

BENTON COUNTY, OREGON
Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and investments (continued)

At June 30, 2022, the County held \$4,315,914 of investments.

<u>Investment Type</u>	<u>Weighted Avg. to Maturity</u>	<u>% of Portfolio</u>	<u>Reported Amount</u>
Municipalities	1.96 years	54.9%	2,369,850
Federal Agency Securities	3.26 years	45.1%	1,946,064
Subtotal for Portfolio Percentages		100.0%	\$ 4,315,914

The Oregon State Treasurer maintains the Oregon Short Term Fund (OSTF), of which the Local Government Investment Pool (LGIP) is a part. The OSTF is not rated by the credit rating agencies. The composite credit quality of the OSTF's holdings was AA at June 30, 2021. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. LGIP was created to offer a short-term investment alternative to Oregon local governments and it is not registered with the U.S. Securities and Exchange Commission. The investments are regulated by the OSTF Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). At June 30, 2022 the fair value of the County's deposits with the LGIP approximates cost. The OSTF financial statements are available [here](https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/). (https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/)

The LGIP's portfolio concentration of credit risk at June 30, 2022 included: Commercial Paper (8.8%), Corporate Notes (43.0%), Municipal Bonds (4.3%), U.S. Agency securities (8.1%), Asset backed securities (14.6%), and Temporary Liquidity Guarantee (1.7%), Non US Gov't (6.6%). The credit risk associated with the investments was AAA rating (45.0%) AA rating (21.4%), A rating (27.1%), BBB rating (4.7%) and not rated (1.9%).

Interest rate risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than 90 days.

Concentration of credit risk

The County's investment policy allows for 100% of investments in the LGIP and U.S. Government obligations. There are lesser limits on other investment types. At June 30, 2022, the County's portfolio was invested in, Municipal Bonds (4.4%), and US Agencies (3.6%), LGIP (92.0%).

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Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables

Receivables as of June 30, 2022 for the County's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, are as follows:

	Accounts	Taxes and assessments	Inter-governmental	Interest	Loans	Total
Governmental activities/funds						
General	\$ 462,856	\$ 429,675	\$ 1,719,390	\$ -	\$ -	\$ 2,611,921
Road	947,705	7,819	561,673	-	-	1,517,197
Local Option Levy	-	204,730	23,975	-	-	228,705
Nonmajor governmental	236,332	146,573	331,524		142,499	856,928
Internal service	187,768	-	-	8,826	-	196,594
Total governmental activities	1,834,661	788,797	2,636,562	8,826	142,499	5,411,345
Business-type activities/proprietary funds:						
Health Center	2,263,963	-	-	-	-	2,263,963
East Linn Clinic	549,757	-	-	-	-	549,757
Nonmajor enterprise funds	194,159	4,774	-	-	-	198,933
Total business type activities	3,007,879	4,774	-	-	-	3,012,653
Totals	\$ 4,842,540	\$ 793,571	\$ 2,636,562	\$ 8,826	\$ 142,499	\$ 8,423,998

There is an allowance of \$117,409 as of June 30, 2022 in the business-type Health Center Funds.

C. Unavailable revenue

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At June 30, 2022, the various components of *deferred inflows of resources* reported in the governmental funds were as follows:

	Property Taxes	Loans	Unavailable revenue
Governmental Funds:			
General	\$ 383,737	\$ -	\$ 383,737
Road	-	7,819	7,819
Local Option Levy	186,305	-	186,305
Nonmajor governmental	130,707	142,499	273,206
Total	\$ 700,749	\$ 150,318	\$ 851,067

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Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Capital assets

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

	<u>Balance July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2022</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 10,461,159	\$ -	\$ -	\$ 10,461,159
Construction in progress	707,765	6,286,263	-	6,994,028
Total capital assets not being depreciated	<u>11,168,924</u>	<u>6,286,263</u>	<u>-</u>	<u>17,455,187</u>
Capital assets being depreciated:				
Improvements, other than buildings	2,873,842	-	-	2,873,842
Intangibles	3,562,122	16,100	-	3,578,222
Buildings	38,727,042	172,346	(11,000)	38,888,388
Machinery and equipment	18,735,422	2,112,831	(903,530)	19,944,723
Infrastructure	272,740,019	1,689,499	-	274,429,518
Total capital assets being depreciated	<u>336,638,447</u>	<u>3,990,776</u>	<u>(914,530)</u>	<u>339,714,693</u>
Less accumulated depreciation for:				
Improvements, other than buildings	(1,671,728)	(82,326)	-	(1,754,054)
Intangibles	(2,962,055)	(94,208)	-	(3,056,263)
Buildings	(10,819,341)	(624,515)	8,827	(11,435,029)
Machinery and equipment	(14,292,038)	(1,060,813)	821,854	(14,530,997)
Infrastructure	(152,447,186)	(3,009,132)	-	(155,456,318)
Total accumulated depreciation	<u>(182,192,348)</u>	<u>(4,870,994)</u>	<u>830,681</u>	<u>(186,232,661)</u>
Net capital assets being depreciated	<u>154,446,099</u>	<u>(880,218)</u>	<u>(83,849)</u>	<u>153,482,032</u>
Net governmental activities capital assets	<u>\$ 165,615,023</u>	<u>\$ 5,406,045</u>	<u>\$ (83,849)</u>	<u>\$ 170,937,219</u>
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 308,474	\$ -	\$ -	\$ 308,474
Construction in progress	3,123,209	-	(3,123,209)	-
Total capital assets, not being depreciated	<u>3,431,683</u>	<u>-</u>	<u>(3,123,209)</u>	<u>308,474</u>
Capital assets, being depreciated:				
Buildings	3,316,234	3,377,279	-	6,693,513
Machinery and equipment	433,482	-	-	433,482
Intangibles	83,260	-	-	83,260
Infrastructure	3,662,746	-	-	3,662,746
Total capital assets, being depreciated	<u>7,495,722</u>	<u>3,377,279</u>	<u>-</u>	<u>10,873,001</u>
Less accumulated depreciation for:				
Buildings	(901,279)	(65,321)	-	(966,600)
Machinery and equipment	(245,595)	(41,677)	-	(287,272)
Intangibles	(49,207)	(5,126)	-	(54,333)
Infrastructure	(1,931,830)	(51,052)	-	(1,982,882)
Total accumulated depreciation	<u>(3,127,911)</u>	<u>(163,176)</u>	<u>-</u>	<u>(3,291,087)</u>
Net capital assets, being depreciated, net	<u>4,367,811</u>	<u>3,214,103</u>	<u>-</u>	<u>7,581,914</u>
Lease asset				
Building	-	275,693	-	275,693
Less accumulated amortization for:				
Building	-	(44,880)	-	(44,880)
Net lease assets	-	230,813	-	230,813
Business-type activities capital assets, net	<u>\$ 7,799,494</u>	<u>\$ 3,444,916</u>	<u>\$ (3,123,209)</u>	<u>\$ 8,121,201</u>

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Capital assets (continued)

2. Depreciation/amortization expense was charged to functions/programs for the year ended June 30, 2022 is as follows:

Governmental activities:

General government	\$ 41,676
Public safety	205,592
Public works (including infrastructure)	3,103,037
Health services	47,254
Justice services	14,281
Community services	125,514
Cultural and educational services	80,426
Parks and natural resources	104,366
Capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>1,148,848</u>
Total depreciation expense - governmental activities	<u><u>\$ 4,870,994</u></u>

Business-type activities:

Water and sewer	\$ 51,930
Health services	128,528
Real estate rentals	<u>27,595</u>
Total depreciation/amortization expense - business-type activities	<u><u>\$ 208,053</u></u>

E. Interfund transfers

Fund	Transfers In	Transfers Out
General	\$ 4,739,440	\$ 4,855,080
Road	150,000	89,715
Local Option Levy	-	4,324,639
American Rescue Plan	-	1,000,817
Nonmajor governmental	1,940,548	695,753
Total governmental	<u>6,829,988</u>	<u>10,966,004</u>
Health Center	1,471,793	398,145
East Linn Clinic	-	72,759
Nonmajor enterprise	-	318,198
Total Enterprise	<u>1,471,793</u>	<u>789,102</u>
Internal service	4,511,191	1,057,866
Total transfers	<u><u>\$ 12,812,972</u></u>	<u><u>\$ 12,812,972</u></u>

Transfers of \$1,751,321 to the non-major governmental funds were made to provide resources for the payment of the PERS pension bonds from those funds having payroll expenditures. The General Fund transferred \$1,244,240 to the Health Center Fund to cover operating expenditures. The Local Option Levy Fund transferred \$4,122,562 to the General Fund for public safety expenditures.

BENTON COUNTY, OREGON
Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-term debt

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and to refinance the cost of future pension obligations. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the County. General obligation bonds currently outstanding and transactions during the year are as follows:

	Original Amount	Interest Rate	Balance July 1, 2021	Debt Incurred	Bond Retired	Balance June 30, 2022
Pension Obligation						
PERS bonds-2002	\$ 11,662,750	7.0%	\$ 7,070,000	\$ -	\$ 900,000	\$ 6,170,000
Pension Obligation						
PERS bonds-2004	\$ 7,490,000	4.9 to 6.1 %	4,910,000	-	540,000	4,370,000
Full Faith & Credit Financing						
2018 Series	\$ 7,000,000	2.75%	5,860,000	-	420,000	5,440,000
2020 GO Bonds	\$ 10,575,000	.91 to 3.0%	10,230,000		330,000	9,900,000
Total			<u>\$28,070,000</u>	<u>\$ -</u>	<u>\$ 2,190,000</u>	<u>\$25,880,000</u>

Bonded debt service requirements at June 30, 2022 (including interest payments of \$7,160,110) have the following maturities:

Fiscal year ending June 30,	Principal	Interest	Total
2023	2,400,000	1,098,131	3,498,131
2024	2,630,000	975,315	3,605,315
2025	1,565,000	836,465	2,401,465
2026	3,150,000	771,718	3,921,718
2027	3,455,000	598,686	4,053,686
2028-2032	5,810,000	1,462,953	7,272,953
2033-2037	2,710,000	835,742	3,545,742
2038-2041	2,480,000	479,400	2,959,400
2042-2045	1,680,000	101,700	1,781,700
	<u>\$25,880,000</u>	<u>\$ 7,160,110</u>	<u>\$ 33,040,110</u>

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-term debt (continued)

Annual debt service requirements to maturity are as follows:

Fiscal year ending June 30,	PERS bonds	2018 Loan	2020 GO Bond	Total
2023	2,323,509	579,600	595,022	3,498,131
2024	2,436,605	577,775	590,935	3,605,315
2025	1,229,746	580,675	591,044	2,401,465
2026	2,752,815	578,163	590,740	3,921,718
2027	2,879,057	580,375	594,254	4,053,686
2022-2031	1,406,868	2,901,450	2,964,635	7,272,953
2033-2038	-	580,536	2,965,206	3,545,742
2038-2042	-	-	2,959,400	2,959,400
2043-2045	-	-	1,781,700	1,781,700
	<u>\$ 13,028,600</u>	<u>\$ 6,378,574</u>	<u>\$ 13,632,936</u>	<u>\$ 33,040,110</u>

Full Faith and Credit Obligations

In March of 2002, Benton County joined with ten other local governments in a joint pension obligation sale. The sale took advantage of low interest rates to refinance the County's unfunded actuarial liability (UAAL) accumulated as of December 31, 2001. The County issued \$11,662,750 in bonds. The County estimates that by funding the actuarial liability, the County will save approximately \$70,000 per year for twenty-eight years (total \$1,960,000) between the amount calculated by the Oregon Public Employees Retirement System (PERS) to retire the UAAL and the amount of the debt repayment. Debt service for these obligations is recorded in the Debt Service Fund.

