
capital assets	\$ 8,510,990	\$ 9,200,804	\$ 10,274,508	\$ 9,869,514	\$ 10,796,204	\$ 14,951,194	\$ 15,662,939	\$ 15,802,394	\$ 14,634,438	\$ 15,031,254
Restricted	-	-	-	-	-	479,960	240,146	3,002,426	4,009,312	2,790,154
Unrestricted	7,190,166	7,493,201	7,083,461	11,745,714	16,224,077	26,353,156	30,911,753	24,861,360	22,366,781	21,143,075
Total net position,										
business-type activities	<u>\$ 15,701,156</u>	<u>\$ 16,694,005</u>	<u>\$ 17,357,969</u>	<u>\$ 21,615,228</u>	<u>\$ 27,020,281</u>	<u>\$ 41,784,310</u>	<u>\$ 46,814,838</u>	<u>\$ 43,666,180</u>	<u>\$ 41,010,531</u>	<u>\$ 38,964,483</u>
Primary Government:										
Net investment in										
capital assets	\$ 181,348,675	\$ 186,707,932	\$ 184,995,827	\$ 182,567,635	\$ 193,391,156	\$ 211,874,743	\$ 222,430,885	\$ 238,080,550	\$ 253,053,455	\$ 268,325,622
Restricted	35,146,993	31,524,428	20,421,355	19,488,538	18,628,146	51,181,247	44,213,413	48,687,321	42,807,811	44,477,346
Unrestricted	911,678	42,664,097	52,216,096	55,380,312	56,883,905	31,611,653	39,302,683	36,958,049	36,072,021	30,599,873
Total net position,										
primary government	<u>\$ 217,407,346</u>	<u>\$ 260,896,457</u>	<u>\$ 257,633,278</u>	<u>\$ 257,436,485</u>	<u>\$ 268,903,207</u>	<u>\$ 294,667,643</u>	<u>\$ 305,946,981</u>	<u>\$ 323,725,920</u>	<u>\$ 331,933,287</u>	<u>\$ 343,402,841</u>

Notes:

- (1) The County implemented GASB Statement No. 54 in fiscal 2011, resulting in some changes in the classification of restricted and unrestricted balances for governmental activities.
- (2) Business-type activities included the Marion County Housing Authority through fiscal year 2010.

MARION COUNTY, OREGON

CHANGES IN NET POSITION
(accrual basis of accounting)

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
EXPENSES										
Governmental activities:										
General government	\$ 10,105,968	\$ 10,955,049	\$ 11,049,860	\$ 13,003,991	\$ 12,807,895	\$ 10,652,166	\$ 12,380,750	\$ 12,061,985	\$ 10,832,358	\$ 13,904,065
Health and social services	47,271,288	56,641,964	56,016,725	54,623,305	58,343,197	58,312,272	50,758,992	45,318,034	73,486,663	71,704,246
Public safety and judicial	61,627,624	72,525,129	71,312,668	69,983,971	69,369,059	67,533,185	68,590,031	64,942,420	61,318,863	56,902,654
Community service	4,582,776	5,051,563	4,566,681	4,213,912	4,554,392	5,214,130	5,614,438	5,781,244	5,583,484	6,462,421
Roads and bridges	26,955,454	29,633,348	31,869,727	33,933,093	34,210,353	34,555,793	36,581,863	36,768,900	38,381,183	38,148,231
Education	451,903	402,947	506,640	860,305	1,013,928	829,640	1,418,857	1,535,458	1,893,548	1,640,790
Interest on long-term debt	3,914,517	3,825,907	3,595,170	3,588,036	3,525,858	3,562,823	3,353,325	3,470,378	3,619,207	3,356,909
Total governmental activities	<u>154,909,530</u>	<u>179,035,907</u>	<u>178,917,471</u>	<u>180,206,613</u>	<u>183,824,682</u>	<u>180,660,009</u>	<u>178,698,256</u>	<u>169,878,419</u>	<u>195,115,306</u>	<u>192,119,316</u>
Business-type activities:										
Environmental services	18,054,237	21,199,441	22,040,638	21,146,155	19,360,838	18,585,048	17,926,252	17,349,140	20,537,615	19,626,301
Housing authority	-	-	-	-	-	7,605,742	7,395,830	6,741,111	5,645,709	6,710,324
Sewer and lighting services	1,049,626	1,045,903	1,030,832	1,006,476	1,033,416	1,053,617	1,124,479	1,055,953	1,036,059	1,055,176
Total business-type activities	<u>19,103,863</u>	<u>22,245,344</u>	<u>23,071,470</u>	<u>22,152,631</u>	<u>20,394,254</u>	<u>27,244,407</u>	<u>26,446,561</u>	<u>25,146,204</u>	<u>27,219,383</u>	<u>27,391,801</u>
Total primary government	<u>\$ 174,013,393</u>	<u>\$ 201,281,251</u>	<u>\$ 201,988,941</u>	<u>\$ 202,359,244</u>	<u>\$ 204,218,936</u>	<u>\$ 207,904,416</u>	<u>\$ 205,144,817</u>	<u>\$ 195,024,623</u>	<u>\$ 222,334,689</u>	<u>\$ 219,511,117</u>
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	\$ 5,066,815	\$ 4,644,231	\$ 5,832,079	\$ 8,891,006	\$ 9,129,581	\$ 4,165,982	\$ 6,038,178	\$ 3,305,233	\$ 3,282,168	\$ 3,409,453
Health and social services	6,516,683	6,176,969	6,554,134	6,639,196	7,205,331	7,461,684	5,589,612	4,033,665	3,957,844	3,726,491
Public safety and judicial	8,079,397	7,752,478	8,318,651	7,360,065	7,196,736	7,240,109	5,225,994	7,457,908	7,260,283	5,990,914
Community service	2,806,613	2,913,115	2,483,622	2,152,406	2,780,000	2,876,339	2,199,566	3,049,818	3,605,016	5,060,171
Roads and bridges	3,943,448	4,003,486	4,236,283	4,321,393	3,927,151	3,703,877	3,580,276	2,397,273	2,368,997	2,204,868
Education	-	-	-	2,574	1,304	401	511	1,422	-	1,052
Operating grants and contributions	83,266,222	87,998,080	76,890,441	79,245,471	81,692,596	79,350,143	74,415,207	78,935,640	99,418,469	99,160,287
Capital grants and contributions	7,297,155	5,124,567	7,226,398	7,955,427	3,782,661	1,772,116	1,037,748	1,762,574	3,907,479	6,247,810
Total governmental activities	<u>116,976,333</u>	<u>118,612,926</u>	<u>111,541,608</u>	<u>116,567,538</u>	<u>115,715,360</u>	<u>106,570,651</u>	<u>98,087,092</u>	<u>100,943,533</u>	<u>123,800,256</u>	<u>125,801,046</u>
Business-type activities:										
Charges for services:										
Environmental services	17,844,368	20,302,845	17,586,561	15,521,769	14,808,769	20,051,437	21,477,453	19,834,238	19,378,688	19,689,049
Housing authority	-	-	-	-	-	1,142,907	573,475	1,062,843	1,598,438	1,075,216
Sewer and lighting services	654,696	668,401	611,170	607,512	607,358	602,653	553,017	492,655	501,415	550,907
Operating grants and contributions	-	-	-	-	-	6,545,388	5,576,677	4,741,383	5,949,680	7,182,205
Total business-type activities	<u>18,499,064</u>	<u>20,971,246</u>	<u>18,197,731</u>	<u>16,129,281</u>	<u>15,416,127</u>	<u>28,342,385</u>	<u>28,180,622</u>	<u>26,131,119</u>	<u>27,428,221</u>	<u>28,497,377</u>
Total primary government	<u>\$ 135,475,397</u>	<u>\$ 139,584,172</u>	<u>\$ 129,739,339</u>	<u>\$ 132,696,819</u>	<u>\$ 131,131,487</u>	<u>\$ 134,913,036</u>	<u>\$ 126,267,714</u>	<u>\$ 127,074,652</u>	<u>\$ 151,228,477</u>	<u>\$ 154,298,423</u>

