

Lane County, Oregon  
**Statement of Net Assets**  
June 30, 2008

	Governmental Activities	Business-type Activities	Total
<b><u>Assets</u></b>			
<b><u>Current assets</u></b>			
Cash and cash equivalents	\$ 122,812,915	\$ 29,320,213	\$ 152,133,128
Investments	-	3,742,035	3,742,035
Receivables (net of uncollectibles):			
Interest	1,542,582	188,400	1,730,982
Property taxes	1,829,892	-	1,829,892
Accounts	9,192,541	1,588,965	10,781,506
Intergovernmental	10,629,932	494,415	11,124,347
Other	135,211	2,224,507	2,359,718
Internal balances	(3,286,139)	3,286,139	-
Inventories	2,818,723	60,840	2,879,563
Prepays	19,000	91,933	110,933
<b>Total current assets</b>	<b>145,694,657</b>	<b>40,997,447</b>	<b>186,692,104</b>
<b><u>Noncurrent assets</u></b>			
<b>Restricted assets:</b>			
Cash	-	376,313	376,313
Investments	1,261,000	2,177,844	3,438,844
Investments in limited partnerships	-	2,028,463	2,028,463
Deferred charges	1,007,382	-	1,007,382
Deposits	1,023,262	1,142	1,024,404
Loans receivable	-	4,217,408	4,217,408
Net pension asset	64,563,118	-	64,563,118
<b>Capital assets:</b>			
Land and construction in progress	10,721,679	28,760,933	39,482,612
Other capital assets (net of accumulated depreciation)	308,311,983	42,627,615	350,939,598
<b>Total noncurrent assets</b>	<b>386,888,424</b>	<b>80,189,718</b>	<b>467,078,142</b>
<b>Total assets</b>	<b>532,583,081</b>	<b>121,187,165</b>	<b>653,770,246</b>
<b><u>Liabilities</u></b>			
<b><u>Current liabilities</u></b>			
Accounts payable	14,085,300	1,544,613	15,629,913
Wages and benefits payable	3,016,962	468,894	3,485,856
Compensated absences payable	5,758,313	1,078,360	6,836,673
Claims payable	3,630,000	-	3,630,000
Interest payable	470,500	22,586	493,086
Unearned revenue	93,304	976,984	1,070,288
Customer deposits	902,904	649,283	1,552,187
Notes payable	98,336	365,274	463,610
Bonds payable	4,365,000	45,000	4,410,000
<b>Total current liabilities</b>	<b>32,420,619</b>	<b>5,150,994</b>	<b>37,571,613</b>
<b><u>Noncurrent liabilities</u></b>			
Net OPEB obligation	1,249,760	-	1,249,760
Notes payable	6,127,264	5,769,080	11,896,344
Bonds payable (net of unamortized discounts)	97,130,039	842,170	97,972,209
Landfill closure and postclosure care liability	-	3,333,099	3,333,099
<b>Total noncurrent liabilities</b>	<b>104,507,063</b>	<b>9,944,349</b>	<b>114,451,412</b>
<b>Total liabilities</b>	<b>136,927,682</b>	<b>15,095,343</b>	<b>152,023,025</b>
<b><u>Net assets</u></b>			
Invested in capital assets, net of related debt	280,364,178	64,367,024	344,731,202
<b>Restricted for:</b>			
Capital projects	3,921,900	-	3,921,900
Debt service	498,319	-	498,319
Health and human services	4,209,810	-	4,209,810
Special revenue / services	3,980,672	-	3,980,672
Roads	41,424,830	-	41,424,830
Title III projects	1,440,630	-	1,440,630
LaneCare	9,998,976	-	9,998,976
Housing and community services	-	2,177,844	2,177,844
Self insurance	1,261,000	-	1,261,000
Other purposes	1,866,943	-	1,866,943
Unrestricted	46,688,141	39,546,954	86,235,095
<b>Total net assets</b>	<b>\$ 395,655,399</b>	<b>\$ 106,091,822</b>	<b>\$ 501,747,221</b>

The accompanying notes are an integral part of the financial statements.