In May of 2004, Benton County joined with nine other local governments in a joint pension bond sale. The sale took advantage of low interest rates to refinance the County's unfunded actuarial liability (UAAL) accumulated as of December 31, 2002. The County issued \$7,490,000 in bonds. The County estimates that by funding the actuarial liability, the County will save approximately \$53,000 per year for twenty-four years between the amount calculated by the Oregon Public Employees Retirement System (PERS) to retire the UAAL and the amount of the debt repayment. Debt service for these obligations is recorded in the Debt Service Fund.

On March 7, 2018, Benton County issued \$7,000,000 in full faith and credit debt to pay for the remodel of County's public works facility and the Health Services Building located in Corvallis, Oregon. The debt will be repaid over fifteen years with an interest rate of 2.75%.

On February 13, 2020, Benton County purchased the building at 4500 Research Way in Corvallis, Oregon with the intention of moving administrative and other County functions. The purchase price of the building was \$7,125,000. In June 2020, the County issued \$10,575,000 in full faith and credit obligations to finance this purchase. Additionally, the bond proceeds funded \$1,000,000 of the Lincoln health clinic construction and \$2,000,000 to remodel the 4500 Research Way building. The debt will be repaid over twenty-five years. The County received a premium of \$576,177 in the bond sale.

BENTON COUNTY, OREGON
Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-term debt (continued)

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2022, was as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due within one year
Governmental activities					
Bonds payable:					
Pension	\$ 11,129,420	\$ -	\$ 1,337,760	\$ 9,791,660	\$ 1,518,915
Building loan	5,860,000	-	420,000	5,440,000	430,000
2020 GO bond	9,262,624	-	298,794	8,963,830	303,321
2020 GO bond premium	553,130	-	23,047	530,083	23,047
Other liabilities:					
OPEB liability	2,502,784	77,643	-	2,580,427	n/a
Net pension liability	42,516,968	-	19,149,889	23,367,079	n/a
Compensated absences	3,285,675	2,751,431	2,557,671	3,479,435	680,158
	<u>75,110,601</u>	<u>2,829,074</u>	<u>23,787,161</u>	<u>54,152,514</u>	<u>2,955,441</u>
Business-type activities:					
Bonds payable:					
Pension	850,580	-	102,240	748,340	116,085
2020 GO bond	967,376	-	31,206	936,170	31,679
Other liabilities:					
OPEB liability	958,881	-	9,312	949,569	n/a
Net pension liability	16,289,350	-	7,690,521	8,598,829	n/a
Compensated absences	726,792	852,105	792,118	786,779	206,231
	<u>19,792,979</u>	<u>852,105</u>	<u>8,625,397</u>	<u>12,019,687</u>	<u>353,995</u>
	<u>\$ 94,903,580</u>	<u>\$ 3,681,179</u>	<u>\$32,412,558</u>	<u>\$ 66,172,201</u>	<u>\$ 3,309,436</u>

Internal service funds predominantly serve the governmental activities. Accordingly, their long-term liabilities are included above with governmental activities. At year end \$501,779 of internal service funds compensated absences and \$1,682,725 of PERS bonds payable, \$14,933,913 of bonds payable and \$4,123,602 of net pension liability are included in the above amounts. Also, for the governmental activities, claims and judgments, pension liabilities, and compensated absences have typically been liquidated by the funds that incurred the costs (General, Road, Fair, Corner Preservation, Oregon Health Plan, Court Security, and Health Clinic Funds).

G. Interfund payables and receivables

The composition of interfund balances as of June 30, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General	Enterprise Operations	\$ 460,272
General	South Third CSD	12,719
		<u>\$ 472,991</u>

The amounts due from South Third CSD to the General Fund is a 10-year loan, payable annually with a 2% interest rate. The amounts due from Enterprise Operations Fund are short term obligations, which will be repaid within 3 months.

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund balance classifications

The County reports fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources reported in governmental funds. These classifications are as follows:

- Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories, prepaids, and long-term interfund advances.
- Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The Board of Commissioners may commit fund balance by resolution. The Board of Commissioners may also modify or rescind commitments by resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. By adoption of the financial policies, both the Chief Financial Officer and the Budget Director have been given this authority by the Board of Commissioners.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The Board of Commissioners has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and lastly, unassigned fund balance.

The County first reduces restricted amounts, if any, when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, or unassigned) amounts are available. The County next reduces committed amounts, followed by assigned amounts then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those restricted fund balance classifications could be used. Sometimes the County will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

BENTON COUNTY, OREGON
Notes to Basic Financial Statements

V. DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund balance classifications (continued)

Below is a schedule of ending fund balances for governmental funds:

	General	Road	Local Option Levy	American Rescue Plan	Non-major	Total
Fund Balances:						
Nonspendable in form	\$ 112,925	\$ 197,408	\$ 4,873	\$ -	\$ 14,427	\$ 329,633
Restricted for:						
Road construction & maintenance	-	4,531,944	-	-	-	4,531,944
Special transportation	-	-	-	-	3,115,081	3,115,081
Land corner preservation	-	-	-	-	284,819	284,819
Community service	-	-	-	-	143,736	143,736
Cultural services	-	-	-	-	807,598	807,598
American rescue plan	-	-	-	28,776	-	28,776
Health and safety	-	-	-	-	162,792	162,792
OSU Extension service	-	-	-	-	87,666	87,666
Court security	-	-	-	-	27,987	27,987
Title III funds	-	-	-	-	18,323	18,323
	-	4,531,944	-	28,776	4,648,002	9,208,722
Committed to:						
Capital projects	-	-	-	-	20,890	20,890
Debt service	-	-	-	-	2,905,829	2,905,829
Health and safety	-	-	2,429,504	-	-	2,429,504
Water services	-	-	-	-	1,016	1,016
Cemetery operations	-	-	-	-	31,110	31,110
	-	4,531,944	2,429,504	57,552	8,854,949	15,873,949
Unassigned:	31,838,348	-	-	-	-	31,838,348
Total Fund Balances	<u>\$ 31,951,273</u>	<u>\$ 9,261,296</u>	<u>\$ 2,434,377</u>	<u>\$ 86,328</u>	<u>\$ 13,517,378</u>	<u>\$ 57,250,652</u>

VI. OTHER INFORMATION

A. Risk management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. In addition, the County has set up a joint trust fund with Valley Landfills, Inc. to be used for any future environmental cleanup or damage control that may be required in the future as a result of landfill operations. As of June 30, 2022, management believes the County was not liable for any closure or post-closure care for the landfill operation.

There have been no settlements in excess of insurance coverage for the year ended June 30, 2022, or the three preceding fiscal years.

B. Other postemployment benefits (OPEB)

The County administers a single-employer defined benefit healthcare plan. The plan provides the opportunity for postretirement healthcare insurance for eligible retirees and their spouses through the County's group health insurance plans, which cover both active and retired participants.

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

B. Other postemployment benefits (OPEB) (continued)

1. *Implicit subsidy*

a. Plan description and benefits provided

The County provides other postemployment benefits (OPEB) for employees, retirees, spouses and dependents through a single employer defined benefit plan in the form of group health insurance benefits. As required by ORS 243.303(2), retirees who were hired after July 1, 2003 are allowed to continue, at the retirees' expense, coverage under the group health insurance plan until age 65. The difference between the premium actually paid by the retirees under the group insurance plan and the premium that they would pay if they were not included in the plan is considered to be an implicit subsidy under the provisions of GASB 75. The plan does not issue a separate stand-alone financial report.

b. Plan membership

As of June 30, 2021 actuarial valuation date, there were 449 active employees, 16 eligible retirees, and 1 spouse of eligible retirees for a total of 469 plan members.

c. Contributions

The County funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis. The average monthly premium requirements for the County are as follows:

For non-BCDSA retirees	\$ 867
For spouses of non-BCDSA retirees	\$ 1,015
For BCDSA retirees	\$ 1,450

d. Total OPEB liability, changes in total OPEB liability, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

At June 30, 2022, the County reported a total OPEB liability of \$3,529,955. The total OPEB liability was measured as of June 30, 2020 and determined by an actuarial valuation as of that date.

Changes in the total OPEB liability is as follows:

	Total OPEB Liability
Balances at June 30, 2021	\$ 3,461,665
Changes for the year:	
Service cost	182,779
Interest	78,298
Change in assumptions or other inputs	11,457
Benefit payments	(204,244)
Balances at June 30, 2022	<u>\$ 3,529,955</u>

VI. OTHER INFORMATION (CONTINUED)

B. Other postemployment benefits (OPEB) (continued)

1. Implicit subsidy (continued)

d. Total OPEB liability, changes in total OPEB liability, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB (continued)

For the year ended June 30, 2022, the County recognized OPEB expense of \$91,944. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Change of assumptions	\$ 790,925	\$ 314,530
Differences between expected and actual experience	423,119	-
Benefit payments	-	197,190
	<u>\$ 1,214,044</u>	<u>\$ 511,720</u>
Total		
		<u>\$ (702,324)</u>
Difference between Deferred Outflows and Deferred Inflows		

\$197,190 reported as deferred outflows of resources related to OPEB resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in personnel expense for future years ending June 30 are as follows:

2023	\$ (155,871)
2024	(155,871)
2025	(155,871)
2026	(128,891)
2027	(137,420)
Thereafter	(165,590)
	<u>\$ (899,514)</u>

e. Actuarial valuation

The County's contributions are based on the accruing benefit costs measured using the individual entry age normal actuarial cost method. The present value of benefits is allocated over the service for each active employee from their date of hire to their expected retirement age, as a level percent of the employee's pay. This level percent times pay is referred to as the service cost and is that portion of the present value of benefits attributable to an employee's service in a current year. The service cost equals \$0 for retired members. The total OPEB liability is the present value of benefits less the actuarial present value of future normal costs and represents the liabilities allocated to service up to the valuation date. For retirees, the total OPEB liability is equal to the present value of benefits.

VI. OTHER INFORMATION (CONTINUED)

B. Other postemployment benefits (OPEB) (continued)

1. Implicit subsidy (continued)

e. Actuarial valuation (continued)

Actuarial methods and assumptions used in developing total OPEB liability:

Valuation Date	July 1, 2020
Actuarial Cost Method	Entry Age Normal, Level Percent of Pay
Actuarial Assumptions:	
Inflation Rate	2.5 percent
Election and Lapse Rates	30% of eligible employees. 60% of male members and 35% of female members will elect spouse coverage. 5% annual lapse rate
Projected Salary Increases	3.5 percent
Mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Discount rate

The discount rate used to measure the total OPEB liability was 2.16%. The discount rate is based on the Bond Buyer 20-year General Obligation Bond Index. The discount rate at the prior measurement date was 2.21%.

Healthcare cost trend rate

The assumed healthcare cost trend for medical and vision costs is as follows:

<u>Year</u>	<u>Pre-65 Trend</u>
2020	3.75%
2021	5.75%
2022	5.25%
2023-2025	5.00%
2026-2040	4.75%
2041-2049	5.00%
2050-2064	4.75%
2065-2067	4.50%
2068-2071	4.25%
2072+	4.00%

Dental costs are assumed to decrease 1.25% for 2020, then increase by 4% in all future years.