(continued on following page)

MARION COUNTY, OREGON

CHANGES IN NET POSITION
(accrual basis of accounting)

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
NET (EXPENSE) REVENUE										
Governmental activities	\$ (37,933,197)	\$ (60,422,981)	\$ (67,375,863)	\$ (63,639,075)	\$ (68,109,322)	\$ (74,089,358)	\$ (80,611,164)	\$ (68,934,886)	\$ (71,315,050)	\$ (66,318,270)
Business-type activities	(604,799)	(1,274,098)	(4,873,739)	(6,023,350)	(4,978,127)	1,097,978	1,734,061	984,915	208,838	1,105,576
Total primary government	<u>\$ (38,537,996)</u>	<u>\$ (61,697,079)</u>	<u>\$ (72,249,602)</u>	<u>\$ (69,662,425)</u>	<u>\$ (73,087,449)</u>	<u>\$ (72,991,380)</u>	<u>\$ (78,877,103)</u>	<u>\$ (67,949,971)</u>	<u>\$ (71,106,212)</u>	<u>\$ (65,212,694)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Property taxes	\$ 61,711,673	\$ 59,110,891	\$ 57,134,473	\$ 56,410,115	\$ 55,328,502	\$ 54,135,566	\$ 52,098,594	\$ 49,875,152	\$ 47,814,061	\$ 44,810,763
Franchise taxes	265,819	295,802	275,249	258,296	300,159	259,905	239,042	209,443	215,460	208,644
Unrestricted grants and contributions	4,414,818	4,198,940	5,008,671	4,519,082	5,297,123	5,168,854	5,275,498	4,490,292	4,630,045	3,812,816
Unrestricted investment earnings	912,040	744,491	677,621	752,181	751,126	1,276,223	2,143,463	3,538,182	3,869,082	2,895,835
Extraordinary items	-	-	8,733,901	(4,400,068)	(4,603,041)	-	-	-	1,215,375	9,733,374
Transfers	-	-	-	37,800	35,046	7,000,000	(73,030)	(41,199)	55,425	(63,000)
Total governmental activities	<u>67,304,350</u>	<u>64,350,124</u>	<u>71,829,915</u>	<u>57,577,406</u>	<u>57,108,915</u>	<u>67,840,548</u>	<u>59,683,567</u>	<u>58,071,870</u>	<u>57,799,448</u>	<u>61,398,432</u>
Business-type activities:										
Property taxes	243,556	248,431	250,562	248,113	246,700	248,965	311,797	237,170	352,428	387,895
Franchise taxes	324,940	298,364	294,357	289,719	277,716	263,019	301,997	279,846	291,626	239,073
Unrestricted investment earnings	78,453	63,339	71,561	118,265	145,817	359,510	727,773	1,112,519	1,248,581	850,857
Transfers	-	-	-	(37,800)	(35,046)	(7,000,000)	73,030	41,199	(55,425)	63,000
Total business-type activities	<u>646,949</u>	<u>610,134</u>	<u>616,480</u>	<u>618,297</u>	<u>635,187</u>	<u>(6,128,506)</u>	<u>1,414,597</u>	<u>1,670,734</u>	<u>1,837,210</u>	<u>1,540,825</u>
Total primary government	<u>\$ 67,951,299</u>	<u>\$ 64,960,258</u>	<u>\$ 72,446,395</u>	<u>\$ 58,195,703</u>	<u>\$ 57,744,102</u>	<u>\$ 61,712,042</u>	<u>\$ 61,098,164</u>	<u>\$ 59,742,604</u>	<u>\$ 59,636,658</u>	<u>\$ 62,939,257</u>
CHANGE IN NET POSITION										
Governmental activities	\$ 29,371,153	\$ 3,927,143	\$ 4,454,052	\$ (6,061,669)	\$ (11,000,407)	\$ (6,248,810)	\$ (20,927,597)	\$ (10,863,016)	\$ (13,515,602)	\$ (4,919,838)
Business-type activities	42,150	(663,964)	(4,257,259)	(5,405,053)	(4,342,940)	(5,030,528)	3,148,658	2,655,649	2,046,048	2,646,401
Total primary government	<u>\$ 29,413,303</u>	<u>\$ 3,263,179</u>	<u>\$ 196,793</u>	<u>\$ (11,466,722)</u>	<u>\$ (15,343,347)</u>	<u>\$ (11,279,338)</u>	<u>\$ (17,778,939)</u>	<u>\$ (8,207,367)</u>	<u>\$ (11,469,554)</u>	<u>\$ (2,273,437)</u>

Notes:

(1) Business-type activities included the Marion County Housing Authority through fiscal year 2010.

MARION COUNTY, OREGON

FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Operating Fund										
Nonspendable	\$ 19,960	\$ 18,079	\$ 20,148	\$ 19,284	\$ 21,690					
Restricted	-	-	2,000,000	2,000,000	3,000,000					
Committed	2,209,138	2,198,063	2,197,214	2,193,729	4,033,217					
Assigned	1,332,565	1,458,046	3,769,816	2,100,988	4,034,160					
Unassigned	10,788,435	9,850,658	8,493,826	7,545,764	7,980,753					
Total General Operating Fund	14,350,098	13,524,846	16,481,004	13,859,765	19,069,820					
General Fund										
Unreserved						\$ 6,446,160	\$ 5,967,914	\$11,277,134	\$11,171,805	\$ 9,472,408
Total General Fund						6,446,160	5,967,914	11,277,134	11,171,805	9,472,408
Other governmental funds										
Nonspendable	935,994	1,343,328	1,142,098	1,029,240	887,094					
Restricted	29,692,731	26,577,497	13,823,969	13,106,572	11,556,896					
Committed	2,962,942	4,201,351	4,383,458	4,823,398	3,972,412					
Assigned	41,437,261	31,772,956	32,471,409	31,542,606	22,502,444					
Unassigned	(3,761)	-	(1,060)	-	-					
Reserved						772,461	213,509	79,387	201,403	737,686
Unreserved, reported in:										
Special revenue funds						45,763,228	41,441,267	41,963,239	35,560,165	39,826,057
Capital projects funds						1,039,434	1,297,058	1,446,905	1,784,369	37,866
Total other governmental funds	75,025,167	63,895,132	51,819,874	50,501,816	38,918,846	47,575,123	42,951,834	43,489,531	37,545,937	40,601,609
Total governmental funds	\$89,375,265	\$77,419,978	\$68,300,878	\$64,361,581	\$57,988,666	\$54,021,283	\$48,919,748	\$54,766,665	\$48,717,742	\$50,074,017

Notes:

(1) The County implemented GASB Statement No. 54 in fiscal 2011, resulting in some changes in the classification of governmental funds and fund balances.

