

**MULTNOMAH COUNTY, OREGON**

**Balance Sheet**

**Governmental Funds**

**June 30, 2011**

(amounts expressed in thousands)

	<u>General Fund</u>	<u>Federal and State Program Special Revenue Fund</u>	<u>Library Special Revenue Fund</u>	<u>PERS Pension Bond Debt Service Fund</u>
<b>ASSETS</b>				
Cash and investments	\$ 52,075	\$ 8	\$ 17,583	\$ 54,737
Receivables:				
Taxes	16,724	-	2,098	-
Accounts	33,378	31,979	448	-
Loans	-	700	-	-
Interest	955	-	-	-
Special assessments	11	-	-	-
Contracts	1,407	-	-	-
Due from other funds	250	-	-	-
Inventories	515	628	-	-
Prepaid items	390	439	254	-
Restricted cash and investments	-	280	-	-
Total assets	<u>\$ 105,705</u>	<u>\$ 34,034</u>	<u>\$ 20,383</u>	<u>\$ 54,737</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 22,476	\$ 19,400	\$ 1,320	\$ -
Payroll payable	4,087	2,593	704	-
Due to other funds	-	250	-	-
Deferred revenue	33,425	3,619	1,750	-
Total liabilities	<u>59,988</u>	<u>25,862</u>	<u>3,774</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	654	439	254	-
Restricted	487	8,045	-	-
Committed	-	-	-	54,737
Assigned	-	-	16,355	-
Unassigned	44,576	(312)	-	-
Total fund balances	<u>45,717</u>	<u>8,172</u>	<u>16,609</u>	<u>54,737</u>
Total liabilities and fund balances	<u>\$ 105,705</u>	<u>\$ 34,034</u>	<u>\$ 20,383</u>	<u>\$ 54,737</u>

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

<b>Capital Improvement Capital Project Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 32,227	\$ 53,021	\$ 209,651
-	2,255	21,077
485	14,343	80,633
-	-	700
-	-	955
-	-	11
205	1,622	3,234
-	-	250
-	523	1,666
-	21	1,104
-	1,075	1,355
<u>\$ 32,917</u>	<u>\$ 72,860</u>	<u>\$ 320,636</u>
\$ 2,048	\$ 15,634	\$ 60,878
2	312	7,698
-	-	250
281	2,000	41,075
<u>2,331</u>	<u>17,946</u>	<u>109,901</u>
-	544	1,891
18,621	22,276	49,429
11,965	27,535	94,237
-	4,559	20,914
-	-	44,264
<u>30,586</u>	<u>54,914</u>	<u>210,735</u>
<u>\$ 32,917</u>	<u>\$ 72,860</u>	<u>\$ 320,636</u>

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**MULTNOMAH COUNTY, OREGON**  
**Reconciliation of the Balance Sheet to the Statement of Net Assets**  
**Governmental Funds**  
**As of June 30, 2011**  
**(amounts expressed in thousands)**

Fund balances - governmental funds	\$	210,735
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	1,286,623	
Less accumulated depreciation	<u>(538,074)</u>	748,549
Other long-term assets		
Negative net pension asset	113,292	
Bond issuance costs	<u>573</u>	113,865
Accrued interest payable		(1,946)
Net amount due from community based health organization for outstanding loan does not represent current financial resources and therefore is not reported in governmental funds		369
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Bonds payable	(263,554)	
Capital leases payable	(1,719)	
Loans payable	<u>(3,414)</u>	(268,687)
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.		(23,066)
Accrued personal income tax distributions are not due and payable in the current period and therefore are not reported in the funds.		(256)
Pollution remediation obligation		(376)
Net other postemployment benefits obligation		(97,403)
Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.		
Clinic fees	21,460	
Property taxes	12,050	
Personal income taxes	<u>297</u>	33,807
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net assets of the internal service funds that are reported with governmental activities.		<u>53,639</u>
Net Assets of governmental activities	\$	<u><u>769,230</u></u>

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

**MULTNOMAH COUNTY, OREGON**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2011**  
**(amounts expressed in thousands)**