VI. OTHER INFORMATION (CONTINUED)

B. Other postemployment benefits (OPEB) (continued)

1. Implicit subsidy (continued)

e. Actuarial valuation (continued)

Sensitivity of the County's total OPEB liability to changes in the discount and healthcare cost trend rates

The following presents the County's total OPEB liability calculated using the discount rate of 2.16 percent, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	<u>1% Decrease</u> (1.16%)	<u>Current</u> Discount Rate (2.16%)	<u>1% Increase</u> (3.16%)
Employers' OPEB Liability			
Total OPEB liability	\$ 3,764,863	\$ 3,529,955	\$ 3,305,744

	<u>1% Decrease</u>	<u>Current Trend</u> Rate	<u>1% Increase</u>
Total OPEB liability	\$ 3,214,784	\$ 3,529,955	\$ 3,895,288

Changes since prior valuation

- Expected Claims and Premiums was updated to reflect changes in available benefits and premium levels. If applicable, expected retiree and dependent costs were updated to reflect current health cost guidelines.
- The health care cost trend was updated to reflect changes in current premium levels as well as future expected economic and regulatory conditions.
- The mortality, withdrawal and retirement rates were updated to reflect assumptions used in the Oregon PERS December 31, 2019 actuarial valuation.
- The data processing assumptions for missing dates of hire and inconsistent or missing PERS tier information were updated to provide a better approximation for missing or inconsistent data.

2. Explicit subsidy

a. Plan description and benefits provided

As the result of union negotiations, the County has agreed to provide medical, dental, and vision insurance to qualified retirees as follows:

- Only full-time regular employees are eligible for full benefits in accordance with this agreement. Regular part-time employees who work at least 20 hours per week are eligible for prorated benefits.
- The retiree must have completed a minimum of fifteen continuous years of employment with the County and must be eligible for retirement from PERS, even if less than 58 years of age
- The retiree must be fully eligible for and either receiving or have applied for retirement benefits from the Public Employee Retirement System (PERS).

VI. OTHER INFORMATION (CONTINUED)

B. Other postemployment benefits (OPEB) (continued)

2. Explicit subsidy (continued)

a. Plan description and benefits provided (continued)

- Insurance coverage is limited to the employee and spouse for AFSCME and ONA members, non-represented employees hired prior to March 1, 2000 and deputies are limited to employee only, the coverage is for a period not to exceed seven years, retirees can elect when coverage begins.
- The County’s share of insurance premiums is fixed according to premium rates, which are current on the day of retirement. Premium increases occurring during retirement are the responsibility of the retiree.
- The County will pay a prorated share of the insurance premiums according to years of service.

As of June 30, 2022, there were 12 participants currently eligible to receive benefits. For the fiscal year ended June 30, 2022, the County incurred \$153,473 of expenditures. The County funds this benefit on a “pay-as-you-go” basis.

b. Funding policy

The County funds the plan only to the extent of current year insurance premium requirement on a pay-as-you-go basis. Retiree healthcare premiums are paid directly to the insurance provider. The County has not established an irrevocable trust to accumulate assets to fund the cost of the OPEB liabilities that arise from either the implicit or explicit subsidy. OPEB liabilities are primarily liquidated by the General Fund and the Health Clinic Fund.

C. Retirement health saving plan

Benton County provides a Retirement Health Savings Plan (RHS) (a defined contribution plan) for those ONA and non-represented employees who are not eligible for the previously described plan. The plan was established as a result of negotiations with labor unions. Any changes to the plan would be a result of negotiations. The County makes monthly deposits into the RHS for each eligible employee according to the following schedule based on years of completed continuous service: The amount actually contributed in fiscal year 2022 was \$335,860.

<u>Years of Service</u>	<u>Annual Contribution</u>
4 to 5	\$ 504
6 to 10	\$1,008
11 to 15	\$1,512
16 to 19	\$2,016
20 or more	\$2,520

D. Deferred compensation plan

The County sponsors a deferred compensation plan available to its employees wherein they may execute an individual agreement with the County for amounts earned by them to not be paid until a future date when they are terminated by reason of death, permanent disability, retirement or separation. The deferred compensation plan is qualified under IRC Section 457 and has been approved by the Internal Revenue Service.

Monies accumulated by the County under its deferred compensation plan have been deposited with the International City Management Association Retirement Corporation (ICMA), Oregon Savings Growth Plan and Nationwide Retirement Solutions. These deposits are not subject to the collateral requirements of Oregon law.

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans

1. Defined Benefit Pension Plan

a. Plan description

Employees of the County are provided with pensions through the Oregon Public Employee Retirement System (OPERS).

The OPERS consists of a single cost-sharing multiple employer defined benefit pension plan.

OPERS produces an independently audited Annual Comprehensive Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at: www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx

b. Description of benefit terms

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

Tier One/Tier Two Retirement Benefit (Chapter 238)

Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

Pension benefits

The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67% for general service employees and 2% for police and fire employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members after age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60.

Death benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a OPERS employer at the time of death,
- the member died within 120 days after termination of OPERS-covered employment,
- the member died as a result of injury sustained while employed in an OPERS-covered job, or
- the member was on an official leave of absence from an OPERS-covered job at the time of death.

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

b. Description of benefit terms (continued)

Tier One/Tier Two Retirement Benefit (Chapter 238) (continued)

Disability benefits

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

Benefit changes after retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

OPSRP Retirement Benefit (Chapter 238A)

The OPSRP pension program provides benefits to members hired on or after August 29, 2003.

Pension benefits

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

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

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

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

Death benefits

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

Disability benefits

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

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

b. Description of benefit terms (continued)

Tier One/Tier Two Retirement Benefit (Chapter 238) (continued)

Benefits changes after retirement

Under ORS 238A.210, monthly benefits are adjusted annually through cost-of-living changes.

c. Funding policy and contribution rates

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to OPERS Defined Benefit Plan and Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2019.

Tier 1/tier 2 employer contribution rates for general service employees were 18.30% and 24.84% for public safety employees and the OPSRP employer contribution rates were 14.88% for general service employees and 19.24% for public safety employees. Employer contributions for the year ended June 30, 2022 were \$6,027,117, excluding amounts to fund employer specific liabilities.

d. Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

Net pension liability

At June 30, 2022, the County reported a liability of \$31,965,908 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The County's proportion of the net pension asset was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

Employers' long-term contribution efforts are based on projected rates that have two major components:

1. Normal Cost Rate: The economic value, stated as a percent of payroll, for the portion of each active member's total projected retirement benefit that is allocated to the upcoming year of service. The rate is in effect for as long as each member continues in OPERS-covered employment. The current value of all projected future Normal Cost Rate contributions is the Present Value of Future Normal Costs (PVFNC). The PVFNC represents the portion of the projected long-term contribution effort related to future service.

An employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For OPERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll. The employer's Normal Cost Rates for each payroll are combined with system-wide present value factors for each payroll to develop an estimated PVFNC. The present value factors are actuarially determined at a system level for simplicity and to allow for the PVFNC calculations to be audited in a timely, cost-effective manner.

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

d. Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Net pension liability (continued)

2. **UAL Rate:** If system assets are less than the actuarial liability, an Unfunded Actuarial Liability (UAL) exists. UAL can arise when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises over a fixed period of time if future experience follows assumption. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percent of payroll. The present value of all projected UAL Rate contributions is equal to the Unfunded Actuarial Liability (UAL). The UAL represents the portion of the projected long-term contribution effort related to past service.

The UAL has Tier 1/Tier 2 and OPSRP pieces. The Tier 1/Tier 2 piece is based on the employer's Tier 1/Tier 2 pooling arrangement. If an employer participates in one of the two large Tier 1/Tier 2 rate pools [State & Local Government Rate Pool (SLGRP) or School Districts Rate Pool], then the employer's Tier 1/Tier 2 UAL is their pro-rata share of their pool's UAL. The pro-rata calculation is based on the employer's payroll in proportion to the pool's total payroll. The OPSRP piece of the UAL follows a parallel pro-rata approach, as OPSRP experience is mandatorily pooled at a state-wide level. Employers that do not participate in a Tier 1/Tier 2 pooling arrangement, who are referred to as Independent Employers", have their Tier 1/Tier 2 UAL tracked separately in the actuarial valuation.

The projected long-term contribution effort is the sum of the PVFNC and the UAL. The PVFNC part of the contribution effort pays for the value of future service while the UAL part of the contribution effort pays for the value of past service not already funded by accumulated contributions and investment earnings. Each of the two contribution effort components are calculated at the employer-specific level. The sum of these components across all employers is the total projected long-term contribution effort.

At June 30, 2022, the County's proportion was .26712875%, which was a decrease of .00233527% from its proportion measured as of June 30, 2021.

Pension Expense

For the year ended June 30, 2022, the County recognized pension expense of \$6,085,263, which includes pension expense of \$58,146 and current year contributions of \$6,027,117.

Deferred inflows of resources and deferred outflows of resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2021, employers will report the following deferred inflows of resources and/or deferred outflows of resources:

- Difference between expected and actual experience
- Change in assumptions
- Changes in employer proportion since the prior measurement date
- Net differences between projected and actual earnings
- Differences between employer contributions and employer's proportionate share of system contributions
- Contributions subsequent to the measurement date

BENTON COUNTY, OREGON
Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

d. Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Deferred inflows of resources and deferred outflows of resources(continued)

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period.

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,992,218	\$ -
Change of assumptions	8,002,029	84,127
Net difference between projected and actual earnings on investments	-	23,664,114
Change in proportionate share	583,611	880,257
Differences between employer contributions and employer's proportionate share of system contributions	2,778,177	1,139,279
Contributions subsequent to the measurement date	<u>5,280,965</u>	<u>-</u>
Total	<u>\$ 19,637,000</u>	<u>\$ 25,767,777</u>
Net Deferred Outflow/(Inflow) of Resources		<u>\$ (6,130,777)</u>

Deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date of \$5,280,965 will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Pension	
2023	\$ (1,432,028)
2024	(1,997,570)
2025	(2,912,976)
2026	(5,711,958)
2027	642,790
Thereafter	-
	<u>\$ (11,411,742)</u>

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

d. Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Actuarial methods and assumptions used in developing contributions and total pension liability

The contribution rates (Tier One/ Tier Two and OPSRP) were developed and the total pension liability measured as of June 30, 2021 was based on an actuarial valuation as of December 31, 2019 using the following methods and assumptions:

Experience study report	2018, published July 24, 2019
Actuarial cost method	Entry age normal
Inflation rate	2.4 percent
Long-term expected rate of return	6.9 percent
Discount rate	6.9 percent
Administrative expenses – Tier One/Tier Two	\$32.5 million per year added to normal cost
Administrative expenses – OPSRP	\$8 million per year added to normal cost
Projected salary increases	3.4 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.

Mortality

Healthy retirees and beneficiaries:

Pub-2010 Health Retirees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Active members:

Pub-2010 Health Retirees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Disabled retirees:

Pub-2010 Health Retirees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

d. Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

UAL amortization

The Tier 1/Tier 2 UAL amortization period was reset to 20 years as of December 31, 2013. Gains and losses between subsequent odd-year valuations will be amortized as a level percentage of projected combined valuation payroll (Tier 1/ Tier 2 plus OPSRP payroll) over a closed 20 year period from the valuation in which they are first recognized.

The OPSRP UAL as of December 31, 2007 is amortized as a level percentage of projected combined valuation payroll (Tier 1/ Tier 2 plus OPSRP payroll) over a closed period 16 year period. Gains and losses between subsequent odd-year valuations are amortized as a level percentage of combined valuation payroll over 16 years from the valuation in which they are first recognized.

Discount rate

The discount rate used to measure the total pension liability was 6.9%, a reduction from 7.2% from the prior fiscal year. 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.

Assumed asset allocation

Asset Class	Target Allocation
Cash	0.00%
Debt securities	20.00%
Public equity	32.50%
Private equity	17.50%
Real estate	12.50%
Alternatives portfol	15.00%
Risk parity	2.50%
Total	<u>100.00%</u>

Long-term expected rate of return¹

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June of 2021 the PERS Board reviewed long-term assumptions developed by both the actuary's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model.