MARION COUNTY, OREGON

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
REVENUES										
Taxes	\$62,345,375	\$59,844,595	\$57,533,975	\$56,931,645	\$55,206,300	\$53,987,816	\$51,642,143	\$49,713,395	\$47,693,310	\$45,346,564
Licenses and permits	3,041,718	3,004,660	2,560,939	2,259,909	2,837,711	2,858,419	2,454,711	3,147,025	3,656,240	3,663,731
Intergovernmental	94,978,195	97,321,587	88,463,221	87,059,568	90,772,380	86,291,113	80,728,453	85,188,506	107,671,851	109,938,554
Charges for services	22,543,128	22,250,108	23,822,740	26,557,956	26,802,502	22,591,707	20,188,489	16,150,111	15,670,452	16,796,040
Fines and forfeitures	3,076,921	2,701,520	3,547,518	2,867,689	2,791,571	2,750,119	2,380,014	2,462,386	2,464,004	1,847,871
Interest	871,704	711,155	646,852	711,839	711,757	1,192,044	1,995,736	3,278,843	3,655,703	2,626,278
Other	1,227,905	455,083	625,066	531,180	389,652	358,888	177,591	626,758	661,065	531,260
Total revenues	<u>188,084,946</u>	<u>186,288,708</u>	<u>177,200,311</u>	<u>176,919,786</u>	<u>179,511,873</u>	<u>170,030,106</u>	<u>159,567,137</u>	<u>160,567,024</u>	<u>181,472,625</u>	<u>180,750,298</u>
EXPENDITURES										
General government	9,348,870	10,952,145	10,796,488	12,249,892	11,866,007	10,206,092	11,178,064	10,573,571	9,526,733	10,566,035
Health and social services	53,593,236	56,424,183	55,698,229	54,118,820	58,099,011	58,680,292	51,298,954	45,475,884	72,720,683	71,887,352
Public safety and judicial	72,550,922	71,584,968	70,341,932	68,460,354	67,956,195	66,043,416	68,379,322	64,233,521	55,707,433	58,638,364
Community service	5,110,822	4,345,409	3,943,940	4,057,270	4,458,950	4,316,138	5,067,115	5,397,959	13,131,815	6,660,452
Roads and bridges	18,764,207	18,065,139	18,592,664	19,210,938	19,226,147	17,861,969	19,095,005	17,602,410	18,884,997	18,053,862
Education	451,903	402,947	506,640	860,305	1,013,928	829,640	1,418,857	1,535,458	1,319,634	1,640,790
Debt service:										
Principal	3,186,933	2,657,548	2,431,249	2,215,953	2,011,611	1,823,180	1,645,616	1,468,880	1,337,930	1,045,720
Interest	3,378,469	3,327,941	3,232,247	3,297,021	3,356,299	3,418,054	3,453,622	3,633,171	3,818,452	3,555,398
Capital outlay	9,161,982	18,908,419	15,665,717	5,461,094	6,466,382	7,700,356	3,683,613	3,521,569	7,068,068	22,521,843
Total expenditures	<u>175,547,344</u>	<u>186,668,699</u>	<u>181,209,106</u>	<u>169,931,647</u>	<u>174,454,530</u>	<u>170,879,137</u>	<u>165,220,168</u>	<u>153,442,423</u>	<u>183,515,745</u>	<u>194,569,816</u>
Excess (deficiency) of revenues over expenditures	<u>12,537,602</u>	<u>(379,991)</u>	<u>(4,008,795)</u>	<u>6,988,139</u>	<u>5,057,343</u>	<u>(849,031)</u>	<u>(5,653,031)</u>	<u>7,124,601</u>	<u>(2,043,120)</u>	<u>(13,819,518)</u>
OTHER FINANCING SOURCES (USES)										
Insurance recoveries	-	-	8,733,901	-	-	-	-	-	1,215,375	10,234,737
Issuance of long-term debt	-	9,950,000	-	-	-	-	-	-	-	-
Transfers in	18,530,412	20,955,391	13,570,703	22,768,781	16,907,757	22,379,309	22,822,598	15,046,940	14,269,043	24,765,623
Transfers out	(19,112,727)	(21,406,300)	(14,356,512)	(23,384,005)	(17,997,717)	(16,428,743)	(23,016,484)	(16,122,618)	(14,797,573)	(22,444,786)
Total other financing sources (uses)	<u>(582,315)</u>	<u>9,499,091</u>	<u>7,948,092</u>	<u>(615,224)</u>	<u>(1,089,960)</u>	<u>5,950,566</u>	<u>(193,886)</u>	<u>(1,075,678)</u>	<u>686,845</u>	<u>12,555,574</u>
Net change in fund balance	<u>\$11,955,287</u>	<u>\$ 9,119,100</u>	<u>\$ 3,939,297</u>	<u>\$ 6,372,915</u>	<u>\$ 3,967,383</u>	<u>\$ 5,101,535</u>	<u>\$ (5,846,917)</u>	<u>\$ 6,048,923</u>	<u>\$ (1,356,275)</u>	<u>\$ (1,263,944)</u>
Debt service as a percentage of noncapital expenditures	<u>3.96%</u>	<u>3.60%</u>	<u>3.44%</u>	<u>3.37%</u>	<u>3.21%</u>	<u>3.23%</u>	<u>3.17%</u>	<u>3.43%</u>	<u>2.93%</u>	<u>2.68%</u>

MARION COUNTY, OREGON

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
(modified accrual basis of accounting)

Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property			Public Utilities (thousands)	Personal Property (thousands)	Total Taxable Assessed Value (AV) (thousands)	Total Direct Tax Rate	Estimated Actual Value of Taxable Property (thousands)	Real Market Value (RMV) (thousands)	AV as a % of RMV
	Residential (thousands)	Commercial (thousands)	Other (thousands)							
2015	\$ 11,184,908	\$ 4,825,983	\$ 4,321,539	\$ 734,653	\$ 541,430	\$ 21,608,513	\$ 3.03	\$ 26,283,582	\$ 34,877,589	62.0%
2014	10,593,617	4,492,229	4,417,702	707,650	533,437	20,744,635	3.03	24,740,339	32,102,805	64.6%
2013	10,348,389	5,301,747	3,331,525	706,315	530,818	20,218,794	3.03	24,271,119	32,586,520	62.0%
2012	10,371,278	5,153,446	3,302,288	694,860	533,329	20,055,201	3.03	25,397,333	33,412,694	60.0%
2011	10,134,765	4,978,186	3,220,346	745,652	548,683	19,627,632	3.03	26,762,742	34,978,576	56.1%
2010	9,832,759	4,891,576	3,122,784	717,777	550,426	19,115,322	3.03	28,338,031	36,446,336	52.4%
2009	9,473,424	4,674,451	2,999,843	599,372	536,226	18,283,316	3.03	28,981,751	37,002,691	49.4%
2008	8,697,447	4,487,099	3,137,763	602,560	512,478	17,437,347	3.03	27,405,903	35,276,496	49.4%
2007	8,434,482	4,260,118	2,745,397	552,589	471,119	16,463,705	3.03	23,289,461	29,663,727	55.5%
2006	7,957,082	4,078,155	2,616,354	557,936	456,277	15,665,804	3.02	20,630,409	26,500,539	59.1%

Sources:

Marion County Assessor.

Notes:

- (1) Estimated actual value of taxable property equals real market value except for tax exempt property which is excluded, and farm use property which is included at its lower taxable value. Real market value and assessed value were required to be equal by state law prior to fiscal year 1998. In May 1997, voters approved ballot Measure 50 which reduced assessed values to 90% of 1995 real market values and limits the annual increase in assessed values to 3%.
- (2) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.

MARION COUNTY, OREGON

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(rate per \$1,000 of assessed value)

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Marion County Direct Rate:										
General Operations	\$ 3.03	\$ 3.03	\$ 3.03	\$ 3.03	\$ 3.03	\$ 3.03	\$ 3.03	\$ 3.03	\$ 3.03	\$ 3.02
Overlapping Rates:										
Cities	0.28 - 8.09	0.28 - 8.09	0.28 - 8.09	0.28 - 8.09	0.43 - 8.09	0.43 - 8.09	0.43 - 8.09	0.43 - 8.09	0.43 - 8.09	0.43 - 8.09
School Districts & ESD's	0.30 - 8.42	0.30 - 8.07	0.30 - 8.12	0.30 - 8.25	0.30 - 8.11	0.30 - 8.12	0.21 - 8.25	0.21 - 8.25	0.26 - 7.87	0.23 - 8.28
Chemeketa Community College	0.89	0.86	0.90	0.88	0.79	0.89	0.71	0.70	0.94	0.96
Brooks Community Service District	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0.00	1.75	2.76
Water & Water Control Districts	0.05 - 1.00	0.05 - 1.00	0.05 - 1.00	0.05 - 1.03	0.05 - 1.00	0.05 - 1.00	0.05 - 1.00	0.05 - 1.00	0.05 - 1.00	0.05 - 1.00
Rural Fire Protection Districts	0.53 - 2.52	0.53 - 2.53	0.53 - 2.47	1.01 - 2.35	1.01 - 2.42	1.01 - 2.40	1.01 - 2.53	1.01 - 2.59	0.92 - 2.71	0.92 - 3.26
Special Purpose Districts	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76	0.08 - 0.76

Sources:

Marion County Tax Collector.

Notes:

(1) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.

(2) Rates for individual taxing districts are available in the annual tax roll summaries posted on the county's website.

MARION COUNTY, OREGON

PRINCIPAL PROPERTY TAXPAYERS

Current Fiscal Year and Nine Years Ago

Taxpayer	2015			2006		
	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Portland General Electric Co	1	\$ 252,820,795	1.17%	1	\$ 200,535,150	1.28%
Northwest Natural Gas Co	2	136,239,700	0.63%	2	103,281,800	0.66%
Winco Foods LLC	3	90,880,062	0.42%	4	70,210,850	0.45%
Lancaster Development Company	4	65,777,140	0.30%	6	45,174,760	0.29%
Woodburn Premium Outlets LLC	5	58,810,312	0.27%			
CenturyLink (Qwest Corporation)	6	57,493,500	0.27%	3	91,454,440	0.58%
Wal-Mart Real Estate	7	48,216,320	0.22%	8	34,536,530	0.22%
Norpac Foods Inc	8	58,322,247	0.27%	5	57,584,100	0.37%
Metropolitan Life Insurance Co	9	44,077,610	0.20%	10	33,364,250	0.21%
Donahue Schriber Realty Group	10	50,817,650	0.24%			
Craig Realty Group Woodburn				7	37,028,760	0.24%
Food Services of America Inc				9	33,435,860	0.21%
Total for principal taxpayers		<u>\$ 863,455,336</u>	<u>4.00%</u>		<u>\$ 706,606,500</u>	<u>4.51%</u>
Total taxable assessed value		<u>\$ 21,608,513,008</u>			<u>\$ 15,665,803,695</u>	

Sources:

Marion County Assessor, Marion County Tax Collector.

Notes:

(1) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.

MARION COUNTY, OREGON

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Original Levy
2015	\$ 63,937,929	\$ 60,400,930	94.47%	\$ -	\$ 60,400,930	94.47%
2014	61,192,469	57,656,513	94.22%	1,017,505	58,674,018	95.88%
2013	59,269,340	55,486,634	93.62%	1,535,752	57,022,386	96.21%
2012	58,696,510	54,896,065	93.53%	1,820,864	56,716,929	96.63%
2011	57,538,690	53,606,948	93.17%	1,995,399	55,602,347	96.63%
2010	56,220,810	52,312,753	93.05%	2,074,986	54,387,739	96.74%
2009	54,128,189	50,344,904	93.01%	2,161,449	52,506,353	97.00%
2008	51,700,531	48,420,768	93.66%	1,770,070	50,190,838	97.08%
2007	49,372,997	46,532,052	94.25%	1,455,471	47,987,523	97.19%
2006	46,814,427	44,094,655	94.19%	1,402,682	45,497,337	97.19%

Sources:

Marion County Tax Collector.

Notes:

- (1) Includes all County funds; excludes taxes collected by Marion County for other political subdivisions.
- (2) Marion County offers a 3% discount if tax payments are made by November 15 in the year levied.
- (3) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.