**Statement of Activities**

For the Fiscal Year Ended June 30, 2008

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities</b>								
General government	\$ 33,117,170	\$ (8,803,040)	\$ 8,151,053	\$ 14,483,137	\$ -	\$ (1,679,940)	\$ -	\$ (1,679,940)
Public safety	66,838,236	2,935,438	20,311,315	10,200,792	-	(39,261,567)	-	(39,261,567)
Public health and welfare	62,403,064	2,740,652	35,477,860	27,841,605	-	(1,824,251)	-	(1,824,251)
Parks	1,949,029	85,598	1,354,054	436,255	-	(244,318)	-	(244,318)
Roads and bridges	32,827,508	1,441,736	5,383,157	39,586,264	-	10,700,177	-	10,700,177
Community development	6,451,823	283,355	2,957,785	998,472	-	(2,778,921)	-	(2,778,921)
Interest on long-term debt	7,087,061	-	-	-	-	(7,087,061)	-	(7,087,061)
<b>Total governmental activities</b>	<b>210,673,891</b>	<b>(1,316,261)</b>	<b>73,635,224</b>	<b>93,546,525</b>	<b>-</b>	<b>(42,175,881)</b>	<b>-</b>	<b>(42,175,881)</b>
<b>Business-type activities</b>								
Fair board	5,483,268	4,289	4,217,533	49,405	-	-	(1,220,619)	(1,220,619)
Solid waste disposal	11,942,133	282,341	16,722,858	12,115	-	-	4,510,499	4,510,499
Housing and community services	24,210,236	-	3,919,774	20,204,819	2,104,203	-	2,018,560	2,018,560
Corrections commissary	307,101	9,230	168,307	169,964	-	-	21,940	21,940
Regional information systems	5,512,815	348,865	8,411,274	-	-	-	2,549,594	2,549,594
Land management	4,456,261	671,536	4,177,977	112,110	-	-	(837,710)	(837,710)
<b>Total business-type activities</b>	<b>51,911,814</b>	<b>1,316,261</b>	<b>37,617,723</b>	<b>20,548,413</b>	<b>2,104,203</b>	<b>-</b>	<b>7,042,264</b>	<b>7,042,264</b>
<b>Total government</b>	<b>\$ 262,585,705</b>	<b>\$ -</b>	<b>\$ 111,252,947</b>	<b>\$ 114,094,938</b>	<b>\$ 2,104,203</b>	<b>(42,175,881)</b>	<b>7,042,264</b>	<b>(35,133,617)</b>
General Revenues:								
Property taxes						32,435,442	-	32,435,442
Transient room taxes						4,297,827	-	4,297,827
Car rental taxes						1,323,636	-	1,323,636
O&C timber receipts						15,037,319	-	15,037,319
Unrestricted investment earnings						3,195,356	1,578,776	4,774,132
Grants not restricted to specific programs						5,033,509	-	5,033,509
Transfers						(2,084,480)	2,084,480	-
Total general revenues and transfers						59,238,609	3,663,256	62,901,865
Change in net assets						17,062,728	10,705,520	27,768,248
Net assets, June 30, 2007						378,592,671	95,386,302	473,978,973
Net assets, June 30, 2008						\$ 395,655,399	\$ 106,091,822	\$ 501,747,221

The accompanying notes are an integral part of the financial statements.

**Balance Sheet**

Governmental Funds

June 30, 2008

	General	Road	Special Revenue / Services	Health and Human Services	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 11,714,466	\$ 42,922,157	\$ 1,945,144	\$ 4,693,735	\$ 22,562,483	\$ 83,837,985
Receivables (net of uncollectibles):						
Interest	553,700	321,516	20,661	43,947	298,889	1,238,713
Property taxes	1,632,317	-	-	-	197,575	1,829,892
Accounts	458,200	406,038	7,557,344	336,622	356,376	9,114,580
Intergovernmental	2,468,337	1,658,451	2,791,236	2,686,877	1,021,795	10,626,696
Other	-	-	-	-	135,211	135,211
Due from other funds	18,574	-	-	-	998	19,572
Inventories	202,978	1,660,108	-	69,125	12,980	1,945,191
<b>Total assets</b>	<b>\$ 17,048,572</b>	<b>\$ 46,968,270</b>	<b>\$ 12,314,385</b>	<b>\$ 7,830,306</b>	<b>\$ 24,586,307</b>	<b>\$ 108,747,840</b>
<b>Liabilities</b>						
Accounts payable	\$ 810,938	\$ 3,337,296	\$ 1,279,427	\$ 1,144,224	\$ 1,429,701	\$ 8,001,586
Wages and benefits payable	1,381,155	452,852	209,391	601,223	193,223	2,837,844
Due to other funds	757,520	263,368	115,177	345,108	130,047	1,611,220
Claims payable	-	-	-	750,000	-	750,000
Deferred revenue	1,433,307	138,934	6,182,437	-	183,794	7,938,472
Customer deposits	175,647	534,090	113,456	79,711	-	902,904
Advances from other funds	-	-	-	-	1,000,000	1,000,000
<b>Total liabilities</b>	<b>4,558,567</b>	<b>4,726,540</b>	<b>7,899,888</b>	<b>2,920,266</b>	<b>2,936,765</b>	<b>23,042,026</b>
<b>Fund balances</b>						
Reserved for inventories	202,978	1,660,108	-	69,125	12,980	1,945,191
Unreserved	12,287,027	40,581,622	4,414,497	4,840,915	-	62,124,061
Unreserved, reported in nonmajor:						
Special revenue funds	-	-	-	-	14,733,382	14,733,382
Debt service funds	-	-	-	-	231,154	231,154
Capital projects funds	-	-	-	-	6,672,026	6,672,026
<b>Total fund balances</b>	<b>12,490,005</b>	<b>42,241,730</b>	<b>4,414,497</b>	<b>4,910,040</b>	<b>21,649,542</b>	<b>85,705,814</b>
<b>Total liabilities and fund balances</b>	<b>\$ 17,048,572</b>	<b>\$ 46,968,270</b>	<b>\$ 12,314,385</b>	<b>\$ 7,830,306</b>	<b>\$ 24,586,307</b>	<b>\$ 108,747,840</b>