	<b>General Fund</b>	<b>Federal and State Program Special Revenue Fund</b>	<b>Library Special Revenue Fund</b>
<b>REVENUES</b>			
Taxes	\$ 299,124	\$ -	\$ 38,475
Intergovernmental	14,751	256,711	507
Licenses and permits	9,137	986	144
Charges for services	15,760	46,798	1,615
Interest	727	1	119
Other	15,292	3,227	2,688
Total revenues	<u>354,791</u>	<u>307,723</u>	<u>43,548</u>
<b>EXPENDITURES</b>			
Current:			
General government	57,738	-	-
Health services	76,838	81,082	-
Social services	45,706	178,109	-
Public safety and justice	171,165	41,995	-
Community services	-	2,827	-
Library services	-	-	54,223
Roads and bridges	-	-	-
Capital outlay	1,210	1,480	6,904
Debt service:			
Principal	-	-	-
Interest	33	-	-
Total expenditures	<u>352,690</u>	<u>305,493</u>	<u>61,127</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,101</u>	<u>2,230</u>	<u>(17,579)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from issuance of debt	-	-	-
Issuance of capital lease	815	-	-
Proceeds from sale of capital assets	-	-	-
Transfers in	3,249	-	15,093
Transfers out	(19,863)	-	-
Total other financing sources (uses)	<u>(15,799)</u>	<u>-</u>	<u>15,093</u>
Net change in fund balances	<u>(13,698)</u>	<u>2,230</u>	<u>(2,486)</u>
Fund balances - beginning	59,415	5,942	19,095
Fund balances - ending	<u>\$ 45,717</u>	<u>\$ 8,172</u>	<u>\$ 16,609</u>

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

<b>PERS Pension Bond Debt Service Fund</b>	<b>Capital Improvement Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ 37,336	\$ 374,935
-	1,211	44,764	317,944
-	-	13,268	23,535
-	379	4,323	68,875
258	152	229	1,486
28,178	3,787	11,163	64,335
<u>28,436</u>	<u>5,529</u>	<u>111,083</u>	<u>851,110</u>
-	4,371	842	62,951
-	-	363	158,283
-	-	-	223,815
-	-	7,119	220,279
-	-	23,456	26,283
-	-	-	54,223
-	-	40,790	40,790
-	8,819	14,391	32,804
9,150	-	14,797	23,947
6,052	-	5,674	11,759
<u>15,202</u>	<u>13,190</u>	<u>107,432</u>	<u>855,134</u>
<u>13,234</u>	<u>(7,661)</u>	<u>3,651</u>	<u>(4,024)</u>
-	15,000	1,282	16,282
-	-	-	815
-	-	24	24
-	1,039	14,140	33,521
-	-	(3,249)	(23,112)
<u>-</u>	<u>16,039</u>	<u>12,197</u>	<u>27,530</u>
13,234	8,378	15,848	23,506
41,503	22,208	39,066	187,229
<u>\$ 54,737</u>	<u>\$ 30,586</u>	<u>\$ 54,914</u>	<u>\$ 210,735</u>

**MULTNOMAH COUNTY, OREGON**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances to the Statement of Activities**  
**Governmental Funds**  
**For the Year Ended June 30, 2011**  
**(amounts expressed in thousands)**

Net change in fund balances - total governmental funds	\$	23,506
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	32,804	
Current year depreciation expense	(28,144)	4,660
Contributed and donated capital assets	15,299	
Issuance of capital lease	(815)	
Proceeds on sale of capital assets	(24)	
Gain on disposal of capital assets	24	
Loss on disposal of capital assets	(464)	14,020
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Increase in deferred revenues - clinic fees	21,460	
Decrease in deferred revenues - property taxes	(407)	
Increase in deferred revenues - personal income taxes	26	21,079
Proceeds from the issuance of debt provide current financial resources to governmental funds, but are an increase of long-term liabilities in the statement of net assets.		
		(16,282)
Premium issued on long-term debt is reported as an other financing source in governmental funds, but an increase of long-term liabilities in the statement of net assets. The premium is amortized to interest income in the statement of activities.		
Current year premium amortization		1,117
Issuance costs and similar items are reported in the governmental funds when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Bond issuance costs		120
Current year amortization expense		(62)
The difference between refunding bond proceeds and amount sent to the escrow agent to defease outstanding debt is a deferred charge in the statement of net assets and amortized to interest expense in the statement of activities over the life of the refunded debt.		
Current year interest expense		(259)
Repayment of long-term debt is reported as an expenditure in the governmental funds, but a reduction of long-term liabilities in the statement of net assets.		
		23,947
Activities related to a loan provided to community based health organization.		
Payments received from community based health organization		(69)

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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Increase in long-term compensated absences	(1,454)	
Decrease in accrued interest expense	243	
Increase in personal income tax distribution liability	<u>(16)</u>	(1,227)

Amortization expense on the net pension asset		(6,152)
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Activities related to pollution remediation obligations:

Additions to pollution remediation obligation	(286)	
Pollution remediation activities incurred and paid within the fiscal year	<u>285</u>	(1)

Current year expense for net other post-employment benefits obligation		(7,355)
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net assets of the internal service funds is reported with governmental activities.