MARION COUNTY, OREGON

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities				Business-Type Activities	Total Primary Government	Percentage of Personal Income	Debt Per Capita
	Refunding Obligations	Limited Tax Pension Obligations	Capital Financing Agreement	Revenue Bonds	Notes Payable			
2015	\$ 10,640,837	\$ 38,535,195	\$ 9,662,966	\$ 1,292,413	\$ 541,932	\$ 60,673,343	0.52%	\$ 184
2014	11,683,737	39,369,217	9,950,000	1,767,312	620,468	63,390,734	0.58%	194
2013	12,688,614	40,118,810	-	2,219,860	695,201	55,722,485	0.52%	173
2012	13,655,469	40,783,125	-	2,651,109	761,360	57,851,063	0.56%	181
2011	14,589,733	41,362,745	-	3,062,062	824,172	59,838,712	0.60%	188
2010	15,485,975	41,865,334	-	3,453,673	2,327,785	63,132,767	0.63%	200
2009	16,355,058	42,288,832	-	3,826,853	2,448,584	64,919,327	0.64%	204
2008	17,196,982	42,636,965	-	4,182,470	2,270,166	66,286,583	0.69%	211
2007	18,006,316	42,903,776	-	4,521,350	2,524,444	67,955,886	0.74%	218
2006	18,793,923	43,117,233	-	4,844,280	2,616,435	69,371,871	0.82%	226

Sources:

Oregon Treasury Department, Municipal Bond Division.

Notes:

- (1) Personal income and population data can be found in the Schedule of Demographic and Economic Statistics.
- (2) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.
- (3) Business-type activities included the Marion County Housing Authority through fiscal year 2010.

MARION COUNTY, OREGON

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended June 30	Refunding Obligations	Limited Tax Pension Obligations	Capital Financing Agreement	Less Amount Available in Debt Service Fund	Net General Bonded Debt	% of Estimated Actual Value of Taxable Property	Net General Bonded Debt Per Capita	Net Direct Debt Per Capita	Net Direct & Overlapping Debt Per Capita	Real Market Value (RMV) Per Capita	Net Direct Debt To RMV	Net Direct & Overlapping Debt To RMV
2015	\$ 10,640,837	\$ 38,535,195	\$ 9,662,966	\$ (981,614)	\$ 57,857,384	0.22%	\$ 175	\$ -	\$ 2,075	\$ 105,763	0%	1.96%
2014	11,683,737	39,369,217	9,950,000	(164,460)	60,838,494	0.25%	187	-	2,246	98,430	0%	2.28%
2013	12,688,614	40,118,810	-	(339,600)	52,467,824	0.22%	163	-	2,233	100,925	0%	2.21%
2012	13,655,469	40,783,125	-	(389,129)	54,049,465	0.21%	169	-	2,317	104,253	0%	2.22%
2011	14,589,733	41,362,745	-	(478,460)	55,474,018	0.21%	174	-	2,377	109,944	0%	2.16%
2010	15,485,975	41,865,334	-	(772,461)	56,578,848	0.20%	179	-	1,568	115,373	0%	1.36%
2009	16,355,058	42,288,832	-	(213,509)	58,430,381	0.20%	184	-	1,555	116,298	0%	1.34%
2008	17,196,982	42,636,965	-	(79,387)	59,754,560	0.22%	190	-	953	112,037	0%	0.85%
2007	18,006,316	42,903,776	-	(201,403)	60,708,689	0.26%	195	-	985	95,360	0%	1.03%
2006	18,793,923	43,117,233	-	(737,686)	61,173,470	0.30%	199	-	863	86,415	0%	1.00%

Sources:

Oregon Treasury Department, Municipal Bond Division.

Notes:

- (1) Property value data can be found in the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.
- (2) Population data can be found in the Schedule of Demographic and Economic Statistics.
- (3) For the purposes of this schedule, net direct debt includes all voter-approved, tax-supported bonds; self-supporting bonds and limited tax obligations are excluded.
- (4) Overlapping debt information can be found in the Direct and Overlapping Governmental Activities Debt Schedule.
- (5) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.

MARION COUNTY, OREGON

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2015

Overlapping District	Outstanding Net Property Tax Backed Debt	Percent Overlapping	Net Overlapping Debt
Cities:			
City of Aurora	\$ 2,540,000	100.0000%	\$ 2,540,000
City of Donald	55,000	100.0000%	55,000
City of Mill City	917,433	25.8302%	236,975
City of St. Paul	40,539	100.0000%	40,539
City of Salem	85,948,669	84.9591%	73,021,216
City of Silverton	4,864,396	100.0000%	4,864,396
City of Woodburn	4,410,000	100.0000%	4,410,000
School Districts & ESD's:			
Marion County SD 1 (Gervais)	10,267,666	100.0000%	10,267,666
Marion County SD 4J (Silver Falls)	50,477,251	91.8099%	46,343,114
Marion County SD 5 (Cascade)	26,522,827	100.0000%	26,522,827
Marion County SD 14J (Jefferson)	5,223,274	92.9863%	4,856,929
Marion County SD 15 (N. Marion)	12,612,230	100.0000%	12,612,230
Marion County SD 24J (Salem-Keizer)	413,665,110	89.0298%	368,285,220
Marion County SD 29J (N. Santiam)	35,129,359	80.6196%	28,321,149
Marion County SD 45 (St. Paul)	3,240,000	100.0000%	3,240,000
Marion County SD 91 (Mt. Angel)	10,936,683	100.0000%	10,936,683
Marion County SD 103 (Woodburn)	5,575,000	100.0000%	5,575,000
Linn County SD 129J (Santiam Canyon)	4,085,000	56.3495%	2,301,877
Polk County SD 13J (Central)	80,843,792	1.3327%	1,077,405
Willamette ESD	1,180,000	62.7441%	740,380
Chemeketa Community College	92,590,000	69.9194%	64,738,372
Rural Fire Districts:			
Aumsville Rural Fire District	2,000,000	100.0000%	2,000,000
Idanha-Detroit Rural Fire District	95,000	94.5358%	89,809
Keizer Rural Fire District	190,000	100.0000%	190,000
Marion County Rural Fire District 1	6,145,000	100.0000%	6,145,000
Mt. Angel Rural Fire District	775,000	100.0000%	775,000
Silverton Rural Fire District	330,000	94.9485%	313,330
Sublimity Rural Fire District	1,170,000	100.0000%	1,170,000
Woodburn Rural Fire District	2,330,000	100.0000%	2,330,000
Polk County Rural Fire District	1,980,000	2.4065%	47,649
Water Districts:			
Lyons-Mehama Water District	535,000	31.1364%	166,580
Subtotal, overlapping debt	<u>\$ 866,674,229</u>		684,214,346
Marion County direct debt			<u>60,131,411</u>
Total direct and overlapping debt			<u>\$ 744,345,757</u>

Sources:

Oregon State Treasury, Debt Management Division.

Notes:

- (1) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.
- (2) Percent overlapping is the estimated real market value of taxable property in the overlapping district as a percentage of the County total.