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

d. Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Long-term expected rate of return¹ (continued)

Asset Class	Target Allocation	Annual Arithmetic Return ²	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	30.62%	7.11%	5.85%	17.05%
Private Equity	25.5	11.35	7.71	30
Core Fixed Income	23.75	2.8	2.73	3.85
Real Estate	12.25	6.29	5.66	12
Master Limited Partnerships	0.75	7.65	5.71	21.3
Infrastructure	1.5	7.24	6.26	15
Commodities	0.63	4.68	3.1	18.85
Hedge Fund of Funds – Multistrategy	1.25	5.42	5.11	8.45
Hedge Fund Equity – Hedge	0.63	5.85	5.31	11.05
Hedge Fund – Macro	5.62	5.33	5.06	7.9
US Cash ³	-2.5	1.77	1.76	1.2
Assumed Inflation – Mean			2.40%	1.65%

¹Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on June 2, 2021.

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

³Negative allocation to cash represents levered exposure from allocation to Risk Parity strategy.

Depletion date projection

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

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

1. Defined Benefit Pension Plan (continued)

d. Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Depletion date projection (continued)

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

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

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

Based on these circumstances, it is OPERS independent actuary’s opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Changes in actuarial methods and assumptions

Key change implemented since the December 31, 2017 valuation:

- On July 23, 2021, the PERS Board voted to set the assumed rate of return to 6.9 percent, down from 7.2 percent. The PERS Board reviews the assumed rate in odd-numbered years as part of the board’s adoption of actuarial methods and assumptions. The rate was then adopted in an administrative rule at the PERS Board’s October 1, 2021, meeting. The new assumed rate will be reflected in the December 31, 2021 actuarial valuation for funding, and decreases in the assumed rate typically increase the system’s unfunded actuarial liability as well as employer contribution rates. The new assumed rate was applied by the actuaries to the Net Pension Liability as of June 30, 2021.

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.9%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	<u>1% Decrease (5.9%)</u>	<u>Current Discount Rate (6.9%)</u>	<u>1% Increase (7.9%)</u>
Employers' Net Pension Liability			
County's proportionate share of net pension asset or liability	\$ 62,773,397	\$ 31,965,908	\$ 6,191,222

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

2. Defined Contribution Plan

a. Plan description

Individual account program (IAP) - Participants in OPERS defined benefit pension plan also participate in the defined contribution plan.

b. Pension benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Effective July 1, 2020, for all PERS members earning more than \$2,500 a month, a portion of their 6% IAP contributions are now redirected to a new Employee Pension Stability Account (EPSA). The funds in each member's EPSA will be used to help pay for their future pension benefits. The IAP Redirect is in effect when the PERS system is less than 90% funded, and as of December 31, 2019, the PERS funded status was at 78.6% according to the latest official actuarial valuation.

Tier One/Tier Two members (hired before August 29, 2003)

- 2.5% of the employee's salary that is currently contributed to their IAP (whether paid by the member or their employer) now goes into their EPSA. The remaining 3.5% of salary will continue to go to the member's existing IAP account.
- Members can voluntarily choose to make additional, after-tax contributions of 2.5% into their IAP, allowing their IAP account to remain "whole."

OPSRP members (hired after August 28, 2003)

- 0.75% of the employee's salary that is currently contributed to the IAP (whether paid by the member or their employer) now goes into their EPSA. The remaining 5.25% of salary will continue to go into the member's existing IAP account.
- Members can voluntarily choose to make additional, after-tax contributions of 0.75% into their IAP, allowing their IAP account to remain "whole."

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

c. Contribution rates

The County makes the employee contributions of 6% of covered payroll to the IAP. Contributions for the year ended June 30, 2022 were \$1,919,407.

d. Death benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

E. Employee retirement systems and pension plans (continued)

2. Defined Contribution Plan (continued)

e. Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

F. Defined benefit other postemployment benefits plan

1. Plan description

The County contributes to the Oregon PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. The RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. Contributions are mandatory for each employer that is a member of PERS.

The Oregon Legislature has delegated the authority to the Public Employees Retirement Board to administer and manage the system.

OPERS produces an independently audited Comprehensive Annual Financial Report which includes detailed information about the plan's fiduciary net position. The report can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-CAFR.pdf>

2. Description of benefit terms

All benefits of the System are established by the legislature pursuant to Oregon Revised Statutes Chapters 238 and 238A.

The RHIA is closed to new members hired on or after August 29, 2003.

Other Postemployment Healthcare benefits

Eligible retired members receive a monthly healthcare benefit for life up to \$60 toward the monthly cost health insurance.

To be eligible, the member must:

- Have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS
- Receive both Medicare Parts A and B coverage
- Enroll in a PERS-sponsored health plan

Surviving spouse or dependent benefits

A surviving spouse or dependent of a deceased retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she is receiving a retirement benefit or allowance from PERS or was insured at the time the member died and the member retired before May 1, 1991

VI. OTHER INFORMATION (CONTINUED)

F. Defined benefit other postemployment benefits plan (continued)

3. Contributions

OPERS funding policy provides for periodic member and employer contributions at the rates established by the Public Employees Retirement Board, subject to limits set in statute. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation.

The County contributed 0.06 percent of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. Since the funded status of the RHIA UAL is in excess of 100%, no contributions were required to fund the RHIA UAL. For the year ended June 30, 2022, the County made contributions in the amount of \$12,336 to the RHIA.

4. Net OPEB liability/(asset), pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits

a. Net OPEB liability (asset)

At June 30, 2022, the County reported an asset of \$633,621 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019. The County's proportion of the net OPEB asset was based on its actual, legally required contributions made during the fiscal year with the total actual contributions of all employers during the fiscal year.

At June 30, 2021, the County's proportion was .18451410 percent, which was an increase of .02902372 percent from its proportion measured as of June 30, 2020.

b. OPEB expense

For the year ended June 30, 2022, the County recognized \$(153,196) in OPEB expenses.

c. Deferred inflows of resources and deferred outflows of resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2021, employers will report the following deferred inflows or resources and/or deferred outflows of resources:

- Difference between expected and actual experience
- Changes in assumptions
- Net differences between projected and actual earnings
- Changes in employer proportion since the prior measurement date
- Contributions subsequent to the measurement date

BENTON COUNTY, OREGON
Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

F. Defined benefit other postemployment benefits plan (continued)

4. Net OPEB liability/(asset), pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (continued)

c. Deferred inflows of resources and deferred outflows of resources (continued)

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize OPEB expense based on the balance of the closed period “layers” attributable to each measurement period. The average remaining service lives determined as of the beginning of each measurement period are described below:

- Fiscal Year ended June 30, 2021 – 2.7 years
- Fiscal Year ended June 30, 2020 – 2.9 years
- Fiscal Year ended June 30, 2019 – 3.1 years
- Fiscal Year ended June 30, 2018 – 3.3 years
- Fiscal Year ended June 30, 2017 – 3.7 years

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 17,629
Change of assumptions	12,467	9,426
Net difference between projected and actual earnings on investments	-	150,582
Change in proportionate share	58,480	35,591
Contributions subsequent to the measurement date	<u>12,336</u>	
Total	<u>\$ 83,283</u>	<u>\$ 213,228</u>
Net Deferred Outflow/(Inflow) of Resources		<u>\$ (129,945)</u>

Deferred outflows of resources related to OPEB resulting from the County’s contributions subsequent to the measurement date in the amount of \$12,336 will be recognized as an adjust to the net OPEB (asset) / liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for future years ending June 30 follows:

2023	\$ (15,306)
2024	(45,029)
2025	(34,378)
2026	(47,567)
2027	-
Thereafter	-
	<u>\$ (142,280)</u>

VI. OTHER INFORMATION (CONTINUED)

F. Defined benefit other postemployment benefits plan (continued)

4. Net OPEB liability/(asset), pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (continued)

d. Actuarial methods and assumptions used in developing total OPEB liability

Except as identified below, actuarial methods and assumptions used in developing the total OPEB liability are the same as those used to develop the total PERS pension liability as discussed in note V.F.

e. Retiree healthcare participation

Health retirees are assumed to participate 32% of the time while disable retirees are assumed to participate 20% of the time.

f. Healthcare cost trend rate

A healthcare cost trend rate is not utilized in the actuarial valuation as statute stipulates a \$60 monthly payment to retirees for health insurance.

g. Depletion date projection

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 75 (paragraph 82) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS (OPERS):

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100 percent funded position by the end of the amortization period if future experience follows assumption.
- GASB 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is OPERS independent actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

VI. OTHER INFORMATION (CONTINUED)

F. Defined benefit other postemployment benefits plan (continued)

4. Net OPEB liability/(asset), pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (continued)

h. Sensitivity of the proportionate share of the net OPEB liability/(asset) to changes in the discount rate

The following presents the proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.9%, as well as what the proportionate share of the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1% Lower	Current Discount Rate	1% Higher
Proportionate share of net OPEB liability/(asset)	\$ (560,346)	\$ (633,622)	\$ (696,218)

G. Tax abatements

Benton County has entered into property tax abatement agreements and the County’s property taxes to be received for the 2021-22 levy year were reduced under the following programs:

<u>Program and statutory authority</u>	<u>Amount of Reduction</u>
Enterprise zone – ORS 285C.050-.250	\$ 2,268
Oregon Housing Authority – ORS 307.092	\$ 27,655

The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor. The Benton/Corvallis Enterprise Zone is the local sponsor.

The Enterprise Zone program provides qualified firms that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100% of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land or existing machinery or equipment is not tax exempt, there is no loss of current property tax levies to local taxing jurisdictions.

Oregon Housing Authority provides exemption on property owned or leased by a housing authority. The property of a housing authority is declared to be public property used for the essential public and governmental purposes and, upon compliance with ORS 307.162, the property and the housing authority are exempt from all taxes and special assessments.

H. Contingent liabilities

The County is party to various legal proceedings generally incidental to its business. Although the ultimate disposition of these proceedings is not presently determinable, management is vigorously defending the claims and does not believe that adverse determination in any or all of such proceedings will have a material adverse effect upon the financial condition of the County.

BENTON COUNTY, OREGON

Notes to Basic Financial Statements

VI. OTHER INFORMATION (CONTINUED)

H. Contingent liabilities (continued)

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

I. Unusual Event

The Coronavirus pandemic has affected the County in various ways. As of the end of 2021, Benton County had access to over \$9 million in relief aid to respond to the pandemic, primarily stemming from the federal American Rescue Plan Act. The county received another \$9 million in March of 2022 from the American Rescue Plan Act. The County is developing strategies on how to utilize these funds in accordance to federal guidelines. These funds must be expended by December 31, 2024.