The accompanying notes are an integral part of the financial statements.

**Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Assets**

For the Fiscal Year Ended June 30, 2008

Total fund balances - governmental funds \$ 85,705,814

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

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

\$ 42,030,765

An adjustment is required to eliminate net internal service fund losses back to the activities that helped finance them. The adjustment related to enterprise activities is required in this reconciliation.

(3,509,367) 38,521,398

Capital assets are not financial resources in governmental funds, but are reported in the statement of net assets at their depreciable value:

Land	9,402,839	
Construction in progress	1,318,840	
Buildings and land improvements	112,708,282	
Equipment and furniture	12,772,838	
Infrastructure	<u>309,417,708</u>	
	445,620,507	

Less accumulated depreciation	<u>(139,148,614)</u>	306,471,893
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Prepaid expenses are not financial assets in governmental funds, but are reported in the statement of net assets at cost.

19,000

Deposits are not financial assets in governmental funds, but are reported in the statement of net assets.

973,262

Certain assets will be collected after year-end but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in governmental funds:

Receivables:

Property taxes	1,612,043	
Court fines	6,182,437	
Road assessments	<u>50,688</u>	7,845,168

Debt issuance costs are expensed in governmental funds in the year paid, but are capitalized on the statement of net assets as deferred charges and amortized over the life of the debt:

Notes payable	119,979	
Bonds payable	<u>249,185</u>	369,164

Certain liabilities are not due and payable in the current period, and are therefore not reported in governmental funds:

Compensated absences payable	(5,395,721)	
Interest payable	(185,095)	
Notes payable	(6,225,600)	
Bonds payable, net of premiums and discounts	<u>(32,443,884)</u>	<u>(44,250,300)</u>

Total net assets - governmental activities \$ 395,655,399

The accompanying notes are an integral part of the financial statements.