MARION COUNTY, OREGON
LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Real Market Value (RMV) (thousands)	<u>\$ 34,877,589</u>	<u>\$ 32,102,805</u>	<u>\$ 32,586,520</u>	<u>\$ 33,412,694</u>	<u>\$ 34,978,576</u>	<u>\$ 36,446,336</u>	<u>\$ 37,002,691</u>	<u>\$ 35,276,496</u>	<u>\$ 29,663,727</u>	<u>\$ 26,500,539</u>
General Obligation Bonds										
Debt limit rate (as % of RMV)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Debt limit (thousands)	\$ 697,552	\$ 642,056	\$ 651,730	\$ 668,254	\$ 699,572	\$ 728,927	\$ 740,054	\$ 705,530	\$ 593,275	\$ 530,011
Total applicable debt (thousands)	-	-	-	-	-	-	-	-	-	-
Legal debt margin (thousands)	<u>\$ 697,552</u>	<u>\$ 642,056</u>	<u>\$ 651,730</u>	<u>\$ 668,254</u>	<u>\$ 699,572</u>	<u>\$ 728,927</u>	<u>\$ 740,054</u>	<u>\$ 705,530</u>	<u>\$ 593,275</u>	<u>\$ 530,011</u>
Total applicable debt as a percentage of the debt limit	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Limited Tax Pension Obligations										
Debt limit rate (as % of RMV)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Debt limit (thousands)	\$ 1,743,879	\$ 1,605,140	\$ 1,629,326	\$ 1,670,635	\$ 1,748,929	\$ 1,822,317	\$ 1,850,135	\$ 1,763,825	\$ 1,483,186	\$ 1,325,027
Total applicable debt (thousands)	<u>38,535</u>	<u>39,369</u>	<u>40,119</u>	<u>40,783</u>	<u>41,363</u>	<u>41,865</u>	<u>42,289</u>	<u>42,637</u>	<u>42,904</u>	<u>43,117</u>
Legal debt margin (thousands)	<u>\$ 1,705,344</u>	<u>\$ 1,565,771</u>	<u>\$ 1,589,207</u>	<u>\$ 1,629,852</u>	<u>\$ 1,707,566</u>	<u>\$ 1,780,452</u>	<u>\$ 1,807,846</u>	<u>\$ 1,721,188</u>	<u>\$ 1,440,282</u>	<u>\$ 1,281,910</u>
Total applicable debt as a percentage of the debt limit	<u>2.2%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.4%</u>	<u>2.4%</u>	<u>2.3%</u>	<u>2.3%</u>	<u>2.4%</u>	<u>2.9%</u>	<u>3.3%</u>
Limited Tax Obligations										
Debt limit rate (as % of RMV)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Debt limit (thousands)	\$ 348,776	\$ 321,028	\$ 325,865	\$ 334,127	\$ 349,786	\$ 364,463	\$ 370,027	\$ 352,765	\$ 296,637	\$ 265,005
Total applicable debt (thousands)	<u>59,286</u>	<u>61,842</u>	<u>54,019</u>	<u>56,004</u>	<u>57,855</u>	<u>59,574</u>	<u>61,171</u>	<u>62,649</u>	<u>64,000</u>	<u>65,262</u>
Legal debt margin (thousands)	<u>\$ 289,490</u>	<u>\$ 259,186</u>	<u>\$ 271,846</u>	<u>\$ 278,123</u>	<u>\$ 291,931</u>	<u>\$ 304,889</u>	<u>\$ 308,856</u>	<u>\$ 290,116</u>	<u>\$ 232,637</u>	<u>\$ 199,743</u>
Total applicable debt as a percentage of the debt limit	<u>17.0%</u>	<u>19.3%</u>	<u>16.6%</u>	<u>16.8%</u>	<u>16.5%</u>	<u>16.3%</u>	<u>16.5%</u>	<u>17.8%</u>	<u>21.6%</u>	<u>24.6%</u>

Notes:

(1) Information in this schedule satisfies the County's annual disclosure requirements under SEC Rule 15c2-12.

MARION COUNTY, OREGON
 PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year Ended June 30	Oregon Garden Revenue Bonds					
	Lottery Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	\$ 1,392,465	\$ -	\$ 1,392,465	\$ 474,899	\$ 77,164	252%
2014	1,384,365	-	1,384,365	452,548	99,515	251%
2013	1,408,021	-	1,408,021	431,249	120,814	255%
2012	1,464,136	-	1,464,136	410,953	141,111	265%
2011	1,172,765	-	1,172,765	391,611	160,452	212%
2010	1,142,037	-	1,142,037	373,180	178,883	207%
2009	1,391,254	-	1,391,254	355,616	196,447	252%
2008	1,521,182	-	1,521,182	338,880	213,184	276%
2007	1,397,951	-	1,397,951	322,930	229,133	253%
2006	1,119,198	-	1,119,198	155,720	180,937	332%

MARION COUNTY, OREGON
DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income (thousands)	Per Capita Income	Unemployment Rate
2015	329,770	\$ 11,614,203	\$ 35,614	7.5%
2014	326,150	10,873,926	33,746	8.4%
2013	322,880	10,630,068	33,210	9.7%
2012	320,495	10,344,043	32,538	10.4%
2011	318,150	10,017,480	31,710	11.1%
2010	315,900	9,987,705	31,870	11.0%
2009	318,170	10,210,061	32,964	6.6%
2008	314,865	9,557,842	31,137	5.4%
2007	311,070	9,157,136	30,193	5.7%
2006	306,665	8,487,771	28,343	6.5%

Sources:

Bureau of Economic Analysis, Regional Economic Data.
Bureau of Labor Statistics, Local Area Unemployment Statistics.
Population Research Center, Portland State University.

Notes:

- (1) Personal income and per capita income presented for the prior calendar year.
- (2) Unemployment rates presented are the annual average rate for the prior calendar year.