REQUIRED SUPPLEMENTARY INFORMATION



Alsea Falls

BENTON COUNTY, OREGON**GENERAL FUND***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)**For the Biennium ended June 30, 2023**As of June 30, 2023*

	<i>Budgeted Amounts</i>		<i>Biennium Actual Amounts</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes	\$ 43,382,426	\$ 43,382,426	\$ 21,660,764	\$ (21,721,662)
Licenses and permits	5,074,103	5,074,103	3,358,073	(1,716,030)
Intergovernmental	30,771,398	31,321,730	14,751,132	(16,570,598)
Charges for services	10,429,511	10,429,511	4,678,007	(5,751,504)
Interest	765,000	765,000	210,217	(554,783)
Miscellaneous	192,300	192,300	83,628	(108,672)
Total revenues	90,614,738	91,165,070	44,741,821	(46,423,249)
EXPENDITURES				
General government	28,853,354	28,289,854	11,758,507	16,531,347
Public safety	28,674,518	28,755,431	12,897,408	15,858,023
Health services	26,186,659	28,490,964	10,994,145	17,496,819
Justice services	12,924,756	12,978,981	5,454,677	7,524,304
Community services	701,375	701,375	341,910	359,465
Cultural and educational services	251,440	251,440	125,720	125,720
Parks and natural resources	4,420,343	4,541,943	1,902,881	2,639,062
Contingency	12,328,040	12,338,147	-	12,338,147
Total expenditures	114,340,485	116,348,135	43,475,248	72,872,887
Excess (deficiency) of revenues over (under) expenditures	(23,725,747)	(25,183,065)	1,266,573	26,449,638
OTHER FINANCING SOURCES (USES)				
Loans	-	-	3,535	3,535
Transfers in	9,227,215	9,348,815	4,776,191	(4,572,624)
Transfers out	(7,435,831)	(8,560,831)	(3,689,713)	4,871,118
Total other financing sources (uses)	1,791,384	787,984	1,090,013	302,029
Net change in fund balance	(21,934,363)	(24,395,081)	2,356,586	26,751,667
Fund balances - beginning	26,934,363	29,395,081	31,019,466	1,624,385
Fund balances - ending	\$ 5,000,000	\$ 5,000,000	\$ 33,376,052	\$ 28,376,052

BENTON COUNTY, OREGON

ROAD FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)

For the Biennium Ended June 30, 2023

As of June 30, 2022

	<i>Budgeted Amounts</i>		<i>Biennium Actual Amounts</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental	\$ 22,546,152	\$ 22,546,152	\$ 8,336,147	\$ (14,210,005)
Charges for services	1,308,800	1,308,800	815,641	(493,159)
Interest	20,000	20,000	16,850	(3,150)
Miscellaneous	-	-	270	270
Total revenues	<u>23,874,952</u>	<u>23,874,952</u>	<u>9,168,908</u>	<u>(14,706,044)</u>
EXPENDITURES				
Public works:				
Personal services	7,265,690	7,265,690	3,196,924	4,068,766
Materials and services	6,980,913	6,980,913	2,706,861	4,274,052
Capital outlay	9,476,950	9,476,950	2,153,195	7,323,755
Contingency	1,390,399	1,390,399	-	1,390,399
Total expenditures	<u>25,113,952</u>	<u>25,113,952</u>	<u>8,056,980</u>	<u>17,056,972</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,239,000)</u>	<u>(1,239,000)</u>	<u>1,111,928</u>	<u>2,350,928</u>
OTHER FINANCING SOURCES				
Transfers in	<u>239,000</u>	<u>239,000</u>	<u>150,000</u>	<u>(89,000)</u>
Net other financing sources (uses)	<u>239,000</u>	<u>239,000</u>	<u>150,000</u>	<u>(89,000)</u>
Net change in fund balance	(1,000,000)	(1,000,000)	1,261,928	2,261,928
<i>Fund balances - beginning</i>	<u>1,000,000</u>	<u>1,000,000</u>	<u>3,417,758</u>	<u>2,417,758</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,679,686</u>	<u>\$ 4,679,686</u>

BENTON COUNTY, OREGON**LOCAL OPTION LEVY FUND***SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)**For the Biennium Ended June 30, 2023**As of June 30, 2022*

	<i>Budgeted Amounts</i>		<i>Biennium Actual Amounts</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues				
Taxes	\$ 17,294,579	\$ 17,294,579	\$ 8,635,856	\$ (8,658,723)
Intergovernmental	449,945	449,945	212,051	(237,894)
Miscellaneous	-	-	8,838	8,838
Interest	135,000	135,000	22,572	(112,428)
Total revenues	<u>17,879,524</u>	<u>17,879,524</u>	<u>8,879,317</u>	<u>(9,000,207)</u>
Expenditures				
General government	2,456	2,456	2,114	342
Public safety	8,786,879	8,786,879	3,989,336	4,797,543
Health services	522,433	522,433	181,420	341,013
Justice services	1,674,555	1,674,555	696,066	978,489
Contingency	2,153,250	2,153,250	-	2,153,250
Total expenditures	<u>13,139,573</u>	<u>13,139,573</u>	<u>4,868,936</u>	<u>8,270,637</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,739,951</u>	<u>4,739,951</u>	<u>4,010,381</u>	<u>(729,570)</u>
Other financing sources (uses)				
Transfers out	<u>(8,439,951)</u>	<u>(8,439,951)</u>	<u>(4,229,037)</u>	<u>4,210,914</u>
Total other financing sources (uses)	<u>(8,439,951)</u>	<u>(8,439,951)</u>	<u>(4,229,037)</u>	<u>4,210,914</u>
Net change in fund balance	(3,700,000)	(3,700,000)	(218,656)	3,481,344
Fund balances - beginning	<u>3,700,000</u>	<u>3,700,000</u>	<u>2,826,654</u>	<u>(873,346)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,607,998</u>	<u>\$ 2,607,998</u>

BENTON COUNTY, OREGON**AMERICAN RESCUE PLAN FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)**

For the Biennium Ended June 30, 2023

As of June 30, 2022

	<i>Budgeted Amounts</i>		<i>Biennium Actual Amounts</i>	<i>Variance with Final Budget</i>
	<i>Original</i>	<i>Final</i>		
Revenues				
Intergovernmental	\$ 9,023,528	\$ 12,173,528	\$ 11,437,227	\$ (736,301)
Miscellaneous	-	-	100,000	100,000
Interest	100,000	100,000	42,811	(57,189)
Total revenues	<u>9,123,528</u>	<u>12,273,528</u>	<u>11,580,038</u>	<u>(693,490)</u>
Expenditures				
General government				
Personal services	-	-	444,569	(444,569)
Materials and services	5,000,000	3,020,000	971,174	2,048,826
Capital Outlay	5,000,000	8,850,000	158,618	8,691,382
Contingency	8,147,056	8,147,056	-	8,147,056
Total expenditures	<u>18,147,056</u>	<u>20,017,056</u>	<u>1,574,361</u>	<u>18,442,695</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,023,528)</u>	<u>(7,743,528)</u>	<u>10,005,677</u>	<u>17,749,205</u>
Other financing sources (uses)				
Transfers in	-	1,500,000	-	(1,500,000)
Transfers out	-	(2,780,000)	(1,000,000)	1,780,000
Total other financing sources (uses)	<u>-</u>	<u>(1,280,000)</u>	<u>(1,000,000)</u>	<u>280,000</u>
Net change in fund balance	(9,023,528)	(9,023,528)	9,005,677	18,029,205
Fund balances - beginning	<u>9,023,528</u>	<u>9,023,528</u>	<u>9,049,293</u>	<u>25,765</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,054,970</u>	<u>\$ 18,054,970</u>

REQUIRED SUPPLEMENTARY INFORMATION

Benton County, Oregon

Oregon Public Employees Retirement System

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

*Last 10 Plan Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Proportion of the net pension liability (asset)	0.2269%	0.2345%	0.2332%	0.2558%	0.2759%	0.2752%	0.2695%	0.2671%
Proportionate share of the net pension liability (asset)	\$ (5,144,090)	\$ 13,466,545	\$ 35,000,538	\$ 34,475,337	\$ 41,801,812	\$ 47,599,257	\$ 58,806,318	\$ 31,965,908
Covered payroll	\$ 22,396,194	\$ 23,097,201	\$ 27,760,066	\$ 27,760,066	\$ 28,498,126	\$ 30,388,570	\$ 33,076,919	\$ 34,262,399
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	-22.97%	58.30%	126.08%	124.19%	146.68%	156.64%	177.79%	93.30%
Plan fiduciary net position as a percentage of the total pension liability	103.59%	91.88%	79.69%	83.12%	82.07%	80.20%	75.80%	87.60%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The amounts presented for each fiscal year was determined as of June 30.

REQUIRED SUPPLEMENTARY INFORMATION

Benton County, Oregon

Oregon Public Employees Retirement System

Schedule of Benton County's Contributions

*Last 10 Fiscal Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Contractually required contributions	N/A	\$ 1,926,117	\$ 2,051,486	\$ 2,051,486	\$ 3,229,388	\$ 3,653,603	\$ 5,997,311	\$ 5,016,281	\$ 6,027,117
Contributions in relation to the contractually required contributions	N/A	<u>(1,926,117)</u>	<u>(2,051,486)</u>	<u>(2,051,486)</u>	<u>(3,229,388)</u>	<u>(3,653,603)</u>	<u>(10,944,510)</u>	<u>(5,016,281)</u>	<u>(6,027,117)</u>
Contribution deficiency (excess)	N/A	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,947,199)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	N/A	\$ 22,396,194	\$ 23,097,201	\$ 23,097,201	\$ 28,498,126	\$ 30,388,570	\$ 33,076,919	\$ 34,262,399	\$ 36,261,053
Contribution as a percentage of covered payroll	N/A	N/A	8.88%	8.88%	11.33%	12.02%	18.13%	14.64%	16.62%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The amounts presented for each fiscal year was determined as of June 30.

REQUIRED SUPPLEMENTARY INFORMATION

Benton County, Oregon

Schedule of Changes in the County's Total OPEB and Related Ratios

*Last 10 Plan Years**

	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>
Service cost	\$ 197,702	\$ 182,971	\$ 207,099	\$ 182,779
Interest on total OPEB liability	152,654	171,671	163,818	78,298
Effect of economic/demographic gains or losses	(352,419)	-	(324,977)	-
Effect of assumptions changes or inputs	456,158	116,883	(926,859)	11,457
Benefit payments	<u>(292,143)</u>	<u>(242,625)</u>	<u>(259,437)</u>	<u>(204,244)</u>
Net change in total OPEB liability	161,952	228,900	(1,140,356)	68,290
Total OPEB liability - beginning of year	<u>4,211,169</u>	<u>4,373,121</u>	<u>4,602,021</u>	<u>3,461,665</u>
Total OPEB liability - end of year	<u>\$ 4,373,121</u>	<u>\$ 4,602,021</u>	<u>\$ 3,461,665</u>	<u>\$ 3,529,955</u>
Covered employee payroll	\$ 28,498,126	\$ 30,388,570	\$ 33,076,919	\$ 34,262,399
Total OPEB liability as a percentage of covered payroll	15.3%	15.1%	10.5%	10.3%

Notes to schedule

Information will be accumulated until 10 years are presented.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

REQUIRED SUPPLEMENTARY INFORMATION

Benton County, Oregon

Schedule of Other Postemployment Benefits Liability

Oregon Public Employees Retirement System

*Last 10 Plan Years**

<u>Year Ended June 30,</u>	<u>County's proportion of the net OPEB liability (asset)</u>	<u>County's proportionate share of the net OPEB liability (asset)</u>	<u>County's covered payroll</u>	<u>County's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total OPEB liability</u>
2021	0.18451410%	\$ (633,622)	\$ 34,262,399	-1.85%	183.90%
2020	0.15549038%	(316,826)	33,076,919	-0.96%	150.10%
2019	0.27632288%	(533,956)	30,388,570	-1.76%	144.40%
2018	0.26700595%	(313,665)	28,498,216	-1.10%	123.99%
2017	0.28099335%	(111,432)	27,760,066	-0.40%	108.88%

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

REQUIRED SUPPLEMENTARY INFORMATION

Benton County, Oregon

Schedule of Other Postemployment Benefits Contributions

Oregon Public Employees Retirement System

*Last 10 Fiscal Years**

<u>Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>County's covered payroll</u>	<u>Contributions as a percent of covered payroll</u>
2022	\$ 12,336	\$ 12,336	\$ -	\$ 36,261,053	0.03%
2021	15,334	15,334	-	34,262,399	0.04%
2020	143,443	143,443	-	33,076,919	0.43%
2019	136,951	136,951	-	30,388,570	0.45%
2018	129,474	129,474	-	28,498,127	0.45%
2017	133,301	133,301	-	27,760,065	0.48%

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

BENTON COUNTY, OREGON
Notes to Required Supplementary Information

1. Reconciliation of Budgetary Basis to GAAP Basis Fund Balance

The budget of the County, as required by Oregon Local Budget Law, is prepared differently, in some respects, from generally accepted accounting principles. The following is a reconciliation of fund balances prepared on a budgetary basis and fund balances as prepared in accordance with generally accepted accounting principles (GAAP).