	<u>(3,228)</u>	
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Change in net assets of governmental activities

	<u>\$</u>	<u>53,814</u>
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The notes to the financial statements are an integral part of this statement.



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## MAJOR GOVERNMENTAL FUNDS

Major governmental funds are defined as those funds whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental funds for the same item. The general fund is always classified as a major fund. The modified accrual basis of accounting is used to record revenues and expenditures.

- **General Fund** – accounts for the financial operations of the County which are not accounted for in any other fund. The principal sources of revenues are property taxes, personal income taxes, and business income taxes. Primary expenditures in the General Fund are made for general government, public safety, and health and social services.
- **Federal and State Program Fund** – a special revenue fund that accounts for the majority of revenues and expenditures related to Federal and State financial assistance programs.
- **Library Fund** – a special revenue funds that accounts for the public library operations, including the serial property tax levy dedicated to library operations.
- **PERS Pension Bond Fund** – accounts for payment of principal and interest payments on pension obligation bonds that were issued to fund the County’s PERS unfunded liability. Revenues consist of charges to departments and interest. The schedule of revenues, expenditures, and changes in fund balances – budget and actual for the PERS Pension Bond debt service fund is on page 108.
- **Capital Improvement Fund** - accounts for the proceeds from the sale of County property and expenditures made to improve County property. The schedule of revenues, expenditures, and changes in fund balances – budget and actual for the Capital Improvement capital project fund is on page 114.



**MULTNOMAH COUNTY, OREGON**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2011**  
**(amounts expressed in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property	\$ 228,531	\$ 228,531	\$ 230,518	\$ 1,987
Payments in lieu of taxes	1,275	1,275	1,602	327
Business income	42,263	42,263	48,570	6,307
Personal income	200	1,500	657	(843)
Motor vehicle rental	17,848	17,848	17,777	(71)
Intergovernmental	14,813	15,086	14,751	(335)
Licenses and permits	8,554	8,554	9,137	583
Charges for services	9,859	9,859	10,373	514
Interest	1,659	1,659	727	(932)
Other:				
Service reimbursements	16,074	16,433	14,796	(1,637)
Miscellaneous	1,644	1,644	496	(1,148)
Total revenues	<u>342,720</u>	<u>344,652</u>	<u>349,404</u>	<u>4,752</u>
<b>EXPENDITURES</b>				
Community justice	54,488	54,801	53,099	1,702
Community services	11,470	11,470	10,539	931
County management	29,576	29,576	27,713	1,863
District attorney	19,054	19,250	18,981	269
Health services	53,525	53,816	50,317	3,499
Human services	47,718	48,219	45,481	2,738
Nondepartmental	20,106	21,407	19,644	1,763
Sheriff	100,330	100,552	99,254	1,298
Total expenditures	<u>336,267</u>	<u>339,091</u>	<u>325,028</u>	<u>14,063</u>
Excess of revenues over expenditures	<u>6,453</u>	<u>5,561</u>	<u>24,376</u>	<u>18,815</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,011	3,399	3,249	(150)
Transfers out	(19,863)	(19,863)	(19,863)	-
Total other financing sources (uses)	<u>(16,852)</u>	<u>(16,464)</u>	<u>(16,614)</u>	<u>(150)</u>
Contingency	(7,233)	(6,729)	-	6,729
Net change in fund balances	<u>(17,632)</u>	<u>(17,632)</u>	<u>7,762</u>	<u>25,394</u>
Fund balances - beginning	47,517	47,517	59,415	11,898
Fund balances - ending	<u>\$ 29,885</u>	<u>\$ 29,885</u>	<u>67,177</u>	<u>\$ 37,292</u>
Reconciliation to GAAP Basis:				
Issuance of capital lease			815	
Capital outlay related to capital lease			(815)	
Certain clinic fee revenues and related expenditures reported in the Federal and State Program Fund on a budgetary basis are considered unrestricted, and are reported in the general fund on a GAAP basis:				
Revenues, available			5,387	
Expenditures			<u>(26,847)</u>	
Fund balance as reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, Page 36			<u>\$ 45,717</u>	