MARION COUNTY, OREGON
EMPLOYMENT AND WAGES BY INDUSTRY

Current Fiscal Year and Nine Years Ago

	2015				2006			
	Units	Employment	Wages	% of Employment	Units	Employment	Wages	% of Employment
Government Employers:								
Federal government	59	1,242	\$ 79,188,341	0.89%	55	1,473	\$ 75,576,348	1.09%
State government	202	19,588	1,097,349,688	14.01%	205	17,814	732,071,892	13.20%
Local government	341	13,641	630,914,350	9.76%	194	13,992	507,570,559	10.37%
	602	34,471	1,807,452,379	24.66%	454	33,279	1,315,218,799	24.67%
Private Employers:								
Natural resources and mining:								
Crop & animal production	405	8,299	202,652,809	5.94%	349	7,702	150,034,189	5.71%
Forestry, logging & mining	61	1,587	98,861,792	1.14%	68	1,478	63,691,679	1.10%
Construction:								
Building construction	293	1,349	59,748,683	0.97%	343	1,407	50,599,925	1.04%
Heavy & civil engineering	86	1,207	82,328,474	0.86%	99	1,186	58,425,955	0.88%
Specialty trade contractors	596	4,297	189,874,017	3.07%	691	4,646	157,394,874	3.44%
Manufacturing:								
Food, beverage & tobacco	73	4,532	140,621,678	3.24%	57	4,378	120,318,975	3.24%
Wood products	29	1,228	45,203,167	0.88%	32	2,205	72,917,884	1.63%
Computers & electronics	11	520	29,447,475	0.37%	11	620	29,506,446	0.46%
Other manufacturing	258	3,777	159,567,376	2.70%	299	5,058	178,208,450	3.75%
Trade, transportation and utilities:								
Merchant wholesalers	233	3,048	156,813,944	2.18%	247	3,160	123,615,433	2.34%
Motor vehicles, parts & fuel	189	2,774	100,097,487	1.98%	205	3,126	100,485,344	2.32%
Building & garden supplies	78	1,277	38,112,518	0.91%	78	1,239	36,478,400	0.92%
Food & beverages	168	2,680	61,963,222	1.92%	151	2,724	54,827,357	2.02%
Clothing & accessories	163	2,145	37,654,963	1.53%	133	1,622	26,950,841	1.20%
General merchandise	42	3,654	86,702,202	2.61%	31	3,624	75,177,273	2.69%
Other wholesalers & retailers	574	3,796	123,377,452	2.72%	518	3,896	103,091,411	2.89%
Truck & other transportation	181	2,218	82,106,910	1.59%	183	1,961	63,264,180	1.45%
Warehousing & storage	15	943	43,796,116	0.67%	10	807	34,620,075	0.60%
Utilities	6	205	18,553,021	0.15%	9	286	18,941,722	0.21%
Information services	102	943	48,641,648	0.67%	110	1,443	56,386,908	1.07%
Financial activities:								
Credit intermediation	166	2,071	88,302,774	1.48%	195	1,772	77,155,086	1.31%
Insurance	208	1,744	96,684,174	1.25%	211	1,770	82,746,659	1.31%
Real estate	366	1,368	38,396,343	0.98%	383	1,520	34,427,209	1.13%
Other financial activities	135	558	39,773,620	0.40%	117	731	36,359,244	0.54%
Professional and business services:								
Professional & technical	765	3,809	212,567,613	2.73%	693	3,451	148,073,535	2.56%
Management & administrative	488	7,380	233,632,948	5.28%	417	8,283	202,336,856	6.14%
Waste management & remediation	18	376	19,588,200	0.27%	14	292	12,545,551	0.22%
Education and health services:								
Educational services	102	2,262	80,895,635	1.62%	87	1,813	54,346,661	1.34%
Ambulatory services	503	6,905	419,860,207	4.94%	494	5,030	240,503,011	3.73%
Hospitals & health care facilities	6	4,602	299,591,542	3.29%	4	3,816	179,057,742	2.83%
Nursing & residential care	219	4,127	101,082,808	2.95%	152	3,113	62,627,995	2.31%
Social assistance services	184	2,280	51,777,565	1.63%	145	1,819	34,539,153	1.35%
Leisure and hospitality:								
Amusement, gambling & recreation	82	1,322	18,095,145	0.95%	69	1,071	14,536,914	0.79%
Food services & drinking places	626	9,713	150,551,575	6.95%	535	8,720	111,069,565	6.46%
Other leisure & hospitality	86	1,102	20,336,676	0.79%	73	937	14,011,284	0.69%
Other services	1,466	5,200	130,722,698	3.72%	1,019	4,931	103,562,481	3.65%
	8,983	105,298	3,807,984,477	75.34%	8,232	101,637	2,982,836,267	75.33%
Total County Employment	9,585	139,769	\$ 5,615,436,856	100.00%	8,686	134,916	\$ 4,298,055,066	100.00%

Source: Oregon Employment Department

Notes:

- (1) Information is presented for the prior calendar year.
- (2) Includes full-time and part-time employees.

MARION COUNTY, OREGON

COUNTY EMPLOYEES BY FUNCTION AND BARGAINING UNIT

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Full Time Equivalent (FTE)										
Employees by Function:										
Governmental activities:										
General government	228.8	220.5	222.0	224.0	223.0	234.8	242.3	250.3	247.3	244.8
Health and social services	407.1	396.3	367.7	349.4	360.3	382.2	360.4	339.4	295.4	291.0
Public safety and judicial	554.0	550.7	546.8	541.3	556.6	555.3	582.9	588.1	559.1	560.8
Community service	35.5	29.7	35.3	27.3	28.0	24.8	30.6	47.7	50.7	48.7
Roads and bridges	141.4	131.4	134.4	133.0	128.3	136.8	149.5	155.0	155.0	153.0
Total governmental activities	<u>1,366.8</u>	<u>1,328.6</u>	<u>1,306.2</u>	<u>1,275.0</u>	<u>1,296.2</u>	<u>1,333.9</u>	<u>1,365.7</u>	<u>1,380.5</u>	<u>1,307.5</u>	<u>1,298.3</u>
Business-type activities:										
Environmental services	<u>30.3</u>	<u>30.3</u>	<u>33.3</u>	<u>33.3</u>	<u>33.1</u>	<u>29.1</u>	<u>12.1</u>	<u>12.5</u>	<u>10.5</u>	<u>10.5</u>
Total FTE budgeted	<u>1,397.1</u>	<u>1,358.9</u>	<u>1,339.5</u>	<u>1,308.3</u>	<u>1,329.3</u>	<u>1,363.0</u>	<u>1,377.8</u>	<u>1,393.0</u>	<u>1,318.0</u>	<u>1,308.8</u>
Number of Employees by Bargaining Unit:										
Marion County Employee Assoc.	780	732	718	693	718	764	763	745	758	755
Marion County Law Enforcement Association	213	207	202	198	211	226	227	218	219	216
Marion County Juvenile Employees Association	32	33	34	31	31	35	39	41	-	-
Federation of Oregon Parole and Probation Officers	36	35	37	34	37	41	41	45	42	41
Oregon Nurses Association	19	17	18	20	19	20	23	23	19	23
Unrepresented:										
Management and other	238	233	238	232	234	251	255	258	230	226
Temporary employees	<u>174</u>	<u>235</u>	<u>240</u>	<u>230</u>	<u>242</u>	<u>257</u>	<u>257</u>	<u>281</u>	<u>294</u>	<u>321</u>
Total county employees	<u>1,492</u>	<u>1,492</u>	<u>1,487</u>	<u>1,438</u>	<u>1,492</u>	<u>1,594</u>	<u>1,605</u>	<u>1,611</u>	<u>1,562</u>	<u>1,582</u>

Sources:

Marion County payroll records.