	<u>General Fund</u>	<u>Road Fund</u>	<u>Local Option Fund</u>	<u>American Rescue Plan Fund</u>
Fund balance - budgetary basis	\$ 33,376,052	\$ 4,679,686	\$ 2,607,998	\$ 18,054,970
Reserved for inventory	-	193,117	-	-
Accrued payroll	(1,309,560)	(133,229)	(160,514)	(4,103)
Market adjustment on investment	(126,455)	(10,222)	(13,107)	(26,100)
Unearned revenues	-	-	-	(17,995,991)
Intergovernmental receivable	11,236	-	-	-
	<u>11,236</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - GAAP basis	<u>\$ 31,951,273</u>	<u>\$ 4,729,352</u>	<u>\$ 2,434,377</u>	<u>\$ 28,776</u>

2. Stewardship, Compliance and Accountability

The Board of Commissioners adopts a resolution authorizing appropriations for each fund, which establishes the level by which expenditures cannot lawfully exceed appropriations. Appropriations are established at the program level for the following: general government, public safety, public works, health services, justice services, community services, cultural and educational services and parks and natural resources.

SUPPLEMENTARY INFORMATION



Harris Covered Bridge

MAJOR GOVERNMENTAL FUNDS

General - To account for resources traditionally associated with governments, which are not required to be accounted for in another fund.

Road – To account for the maintenance of highways, roads and streets within the County. Financing is provided by the State of Oregon highway tax apportionment and federal forest reserves revenues.

Local Option Levy– To account for the proceeds of a five-year local option levy.

American Rescue Plan - To account for revenues from revenues received from the American Rescue Plan and other COVID-19 related funding.

BENTON COUNTY, OREGON**GENERAL FUND***BALANCE SHEETS**June 30, 2022 and 2021*

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and investments	\$ 31,813,413	\$ 28,128,368
Property taxes receivable	429,675	457,995
Accounts receivable	462,856	633,537
Due from other funds	472,991	564,828
Intergovernmental receivables	1,719,390	2,693,266
Prepays	112,925	181,784
	<u> </u>	<u> </u>
Total assets	<u>\$ 35,011,250</u>	<u>\$ 32,659,778</u>
LIABILITIES		
Accounts payable	\$ 950,790	\$ 914,520
Accrued payroll and payroll taxes	1,309,538	1,208,071
Other accrued liabilities	415,912	219,414
	<u> </u>	<u> </u>
Total liabilities	<u>2,676,240</u>	<u>2,342,005</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	-	60,000
Unavailable revenue-property taxes	383,737	382,508
	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>383,737</u>	<u>442,508</u>
FUND BALANCES		
Nonspendable in form	112,925	181,784
Unassigned	31,838,348	29,693,481
	<u> </u>	<u> </u>
Total fund balances	<u>31,951,273</u>	<u>29,875,265</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 35,011,250</u>	<u>\$ 32,659,778</u>

BENTON COUNTY, OREGON

GENERAL FUND

SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes	\$ 21,660,764	\$ 20,652,304
Licenses and permits	3,358,073	2,795,558
Intergovernmental	14,751,132	20,956,386
Charges for services	4,714,757	5,399,642
Interest	34,641	369,433
Miscellaneous	83,629	118,952
Total revenues	<u>44,602,996</u>	<u>50,292,275</u>
EXPENDITURES		
General government	10,943,724	13,229,101
Public safety	12,634,117	12,974,116
Health services	10,828,069	10,057,352
Justice services	5,355,748	5,109,454
Community services	341,910	535,267
Cultural and educational services	125,720	170,089
Parks and natural resources	1,894,116	1,378,312
Capital outlay	287,944	825,097
Total expenditures	<u>42,411,348</u>	<u>44,278,788</u>
Excess of revenues over expenditures	<u>2,191,648</u>	<u>6,013,487</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	4,739,440	5,563,831
Transfers out	<u>(4,855,080)</u>	<u>(3,855,487)</u>
Total other financing sources (uses)	<u>(115,640)</u>	<u>1,708,344</u>
Net change in fund balances	2,076,008	7,721,831
Fund balance - beginning	<u>29,875,265</u>	<u>22,153,434</u>
Fund balance - ending	<u><u>\$ 31,951,273</u></u>	<u><u>\$ 29,875,265</u></u>

BENTON COUNTY, OREGON**GENERAL FUND***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)**For the Biennium Ended June 30, 2023**As of June 30, 2022*

	<i>Budget</i>	<i>Biennium Actuals</i>		<i>Biennium Total</i>	<i>Variance with Budget</i>
		<i>FY 2022</i>	<i>FY 2023</i>		
REVENUES					
Taxes	\$ 43,382,426	\$ 21,660,764	\$ -	\$ 21,660,764	\$ (21,721,662)
Licenses and permits	5,074,103	3,358,073	-	3,358,073	(1,716,030)
Intergovernmental	31,321,730	14,751,132	-	14,751,132	(16,570,598)
Charges for services	10,429,511	4,678,007	-	4,678,007	(5,751,504)
Interest	765,000	210,217	-	210,217	(554,783)
Miscellaneous	192,300	87,163	-	87,163	(105,137)
Total revenues	91,165,070	44,745,356	-	44,745,356	(46,419,714)
EXPENDITURES					
General government	28,289,854	11,758,507	-	11,758,507	16,531,347
Public safety	28,755,431	12,897,408	-	12,897,408	15,858,023
Health services	28,490,964	10,994,145	-	10,994,145	17,496,819
Justice services	12,978,981	5,454,677	-	5,454,677	7,524,304
Community services	701,375	341,910	-	341,910	359,465
Cultural and educational services	251,440	125,720	-	125,720	125,720
Parks and natural resources	4,541,943	1,902,881	-	1,902,881	2,639,062
Contingency	12,338,147	-	-	-	12,338,147
Total expenditures	116,348,135	43,475,248	-	43,475,248	72,872,887
Excess (deficiency) of revenues over (under) expenditures	(25,183,065)	1,270,108	-	1,270,108	26,453,173
OTHER FINANCING SOURCES (USES)					
Loans	-	-	-	-	-
Transfers in	9,348,815	4,776,191	-	4,776,191	(4,572,624)
Transfers out	(8,560,831)	(3,689,713)	-	(3,689,713)	4,871,118
Total other financing sources (uses)	787,984	1,086,478	-	1,086,478	298,494
Net change in fund balance	(24,395,081)	2,356,586	-	2,356,586	26,751,667
Fund balance - beginning	29,395,081	31,019,466	33,376,052	31,019,466	1,624,385
Fund balance - ending	\$ 5,000,000	\$ 33,376,052	\$ 33,376,052	\$ 33,376,052	\$ 28,376,052
Reconciliation to GAAP Basis:					
Budget basis ending fund balance		\$ 33,376,052	\$ 33,376,052		
Market adjustment on investments		(126,455)	-		
Loans receivable		11,236	-		
Accrued payroll		(1,309,560)	-		
GAAP ending fund balance		\$ 31,951,273	\$ 33,376,052		

BENTON COUNTY, OREGON

ROAD FUND

BALANCE SHEETS

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and investments	\$ 4,124,450	\$ 2,097,505
Accounts receivable	947,705	744,792
Assessments receivable	7,819	8,428
Intergovernmental receivables	561,673	953,758
Prepays	4,290	4,559
Inventories	193,118	288,487
Total assets	<u>\$ 5,839,055</u>	<u>\$ 4,097,529</u>
LIABILITIES		
Accounts payable	\$ 964,582	\$ 379,254
Accrued payroll and payroll taxes	137,302	123,010
Total liabilities	<u>1,101,884</u>	<u>502,264</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-assessments receivable	7,819	8,428
Total deferred inflows of resources	<u>7,819</u>	<u>8,428</u>
FUND BALANCES		
Nonspendable	197,408	293,046
Restricted for road maintenance & improvement	4,531,944	3,293,791
Total fund balances	<u>4,729,352</u>	<u>3,586,837</u>
Total liabilities and fund balances	<u>\$ 5,839,055</u>	<u>\$ 4,097,529</u>

BENTON COUNTY, OREGON

ROAD FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Intergovernmental	\$ 8,336,147	\$ 7,436,547
Charges for services	815,641	786,349
Interest	3,025	13,487
Miscellaneous	<u>270</u>	<u>1,046</u>
Total revenues	<u>9,155,083</u>	<u>8,237,429</u>
EXPENDITURES		
Personal services	3,117,428	2,953,684
Materials and services	2,802,230	2,224,958
Capital outlay	<u>2,153,195</u>	<u>1,533,859</u>
Total expenditures	<u>8,072,853</u>	<u>6,712,501</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,082,230</u>	<u>1,524,928</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	150,000	-
Transfers out	<u>(89,715)</u>	<u>(121,808)</u>
Net other financing sources (uses)	<u>60,285</u>	<u>(121,808)</u>
Net change in fund balances	1,142,515	1,403,120
Fund balances - beginning	<u>3,586,837</u>	<u>2,183,717</u>
Fund balances - ending	<u><u>\$ 4,729,352</u></u>	<u><u>\$ 3,586,837</u></u>

BENTON COUNTY, OREGON**ROAD FUND***SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)**For the Biennium Ended June 30, 2023**As of June 30, 2022*

	<u>Budget</u>	<u>Biennium Actuals</u>		<u>Biennium Total</u>	<u>Variance with Budget</u>
		<u>FY 2022</u>	<u>FY 2023</u>		
REVENUES					
Intergovernmental	\$ 22,546,152	\$ 8,336,147	\$ -	\$ 8,336,147	\$ (14,210,005)
Charges for services	1,308,800	815,641	-	815,641	(493,159)
Interest	20,000	16,850	-	16,850	(3,150)
Miscellaneous	-	270	-	270	270
Total revenues	<u>23,874,952</u>	<u>9,168,908</u>	<u>-</u>	<u>9,168,908</u>	<u>(14,706,044)</u>
EXPENDITURES					
Public Works					
Personal services	7,265,690	3,196,924	-	3,196,924	4,068,766
Materials and services	6,980,913	2,706,861	-	2,706,861	4,274,052
Capital outlay	9,476,950	2,153,195	-	2,153,195	7,323,755
Contingency	<u>1,390,399</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,390,399</u>
Total expenditures	<u>25,113,952</u>	<u>8,056,980</u>	<u>-</u>	<u>8,056,980</u>	<u>17,056,972</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,239,000)</u>	<u>1,111,928</u>	<u>-</u>	<u>1,111,928</u>	<u>2,350,928</u>
OTHER FINANCING SOURCES					
Transfers in	<u>239,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>(89,000)</u>
Net other financing sources	<u>239,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>(89,000)</u>
Net change in fund balances	(1,000,000)	1,261,928	-	1,261,928	2,261,928
Fund balances - beginning	<u>1,000,000</u>	<u>3,417,758</u>	<u>4,679,686</u>	<u>3,417,758</u>	<u>2,417,758</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 4,679,686</u>	<u>\$ 4,679,686</u>	<u>\$ 4,679,686</u>	<u>\$ 4,679,686</u>
Reconciliation to GAAP Basis:					
Budget basis ending fund balance		\$ 4,679,686	\$ -		
Accrued payroll		(133,229)	-		
Market adjustment on investments		(10,222)	-		
Inventory		193,117	-		
GAAP ending fund balance		<u>\$ 4,729,352</u>	<u>\$ -</u>		