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

**MULTNOMAH COUNTY, OREGON**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Federal and State Program Fund**  
**For the Year Ended June 30, 2011**  
**(amounts expressed in thousands)**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 202,630	\$ 206,610	\$ 194,088	\$ (12,522)
Licenses and permits	478	1,123	986	(137)
Charges for services	70,806	72,149	73,645	1,496
Interest	7	7	1	(6)
Other:				
Non-governmental grants	2,640	2,814	2,629	(185)
Miscellaneous	247	293	598	305
Total revenues	<u>276,808</u>	<u>282,996</u>	<u>271,947</u>	<u>(11,049)</u>
<b>EXPENDITURES</b>				
Community justice	27,272	26,413	25,340	1,073
Community services	128	169	48	121
County management	24	75	54	21
District attorney	6,441	6,626	6,249	377
Health services	105,909	110,715	108,757	1,958
Human services	122,445	126,327	115,745	10,582
Nondepartmental	3,666	4,222	2,961	1,261
Sheriff	11,909	11,576	10,563	1,013
Total expenditures	<u>277,794</u>	<u>286,123</u>	<u>269,717</u>	<u>16,406</u>
Excess (deficiency) of revenues over (under) expenditures	(986)	(3,127)	2,230	5,357
Contingency	-	(2,808)	-	2,808
Net change in fund balances	(986)	(5,935)	2,230	8,165
Fund balances - beginning	986	5,935	5,942	7
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>8,172</u>	<u>\$ 8,172</u>

Reconciliation to GAAP Basis:

Intergovernmental revenues for State payments to County service providers	62,623
State payments to County service providers	(62,623)
Certain clinic fee revenues and related expenditures are considered unrestricted, and are reported in the general fund on a GAAP basis:	
Revenues, available	(5,387)
Revenues, unavailable (reported as deferred revenue in general fund)	(21,460)
Expenditures	26,847
Fund balance as reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, Page 36	<u>\$ 8,172</u>

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

**MULTNOMAH COUNTY, OREGON**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Library Fund**  
**For the Year Ended June 30, 2011**  
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Taxes - property	\$ 40,440	\$ 40,440	\$ 38,461	\$ (1,979)
Payments in lieu of taxes	-	-	14	14
Intergovernmental	497	479	507	28
Licenses and permits	160	160	144	(16)
Charges for services	1,450	1,450	1,615	165
Interest	489	489	119	(370)
Other:				
Non-governmental grants	1,893	1,893	1,694	(199)
Service reimbursements	35	35	1	(34)
Miscellaneous	4	4	4	-
Total revenues	<u>44,968</u>	<u>44,950</u>	<u>42,559</u>	<u>(2,391)</u>
<b>EXPENDITURES</b>				
Library	<u>61,994</u>	<u>61,976</u>	<u>60,138</u>	<u>1,838</u>
Deficiency of revenues under expenditures	<u>(17,026)</u>	<u>(17,026)</u>	<u>(17,579)</u>	<u>(553)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>15,093</u>	<u>15,093</u>	<u>15,093</u>	<u>-</u>
Total other financing sources	<u>15,093</u>	<u>15,093</u>	<u>15,093</u>	<u>-</u>
Contingency	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
Net change in fund balances	<u>(2,933)</u>	<u>(2,933)</u>	<u>(2,486)</u>	<u>447</u>
Fund balances - beginning	<u>17,342</u>	<u>17,342</u>	<u>19,095</u>	<u>1,753</u>
Fund balances - ending	<u>\$ 14,409</u>	<u>\$ 14,409</u>	<u>16,609</u>	<u>\$ 2,200</u>
Reconciliation to GAAP Basis:				
In kind contributions			989	
Consumption of in kind contributions			<u>(989)</u>	
Fund balance as reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, Page 36			<u>\$ 16,609</u>	

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

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## PROPRIETARY FUNDS

The County utilizes eight Proprietary Funds made up of three Enterprise Funds and five Internal Service Funds. Internal Service Funds' statements begin on page 118.