MARION COUNTY, OREGON

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
General Government										
General election information:										
Registered voters	151,674	(1)	151,426	(1)	142,968	(1)	150,122	(1)	138,705	(1)
Votes cast	105,239	(1)	121,665	(1)	102,281	(1)	126,583	(1)	99,675	(1)
Percentage voted	69.38%	(1)	80.35%	(1)	71.54%	(1)	84.32%	(1)	71.86%	(1)
Marriage licenses issued	2,504	2,335	2,221	2,350	2,334	2,297	2,456	2,387	2,328	2,133
Passports issued	1,039	934	752	677	712	801	891	1,205	1,378	635
Documents recorded	49,451	48,596	58,630	51,058	53,070	55,756	54,747	67,981	82,542	85,449
Property tax accounts:										
Residential	83,175	83,134	82,996	82,934	82,891	82,887	82,511	81,539	79,567	78,250
Commercial	9,908	9,921	9,747	8,876	8,855	8,753	8,604	9,564	8,215	8,386
Industrial	520	533	682	1,663	1,594	1,631	1,686	567	1,905	1,887
Farm	27,879	27,897	27,972	28,163	28,134	28,179	28,643	29,414	28,890	29,037
Utilities	1,975	1,911	1,896	1,852	1,841	1,771	1,438	1,490	1,433	1,481
Personal	6,527	6,434	6,359	6,215	6,280	5,953	5,380	5,059	4,860	4,725
Health and Social Services										
Total clinic visits	431,857	444,536	405,221	421,711	456,385	462,909	493,094	474,292	346,024	329,737
Number of clients served:										
Acute	11,809	5,097	8,061	6,361	6,813	7,680	6,025	5,675	3,485	3,357
Alcohol and drug treatment	2,783	2,413	2,307	2,187	2,114	2,144	3,371	4,387	477	3,348
Behavioral health (other)	5,934	5,967	5,578	6,134	6,017	5,889	4,714	4,302	5,633	3,578
Developmental disabilities	2,394	2,206	2,123	2,075	2,044	1,980	1,946	1,861	1,785	2,927
IDS & out-of-panel MH providers	1,646	6,313	8,283	5,903	5,422	4,750	4,534	3,914	3,953	n/a
Immunizations	3,556	2,567	2,867	2,971	6,270	10,323	8,049	11,060	6,529	7,480
Public health (other)	8,872	9,567	9,531	8,079	9,019	9,901	10,810	9,261	9,225	8,636
Women, infants and children (WIC)	7,923	8,555	9,821	9,648	11,397	12,741	12,558	10,772	15,967	15,215
Health inspections	3,221	3,166	3,027	3,073	3,351	3,066	3,757	2,795	3,875	3,685
Food handler cards issued	6,212	5,133	614	614	731	5,054	3,173	17,645	17,655	11,226
Birth and death certificates issued	17,175	16,561	17,118	16,175	17,538	16,294	16,094	15,416	8,049	7,764
Public Safety and Judicial										
Sheriff:										
Calls for service	26,358	23,737	24,042	23,132	23,024	24,507	28,427	27,065	28,494	39,490
Number of arrests	2,571	2,587	2,269	2,560	2,610	3,248	2,983	3,007	3,534	3,407
Number of inmates booked	13,574	13,696	13,384	13,731	15,197	16,446	16,321	17,304	19,171	19,511
Average daily jail population	409	414	418	454	542	534	526	534	538	539
Average length of jail stay (days)	17	15	13	11	14	19	20	25	25	17
Adults on probation and post-prison supervision (monthly average)	3,583	3,697	3,781	3,940	3,963	4,120	4,333	4,444	4,298	4,162
Juvenile:										
Youth served per year (2)	1,567	1,975	2,012	2,247	2,368	2,459	2,918	3,226	3,224	3,097
Community service hours completed (2)	7,676	8,341	9,334	14,626	15,239	16,966	19,552	17,763	15,619	14,446
Youth admitted to detention center (2)	900	921	1,020	1,051	1,125	1,128	1,073	1,211	1,234	853
Average length of stay (days) (2)	10.4	8.9	9.4	8.0	7.5	8.0	11.6	11.4	11.2	10.5
District Attorney:										
Adult criminal cases prosecuted (2)	9,916	9,513	9,867	9,687	9,600	10,799	11,071	12,430	13,066	13,542
Juvenile delinquency petitions filed (2)	422	451	612	582	479	694	978	1,136	1,273	1,237
Juvenile dependency petitions filed (2)	414	510	668	875	826	877	974	916	1,008	1,161
Volunteer hours for victim assistance (3)	19,666	24,731	23,837	18,401	26,003	24,903	25,878	52,861	44,076	53,749
Victims served (3)	4,124	4,017	4,531	5,792	4,294	4,725	3,668	3,887	3,879	3,040
Business-Type Activities										
Environmental Services										
Waste generated per capita (pounds)	2,719	2,641	2,627	2,711	2,612	2,637	2,902	3,210	3,324	3,191
Waste recovered per capita (pounds)	1,461	1,441	1,428	1,482	1,308	1,376	1,522	1,619	1,724	1,582
Waste recovery rate	53.7%	54.6%	54.4%	54.7%	50.1%	52.2%	52.4%	50.4%	51.9%	49.6%
Waste recovered (tons)	238,117	232,451	228,708	235,584	206,398	218,787	239,441	251,673	264,168	238,914

Sources:

Marion County department records.

Notes:

- (1) General elections are held in November in even calendar years.
 - (2) Information is presented for the prior calendar year.
 - (3) Information prior to fiscal year 2009 is presented for the year ending March 31.
- n/a Data is not available for this fiscal year.

MARION COUNTY, OREGON

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
General Government										
Buildings owned:										
Center Street campus	9	9	9	9	9	9	9	9	9	9
Corrections campus	6	6	6	6	6	6	6	6	6	5
Downtown campus	2	2	2	2	2	2	2	2	2	2
Public Works campus	13	13	13	13	13	13	12	12	12	12
Other facilities countywide	12	12	12	12	12	12	11	11	11	11
Community Service										
Parks acreage	610.2	610.2	610.2	610.2	614.2	614.2	614.2	614.2	614.2	614.2
Number of developed facilities	18	18	18	18	19	19	19	19	19	19
Number of undeveloped facilities	3	3	3	3	3	3	3	3	3	3
Number of playgrounds	5	5	5	5	6	6	6	6	6	6
Roads and Bridges										
Roads maintained by county:										
- miles paved	925.6	925.5	925.5	925.8	925.2	932.0	932.0	926.9	926.9	926.9
- miles unpaved	192.6	192.8	192.8	192.8	192.8	192.8	192.8	192.8	192.8	195.3
Bridges	147	147	147	147	147	147	147	147	147	147
Ferries	2	2	2	2	2	2	2	2	2	2

Sources:

Marion County department records.

**INDEPENDENT AUDITOR'S REPORT REQUIRED
BY OREGON STATE REGULATIONS**



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Commissioners
Marion County, Oregon
Salem, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Marion County, Oregon (the County) as of and for the year ended June 30, 2015, and have issued our report thereon dated December 14, 2015.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial 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.

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

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

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


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 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. Control deficiencies in internal control will be reported to management in a separate letter.

Restriction on Use

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

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, A Shareholder
December 14, 2015