BENTON COUNTY, OREGON
LOCAL OPTION LEVY FUND
BALANCE SHEETS
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and investments	\$ 2,700,306	\$ 2,858,946
Taxes receivable	204,730	216,026
Intergovernmental receivables	23,975	-
Prepays	4,873	725
	<u>4,873</u>	<u>725</u>
Total assets	<u>\$ 2,933,884</u>	<u>\$ 3,075,697</u>
LIABILITIES		
Accounts payable	\$ 149,612	\$ 58,329
Accrued payroll and payroll taxes	163,590	175,020
	<u>163,590</u>	<u>175,020</u>
Total liabilities	<u>313,202</u>	<u>233,349</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-property taxes	186,305	185,803
	<u>186,305</u>	<u>185,803</u>
FUND BALANCES		
Nonspendable	4,873	725
Committed	2,429,504	2,655,820
	<u>2,429,504</u>	<u>2,655,820</u>
Total fund balances	<u>2,434,377</u>	<u>2,656,545</u>
Total liabilities and fund balances	<u>\$ 2,933,884</u>	<u>\$ 3,075,697</u>

BENTON COUNTY, OREGON
LOCAL OPTION LEVY FUND

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and June 30, 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Taxes and special assessments	\$ 8,635,856	\$ 8,227,675
Intergovernmental	212,051	12,532
Interest	4,554	40,988
Miscellaneous	<u>8,838</u>	<u>7,400</u>
 Total revenues	 <u>8,861,299</u>	 <u>8,288,595</u>
EXPENDITURES		
General government	2,114	3,337
Public safety	3,903,320	3,150,107
Health services	173,561	218,138
Justice services	<u>679,834</u>	<u>682,573</u>
 Total expenditures	 <u>4,758,829</u>	 <u>4,054,155</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>4,102,470</u>	 <u>4,234,440</u>
OTHER FINANCING SOURCES (USES)		
Transfers out	<u>(4,324,638)</u>	<u>(5,603,840)</u>
 Net other financing sources (uses)	 <u>(4,324,638)</u>	 <u>(5,603,840)</u>
 Net change in fund balances	 (222,168)	 (1,369,400)
 Fund balances - beginning	 <u>2,656,545</u>	 <u>4,025,945</u>
 Fund balances - ending	 <u><u>\$ 2,434,377</u></u>	 <u><u>\$ 2,656,545</u></u>

BENTON COUNTY, OREGON**LOCAL OPTION LEVY FUND***SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)**For the Biennium Ended June 30, 2023**As June 30, 2022*

	<i>Budget</i>	<i>Biennium Actuals</i>		<i>Biennium Total</i>	<i>Variance with Budget</i>
		<i>FY 2022</i>	<i>FY 2023</i>		
REVENUES					
Taxes	\$ 17,294,579	\$ 8,635,856	\$ -	\$ 8,635,856	\$ (8,658,723)
Intergovernmental	449,945	212,051	-	212,051	(237,894)
Interest	135,000	22,572	-	22,572	(112,428)
Miscellaneous	-	8,838	-	8,838	8,838
Total revenues	17,879,524	8,879,317	-	8,879,317	(9,000,207)
EXPENDITURES					
General government	2,456	2,114	-	2,114	342
Public safety	8,786,879	3,989,336	-	3,989,336	4,797,543
Health services	522,433	181,420	-	181,420	341,013
Justice services	1,674,555	696,066	-	696,066	978,489
Contingency	2,153,250	-	-	-	2,153,250.00
Total expenditures	13,139,573	4,868,936	-	4,868,936	8,270,637
Excess (deficiency) of revenues over (under) expenditures	4,739,951	4,010,381	-	4,010,381	(729,570)
OTHER FINANCING SOURCES (USES)					
Transfers out	(8,439,951)	(4,229,037)	-	(4,229,037)	4,210,914
Total other financing sources (uses)	(8,439,951)	(4,229,037)	-	(4,229,037)	4,210,914
Net change in fund balances	(3,700,000)	(218,656)	-	(218,656)	3,481,344
Fund balances - beginning	3,700,000	2,826,654	2,607,998	2,826,654	(873,346)
Fund balances - ending	\$ -	\$ 2,607,998	\$ 2,607,998	\$ 2,607,998	\$ 2,607,998
Reconciliation to GAAP Basis:					
Budget basis ending fund balance		\$ 2,607,998	\$ 2,607,998		
Market adjustment on investments		(13,107)	-		
Accrued payroll		(160,514)	-		
GAAP ending fund balance		\$ 2,434,377	\$ 2,607,998		

BENTON COUNTY, OREGON
AMERICAN RESCUE PLAN FUND
BALANCE SHEET
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and investments	\$ 18,759,711	\$ 9,049,293
Total assets	\$ 18,759,711	\$ 9,049,293
LIABILITIES		
Accounts payable	\$ 730,833	\$ -
Accrued payroll and payroll taxes	4,111	-
Unearned revenues	17,995,991	9,037,227
Total liabilities	18,730,935	9,037,227
FUND BALANCES		
Restricted	28,776	12,066
Total fund balances	28,776	12,066
Total liabilities and fund balances	\$ 18,759,711	\$ 18,086,520

BENTON COUNTY, OREGON
AMERICAN RESCUE PLAN FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Intergovernmental	\$ 2,478,463	\$ 9,037,227
Miscellaneous	100,000	
Interest	16,710	12,066
	<u>2,595,173</u>	<u>9,049,293</u>
EXPENDITURES		
Personal services	447,854	-
Materials and services	971,174	-
Capital Outlay	158,618	-
	<u>1,577,646</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,017,527</u>	<u>9,049,293</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	-
Transfers out	(1,000,817)	-
	<u>(1,000,817)</u>	<u>-</u>
Net other financing sources (uses)	<u>(1,000,817)</u>	<u>-</u>
Net change in fund balances	<u>16,710</u>	<u>9,049,293</u>
Fund balances - beginning	9,049,293	-
Prior period adjustment	(9,037,227)	-
Fund balances - ending	<u><u>\$ 28,776</u></u>	<u><u>\$ 9,049,293</u></u>

BENTON COUNTY, OREGON**AMERICAN RESCUE PLAN FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)**

For the Biennium Ended June 30, 2023

As of June 30, 2022

	<i>Biennium Budget</i>	<i>Biennium Actuals</i>		<i>Biennium Total</i>	<i>Variance with Budget</i>
		<i>FY 2022</i>	<i>FY 2023</i>		
REVENUES					
Intergovernmental	\$ 12,173,528	\$ 11,437,227	\$ -	\$ 11,437,227	\$ (736,301)
Miscellaneous	-	100,000	-	100,000	100,000
Interest	100,000	42,811	-	42,811	(57,189)
Total revenues	<u>12,273,528</u>	<u>11,580,038</u>	<u>-</u>	<u>11,580,038</u>	<u>(693,490)</u>
EXPENDITURES					
General Government:					
Personal services	-	444,569	-	444,569	(444,569)
Materials and services	3,020,000	971,174	-	971,174	2,048,826
Capital Outlay	8,850,000	158,618	-	158,618	8,691,382
Contingency	8,147,056	-	-	-	8,147,056
Total expenditures	<u>20,017,056</u>	<u>1,574,361</u>	<u>-</u>	<u>1,574,361</u>	<u>18,442,695</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,743,528)</u>	<u>10,005,677</u>	<u>-</u>	<u>10,005,677</u>	<u>17,749,205</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	1,500,000	-	-	-	(1,500,000)
Transfers out	<u>(2,780,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(1,000,000)</u>	<u>1,780,000</u>
Net other financing sources (uses)	<u>(1,280,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(1,000,000)</u>	<u>280,000</u>
Net change in fund balance	(9,023,528)	9,005,677	-	9,005,677	18,029,205
Fund balances - beginning	<u>9,023,528</u>	<u>9,049,293</u>	<u>18,054,970</u>	<u>9,049,293</u>	<u>25,765</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 18,054,970</u>	<u>\$ 18,054,970</u>	<u>\$ 18,054,970</u>	<u>\$ 18,054,970</u>
Reconciliation to GAAP Basis:					
Budget basis ending fund balance		\$ 18,054,970	\$ -		
Market adjustment on investments		(26,100)	-		
Unearned revenues		(17,995,991)	-		
Accrued payroll		(4,103)	-		
GAAP ending fund balance		<u>\$ 28,776</u>	<u>\$ -</u>		

BENTON COUNTY, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

	<i>Special Revenue Funds</i>	<i>Debt Service Fund</i>	<i>Capital Projects Funds</i>	<i>Total</i>
ASSETS				
Cash and investments	\$ 4,314,751	\$ 2,905,829	\$ 20,890	\$ 7,241,470
Receivables:				
Taxes	146,573	-	-	146,573
Accounts	236,332	-	-	236,332
Notes receivable	142,499	-	-	142,499
Intergovernmental	331,524	-	-	331,524
Inventory	8,841	-	-	8,841
Prepays	5,586	-	-	5,586
Total assets	\$ 5,186,106	\$ 2,905,829	\$ 20,890	\$ 8,112,825
LIABILITIES				
Accounts payable	\$ 203,196	\$ -	\$ -	\$ 203,196
Accrued payroll costs	15,149	-	-	15,149
Total liabilities	218,345	-	-	218,345
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-loans receivable	142,499	-	-	142,499
Unavailable revenue-property taxes	130,707	-	-	130,707
Total deferred inflows of resources	273,206	-	-	273,206
FUND BALANCES				
Nonspendable	14,427	-	-	14,427
Restricted for:				
Health services	18,573	-	-	18,573
Land preservation	284,819	-	-	284,819
Transportation service	3,115,081	-	-	3,115,081
Cultural	807,598	-	-	807,598
Justice services	27,987	-	-	27,987
911 services	144,219	-	-	144,219
OSU Extension service	87,666	-	-	87,666
Community services	143,736	-	-	143,736
Title III program	18,323	-	-	18,323
Committed to:				
Cemetery operations	31,110	-	-	31,110
Debt service	-	2,905,829	-	2,905,829
Capital projects	-	-	20,890	20,890
Water services	1,016	-	-	1,016
Total fund balances	4,694,555	2,905,829	20,890	7,621,274
Total liabilities, deferred inflows of resources and fund balances	\$ 5,186,106	\$ 2,905,829	\$ 20,890	\$ 8,112,825

BENTON COUNTY, OREGON**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2022

	<i>Special Revenue Funds</i>	<i>Debt Service Fund</i>	<i>Capital Projects Funds</i>	<i>Total</i>
REVENUES				
Taxes	\$ 8,606,941	\$ -	\$ -	\$ 8,606,941
Intergovernmental	3,703,960	-	-	3,703,960
Charges for services	374,682	636	-	375,318
Interest	32,430	28,219	-	60,649
Miscellaneous	86,954	-	-	86,954
Total revenues	<u>12,804,967</u>	<u>28,855</u>	<u>-</u>	<u>12,833,822</u>
EXPENDITURES				
Current:				
General government	12,005	850	-	12,855
Public safety	3,788,724	-	-	3,788,724
Public works	67,956	-	-	67,956
Health services	30,940	-	-	30,940
Justice services	48,573	-	-	48,573
Community services	2,360,995	-	-	2,360,995
Cultural and educational services	4,932,922	-	-	4,932,922
Debt service:				
Principal	-	1,440,000	-	1,440,000
Interest	-	782,640	-	782,640
Capital outlay	539,127	-	70,866	609,993
Total expenditures	<u>11,781,242</u>	<u>2,223,490</u>	<u>70,866</u>	<u>14,075,598</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,023,725</u>	<u>(2,194,635)</u>	<u>(70,866)</u>	<u>(1,241,776)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	139,740	1,751,321	49,487	1,940,548
Transfers out	(695,753)	-	-	(695,753)
Total other financing sources (uses)	<u>(556,013)</u>	<u>1,751,321</u>	<u>49,487</u>	<u>1,244,795</u>
Net change in fund balances	467,712	(443,314)	(21,379)	3,019
Fund balances - beginning	<u>4,226,843</u>	<u>3,349,143</u>	<u>42,269</u>	<u>7,618,255</u>
Fund balances - ending	<u>\$ 4,694,555</u>	<u>\$ 2,905,829</u>	<u>\$ 20,890</u>	<u>\$ 7,621,274</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

County School - To account for the distribution to the school districts within the County's jurisdiction of State of Oregon Common School Fund and County School Fund monies.