### **Enterprise Funds:**

These funds are used to finance and account for the acquisition, operation and maintenance of sewage treatment facilities, street lighting facilities and mental health claims administration, which are supported by user charges. The County accounts for certain expenditures of the enterprise funds for budgetary purposes on the modified accrual basis of accounting. For financial reporting purposes the accrual basis of accounting is used. The difference in the accounting basis used relates primarily to the methods of accounting for depreciation and capital outlay. Funds included are:

- **Dunthorpe-Riverdale Service District No. 1 Fund** - accounts for the operation of the sanitary sewer system in southwest unincorporated Multnomah County. (A blended component unit of Multnomah County.)
- **Mid County Service District No. 14 Fund** - accounts for the operation of street lights throughout unincorporated Multnomah County. (A blended component unit of Multnomah County.)
- **Behavioral Health Managed Care Fund** - accounts for all financial activity associated with the State required behavioral health services.





**MULTNOMAH COUNTY, OREGON**

**Statement of Net Assets**

**Proprietary Funds**

**June 30, 2011**

(amounts expressed in thousands)

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Dunthorpe- Riverdale Service District</b>	<b>Mid County Service District</b>	<b>Behavioral Health Managed Care</b>	<b>Total</b>	
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 808	\$ 284	\$ 23,765	\$ 24,857	\$ 65,440
Receivables (net of allowances for uncollectibles):					
Accounts	12	-	-	12	874
Special assessments	38	17	-	55	-
Inventories	-	-	-	-	1,446
Prepaid items	-	-	-	-	1,252
Total current assets	<u>858</u>	<u>301</u>	<u>23,765</u>	<u>24,924</u>	<u>69,012</u>
Noncurrent assets:					
Contracts Receivable	-	-	-	-	364
Construction in progress	-	-	-	-	796
Capital assets (net of accumulated depreciation)	2,106	1,506	-	3,612	6,213
Total assets	<u>2,964</u>	<u>1,807</u>	<u>23,765</u>	<u>28,536</u>	<u>76,385</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	93	49	3,284	3,426	6,016
Claims and judgments payable	-	-	-	-	11,698
Payroll payable	-	-	8	8	747
Unearned revenue	-	-	4,032	4,032	43
Compensated absences	-	-	9	9	671
Total current liabilities	<u>93</u>	<u>49</u>	<u>7,333</u>	<u>7,475</u>	<u>19,175</u>
Noncurrent liabilities:					
Compensated absences	-	-	7	7	1,949
Incremental leases payable	-	-	-	-	1,622
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>	<u>3,571</u>
Total liabilities	<u>93</u>	<u>49</u>	<u>7,340</u>	<u>7,482</u>	<u>22,746</u>
<b>NET ASSETS</b>					
Invested in capital assets	2,106	1,506	-	3,612	7,009
Unrestricted	765	252	16,425	17,442	46,630
Total net assets	<u>\$ 2,871</u>	<u>\$ 1,758</u>	<u>\$ 16,425</u>	<u>\$ 21,054</u>	<u>\$ 53,639</u>

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

**MULTNOMAH COUNTY, OREGON**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended June 30, 2011**  
**(amounts expressed in thousands)**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Dunthorpe- Riverdale Service District</b>	<b>Mid County Service District</b>	<b>Behavioral Health Managed Care</b>	<b>Total</b>	
<b>OPERATING REVENUES</b>					
Charges for sales and services	\$ 811	\$ 363	\$ 46,110	\$ 47,284	\$ 157,759
Insurance premiums	-	-	-	-	8,440
Experience ratings and other	5	-	871	876	789
Total operating revenues	<u>816</u>	<u>363</u>	<u>46,981</u>	<u>48,160</u>	<u>166,988</u>
<b>OPERATING EXPENSES</b>					
Cost of sales and services	382	324	41,191	41,897	153,470
Administration	35	38	2,449	2,522	4,004
Depreciation	68	65	-	133	2,344
Total operating expenses	<u>485</u>	<u>427</u>	<u>43,640</u>	<u>44,552</u>	<u>159,818</u>
Operating income (loss)	<u>331</u>	<u>(64)</u>	<u>3,341</u>	<u>3,608</u>	<u>7,170</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest revenue	4	2	109	115	343
Interest expense	(1)	-	-	(1)	-
Intergovernmental revenue	6	-	-	6	-
Gain on disposal of capital assets	-	-	-	-	151
Loss on disposal of capital assets	-	-	-	-	(29)
Capital contributions out	-	-	-	-	(548)
Total nonoperating revenues (expenses)	<u>9</u>	<u>2</u>	<u>109</u>	<u>120</u>	<u>(83)</u>
Income (loss) before contributions and transfers	340	(62)	3,450	3,728	7,087
Capital contributions in	-	30	-	30	94
Transfers in	-	-	-	-	120
Transfers out	-	-	-	-	(10,529)
Change in net assets	<u>340</u>	<u>(32)</u>	<u>3,450</u>	<u>3,758</u>	<u>(3,228)</u>
Total net assets - beginning	2,531	1,790	12,975	17,296	56,867
Total net assets - ending	<u>\$ 2,871</u>	<u>\$ 1,758</u>	<u>\$ 16,425</u>	<u>\$ 21,054</u>	<u>\$ 53,639</u>