Fair - To account for the operations of the Benton County Fair and the facilities located at the fairgrounds.

Library Services District - To account for the operating costs of the public library jointly supported by the City of Corvallis and by the County.

Land Corner Preservation - To account for revenues from recordings and land title transactions dedicated for use in maintaining markers as set by County ordinance.

Special Grant - To account for the residual funds from low-income loans through HUD's Block Grant program. Some funds are restricted to use in future low-income housing programs, others are unrestricted.

Oregon Health Plan - To account for the operations of the Oregon Health Plan administered by the County for the State of Oregon to provide health services to individuals not otherwise covered by health insurance.

Court Security - To account for funds collected to increase courtroom security.

Special Transportation - To account for the proceeds and distributions of a one-cent cigarette tax under ORS 391.800 through 391.830 which funds County programs for transportation of the elderly and handicapped.

Title III Projects - To account for Title III funds of the "Secure Rural Schools and Community Self-Determination Act of 2000".

Cemetery Operations - To account for the operations of Crystal Lake Cemetery.

Alsea Human Services County Service District - To account for the levy of property taxes to fund the Alsea Health Clinic.

OSU Extension County Service District - To account for the levy of property taxes to fund the Oregon State University Extension Services.

911 County Service District - To account for the levy of property taxes to fund 911 emergency services in the county.

West Lewellyn County Service District - To account for the assessment of property taxes to pay for the cost of a study done to determine the feasibility of extending water services.

BENTON COUNTY, OREGON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2022

	<u>County School</u>	<u>Fair</u>	<u>Library Services District</u>	<u>Land Corner Preservation</u>	<u>Block Grant</u>	<u>Oregon Health Plan</u>
ASSETS						
Cash and investments	\$ 75,047	\$ 492,228	\$ 207,097	\$ 291,667	\$ 60,289	\$ -
Accounts receivable	-	-	-	-	-	-
Property taxes receivable	-	-	67,663	-	-	-
Notes receivable	-	-	-	-	142,499	-
Intergovernmental receivables	88,011	127,414	-	-	90,795	-
Inventory	-	-	-	8,841	-	-
Prepays	-	3,296	-	248	-	-
Total assets	<u>\$ 163,058</u>	<u>\$ 622,938</u>	<u>\$ 274,760</u>	<u>\$ 300,756</u>	<u>\$ 293,583</u>	<u>\$ -</u>
LIABILITIES						
Accounts payable	\$ 163,058	\$ 16,439	\$ -	\$ 1,763	\$ 7,348	\$ -
Accrued payroll costs	-	10,064	-	5,085	-	-
Total liabilities	<u>163,058</u>	<u>26,503</u>	<u>-</u>	<u>6,848</u>	<u>7,348</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-loans receivable	-	-	-	-	142,499	-
Unavailable revenue-property taxes	-	-	60,301	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>60,301</u>	<u>-</u>	<u>142,499</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	3,296	-	9,089	-	-
Restricted for:						
Health services	-	-	-	-	-	-
Land preservation	-	-	-	284,819	-	-
911 services	-	-	-	-	-	-
Cultural services	-	593,139	214,459	-	-	-
Justice services	-	-	-	-	-	-
Transportation service	-	-	-	-	-	-
OSU Extension services	-	-	-	-	-	-
Community service	-	-	-	-	143,736	-
Title III program	-	-	-	-	-	-
Committed to:						
Cemetery operations	-	-	-	-	-	-
Water services	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>596,435</u>	<u>214,459</u>	<u>293,908</u>	<u>143,736</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 163,058</u>	<u>\$ 622,938</u>	<u>\$ 274,760</u>	<u>\$ 300,756</u>	<u>\$ 293,583</u>	<u>\$ -</u>

<i>Court Security</i>	<i>Special Transportation</i>	<i>Title III Projects</i>	<i>Cemetery Operations</i>	<i>Alea Human Svcs. CSD</i>	<i>OSU Estension CSD</i>	<i>911 CSD</i>	<i>West Lewellyn CSD</i>	<i>Total</i>
\$ 28,768	\$ 2,867,224	\$ 18,323	\$ 31,138	\$ 18,496	\$ 86,016	\$ 137,442	\$ 1,016	\$ 4,314,751
-	236,332	-	-	-	-	-	-	236,332
-	-	-	-	704	15,029	63,177	-	146,573
-	-	-	-	-	-	-	-	142,499
1,324	23,980	-	-	-	-	-	-	331,524
-	-	-	-	-	-	-	-	8,841
-	2,042	-	-	-	-	-	-	5,586
\$ 30,092	\$ 3,129,578	\$ 18,323	\$ 31,138	\$ 19,200	\$ 101,045	\$ 200,619	\$ 1,016	\$ 5,186,106
\$ 2,105	\$ 12,455	\$ -	\$ 28	\$ -	\$ -	\$ -	\$ -	\$ 203,196
-	-	-	-	-	-	-	-	15,149
2,105	12,455	-	28	-	-	-	-	218,345
-	-	-	-	-	-	-	-	142,499
-	-	-	-	627	13,379	56,400	-	130,707
-	-	-	-	627	13,379	56,400	-	273,206
-	2,042	-	-	-	-	-	-	14,427
-	-	-	-	18,573	-	-	-	18,573
-	-	-	-	-	-	-	-	284,819
-	-	-	-	-	-	144,219	-	144,219
-	-	-	-	-	-	-	-	807,598
27,987	-	-	-	-	-	-	-	27,987
-	3,115,081	-	-	-	-	-	-	3,115,081
-	-	-	-	-	87,666	-	-	87,666
-	-	-	-	-	-	-	-	143,736
-	-	18,323	-	-	-	-	-	18,323
-	-	-	31,110	-	-	-	-	31,110
-	-	-	-	-	-	-	1,016	1,016
27,987	3,117,123	18,323	31,110	18,573	87,666	144,219	1,016	4,694,555
\$ 30,092	\$ 3,129,578	\$ 18,323	\$ 31,138	\$ 19,200	\$ 101,045	\$ 200,619	\$ 1,016	\$ 5,186,106

BENTON COUNTY, OREGON**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended June 30, 2022

	County School	Fair	Library Services District	Land Corner Preservation	Block Grant	Oregon Health Plan
REVENUES						
Taxes	\$ -	\$ 427,082	\$ 3,457,816	\$ -	\$ -	\$ -
Intergovernmental	275,469	60,117	5,326	-	313,371	-
Charges for services	-	195,280	-	117,270	-	-
Interest	139	3,012	4,517	2,400	627	-
Miscellaneous	-	50,256	-	-	36,698	-
Total revenues	<u>275,608</u>	<u>735,747</u>	<u>3,467,659</u>	<u>119,670</u>	<u>350,696</u>	<u>-</u>
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	67,956	-	-
Health services	-	-	-	-	-	-
Justice services	-	-	-	-	-	-
Community services	-	-	-	-	298,714	-
Cultural and educational services	275,608	597,999	3,292,872	-	-	-
Capital outlay	-	342,926	-	-	90,795	-
Total expenditures	<u>275,608</u>	<u>940,925</u>	<u>3,292,872</u>	<u>67,956</u>	<u>389,509</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(205,178)</u>	<u>174,787</u>	<u>51,714</u>	<u>(38,813)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	122,990	-	-	-	-
Transfers out	-	(13,735)	-	(6,292)	-	(668,726)
Total other financing sources (uses)	<u>-</u>	<u>109,255</u>	<u>-</u>	<u>(6,292)</u>	<u>-</u>	<u>(668,726)</u>
Net change in fund balances	-	(95,923)	174,787	45,422	(38,813)	(668,726)
Fund balances - beginning	<u>-</u>	<u>692,358</u>	<u>39,672</u>	<u>248,486</u>	<u>182,549</u>	<u>668,726</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 596,435</u>	<u>\$ 214,459</u>	<u>\$ 293,908</u>	<u>\$ 143,736</u>	<u>\$ -</u>

<i>Court Security</i>	<i>Special Transportation</i>	<i>Title III Projects</i>	<i>Cemetery Operations</i>	<i>Alsea Human Svs. CSD</i>	<i>OSU Extension CSD</i>	<i>911 CSD</i>	<i>West Lewellyn CSD</i>	<i>Total</i>
\$ -	\$ -	\$ -	\$ -	\$ 34,186	\$ 775,129	\$ 3,912,728	\$ -	\$ 8,606,941
40,781	3,008,896	-	-	-	-	-	-	3,703,960
-	47,932	-	14,200	-	-	-	-	374,682
395	12,695	100	1,000	166	2,053	5,306	20	32,430
-	-	-	-	-	-	-	-	86,954
<u>41,176</u>	<u>3,069,523</u>	<u>100</u>	<u>15,200</u>	<u>34,352</u>	<u>777,182</u>	<u>3,918,034</u>	<u>20</u>	<u>12,804,967</u>
-	-	422	11,583	-	-	-	-	12,005
-	-	-	-	-	-	3,788,724	-	3,788,724
-	-	-	-	-	-	-	-	67,956
-	-	-	-	30,940	-	-	-	30,940
48,573	-	-	-	-	-	-	-	48,573
-	2,062,281	-	-	-	-	-	-	2,360,995
-	-	-	-	-	766,443	-	-	4,932,922
3,110	102,296	-	-	-	-	-	-	539,127
<u>51,683</u>	<u>2,164,577</u>	<u>422</u>	<u>11,583</u>	<u>30,940</u>	<u>766,443</u>	<u>3,788,724</u>	<u>-</u>	<u>11,781,242</u>
<u>(10,507)</u>	<u>904,946</u>	<u>(322)</u>	<u>3,617</u>	<u>3,412</u>	<u>10,739</u>	<u>129,310</u>	<u>20</u>	<u>1,023,725</u>
-	16,750	-	-	-	-	-	-	139,740
-	-	-	(7,000)	-	-	-	-	(695,753)
-	16,750	-	(7,000)	-	-	-	-	(556,013)
(10,507)	921,696	(322)	(3,383)	3,412	10,739	129,310	20	467,712
38,494	2,195,427	18,645	34,493	15,161	76,927	14,909	996	4,226,843
<u>\$ 27,987</u>	<u>\$ 3,117,123</u>	<u>\$ 18,323</u>	<u>\$ 31,110</u>	<u>\$ 18,573</u>	<u>\$ 87,666</u>	<u>\$ 144,219</u>	<u>\$ 1,016</u>	<u>\$ 4,694,555</u>