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

**MULTNOMAH COUNTY, OREGON**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2011**  
(amounts expressed in thousands)

	<b>Business Type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Dunthorpe - Riverdale Service District</b>	<b>Mid County Service District</b>	<b>Behavioral Health Managed Care</b>	<b>Total</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 905	\$ 362	\$ 51,108	\$ 52,375	\$ 167,328
Payments to suppliers	(481)	(305)	(39,427)	(40,213)	(112,316)
Payments to employees	(19)	(23)	(3,809)	(3,851)	(39,911)
Internal activity - payments to other funds	(8)	(8)	(1,451)	(1,467)	(8,207)
Net cash provided by operating activities	<u>397</u>	<u>26</u>	<u>6,421</u>	<u>6,844</u>	<u>6,894</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers in	-	-	-	-	120
Transfers out	-	-	-	-	(10,529)
Net cash used by noncapital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,409)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Purchases of capital assets	(19)	-	-	(19)	(3,537)
Internal loan repayment	(103)	-	-	(103)	103
Interest on debt	(1)	-	-	(1)	-
Capital grant proceeds	6	-	-	6	-
Proceeds on sales of capital assets	-	-	-	-	151
Net cash used by capital and related financing activities	<u>(117)</u>	<u>-</u>	<u>-</u>	<u>(117)</u>	<u>(3,283)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	4	2	109	115	343
Net cash provided by investing activities	<u>4</u>	<u>2</u>	<u>109</u>	<u>115</u>	<u>343</u>
Net increase (decrease) in cash and cash equivalents	284	28	6,530	6,842	(6,455)
Balances at beginning of the year	524	256	17,235	18,015	71,895
Balances at end of the year	<u>\$ 808</u>	<u>\$ 284</u>	<u>\$ 23,765</u>	<u>\$ 24,857</u>	<u>\$ 65,440</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>					
Operating income (loss)	\$ 331	\$ (64)	\$ 3,341	\$ 3,608	\$ 7,170
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	68	65	-	133	2,344
Changes in assets and liabilities:					
Receivables, net	89	-	95	184	203
Inventories	-	-	-	-	43
Prepaid items	-	-	-	-	(54)
Contracts receivable	-	-	-	-	136
Accounts payable	(91)	25	(1,035)	(1,101)	(2,410)
Claims and judgments payable	-	-	-	-	(491)
Payroll payable	-	-	(3)	(3)	58
Unearned revenue	-	-	4,032	4,032	(2)
Compensated absences	-	-	(9)	(9)	(28)
Incremental leases payable	-	-	-	-	(75)
Total adjustments	<u>66</u>	<u>90</u>	<u>3,080</u>	<u>3,236</u>	<u>(276)</u>
Net cash provided by operating activities	<u>\$ 397</u>	<u>\$ 26</u>	<u>\$ 6,421</u>	<u>\$ 6,844</u>	<u>\$ 6,894</u>
<b>Noncash financing activities:</b>					
Contributions of capital assets from government	\$ -	\$ -	\$ -	\$ -	\$ 94
Contributions of capital assets to government	-	30	-	30	(548)

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

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## **FIDUCIARY FUNDS**

These funds account for resources received and held by the County in a fiduciary capacity. Disbursements from these funds are made in accordance with the trust agreement or applicable legislative enactment for each particular fund. The modified accrual basis of accounting is used to record transactions in the agency funds. The funds included are:

- **Agency Funds** – account for resources held by the County in a purely custodial capacity (assets equal liabilities).



**MULTNOMAH COUNTY, OREGON**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2011**  
**(amounts expressed in thousands)**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ 19,727
Taxes receivable	50,290
Restricted cash	26
Total assets	<u>70,043</u>
<b>LIABILITIES</b>	
Accounts payable	11,440
Due to other governmental units	47,697
Amounts held in trust	10,906
Total liabilities	<u>70,043</u>
<b>NET ASSETS</b>	
Total net assets	<u>\$ -</u>

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