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

Governmental Funds

For the Fiscal Year Ended June 30, 2008

	General	Road	Special Revenue / Services	Health and Human Services	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes and assessments, net of refunds	\$ 30,556,531	\$ 21,259	\$ 4,296,609	\$ -	\$ 3,273,259	\$ 38,147,658
Licenses and permits	810,708	170,648	-	785,232	339,710	2,106,298
Intergovernmental	32,189,447	37,771,312	10,483,179	30,537,901	42,738,312	153,720,151
Charges for services	3,008,688	2,068,515	743,605	4,960,239	4,864,530	15,645,577
Fines, forfeitures and penalties	686,424	-	1,871,959	2,689	59,413	2,620,485
Administrative and facility charges	-	-	26,095	-	1,624,859	1,650,954
Investment earnings	803,069	1,779,452	132,528	310,961	1,217,833	4,243,843
Sale and rental of property	1,193,008	2,513,869	88,522	946	2,180,905	5,977,250
<b>Total revenues</b>	<b>69,247,875</b>	<b>44,325,055</b>	<b>17,642,497</b>	<b>36,597,968</b>	<b>56,298,821</b>	<b>224,112,216</b>
<b>Expenditures:</b>						
Current:						
General government	9,426,228	223,678	990,095	-	10,178,687	20,818,688
Public safety	53,156,348	-	10,112,230	8,090,122	24,178	71,382,878
Public health and welfare	-	-	2,659,754	33,665,516	30,598,359	66,923,629
Parks	-	-	35,088	-	1,974,323	2,009,411
Roads and bridges	-	29,599,231	-	-	69,029	29,668,260
Community development	-	-	3,800,770	-	2,924,995	6,725,765
Debt service:						
Principal	-	-	-	-	3,522,221	3,522,221
Interest	-	-	-	-	2,075,841	2,075,841
Capital outlay	19,189	12,343,458	2,068,057	31,031	1,033,158	15,494,893
<b>Total expenditures</b>	<b>62,601,765</b>	<b>42,166,367</b>	<b>19,665,994</b>	<b>41,786,669</b>	<b>52,400,791</b>	<b>218,621,586</b>
Excess (deficiency) of revenues over (under) expenditures	6,646,110	2,158,688	(2,023,497)	(5,188,701)	3,898,030	5,490,630
<b>Other financing sources (uses):</b>						
Transfers in	2,902,817	884,856	4,658,079	4,120,168	5,200,108	17,766,028
Transfers out	(9,155,494)	(1,200,000)	(2,497,004)	(464,356)	(6,999,799)	(20,316,653)
<b>Total other financing sources (uses)</b>	<b>(6,252,677)</b>	<b>(315,144)</b>	<b>2,161,075</b>	<b>3,655,812</b>	<b>(1,799,691)</b>	<b>(2,550,625)</b>
Net change in fund balances	393,433	1,843,544	137,578	(1,532,889)	2,098,339	2,940,005
Fund balance, June 30, 2007	12,069,533	40,248,971	4,276,919	6,391,503	19,588,079	82,575,005
Increase (decrease) in inventories	27,039	149,215	-	51,426	(36,876)	190,804
<b>Fund balance, June 30, 2008</b>	<b>\$ 12,490,005</b>	<b>\$ 42,241,730</b>	<b>\$ 4,414,497</b>	<b>\$ 4,910,040</b>	<b>\$ 21,649,542</b>	<b>\$ 85,705,814</b>

The accompanying notes are an integral part of the financial statements.

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

For the Fiscal Year Ended June 30, 2008

Net change in fund balances - governmental funds \$ 2,940,005

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

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in internal service fund net assets is included with governmental activities in the statement of activities:

Change in net assets \$ 3,210,797

An adjustment is required to eliminate net internal service fund activity back to the activities that helped finance them. The adjustment related to enterprise activities is required in this reconciliation.

(837,942) 2,372,855

Governmental funds report capital outlays as expenditures; in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Construction in progress	776,095	
Buildings and land improvements	927,874	
Equipment and furniture	524,146	
Infrastructure	17,006,121	
Depreciation expense	<u>(12,400,779)</u>	6,833,457

Governmental funds do not report prepaid expenses; in the statement of activities prepayments are expensed when incurred.

(9,080)

Certain revenues may not be collected for several months after year end; they are not considered "available" and are deferred in the governmental funds:

Receivables:		
Property taxes	192,789	
Court fines	1,232,874	
Road assessments	<u>(10,712)</u>	1,414,951

The issuance of long-term debt (notes, bonds, capital leases) provides current financial resources to governmental funds; the repayment of long-term debt consumes current financial resources in the governmental funds.

Current period long-term debt transactions were:

Deposits (mortgage reserves)	192,713	
Note principal payments	82,221	
Bond principal payments	<u>3,440,000</u>	3,714,934

Increases in inventory in governmental funds increase expenses

190,804

Note and bond premiums, discounts and issuance costs are reported in governmental funds in the year received or paid, but are capitalized on the statement of net assets and amortized over the life of the notes and bonds:

Bond premium amortization	745	
Bond discount amortization	(11,595)	
Note issuance cost amortization	(1,275)	
Bond issuance cost amortization	<u>(49,149)</u>	(61,274)

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

Decrease in accrued interest	(24,848)	
Decrease in accrued compensated benefits	<u>(38,068)</u>	(62,916)

The net effect of various miscellaneous transactions involving capital assets (sales and dispositions, trade-ins, and donations)

(271,008)

Change in net assets - governmental activities \$ 17,062,728

The accompanying notes are an integral part of the financial statements.

Lane County, Oregon  
**Statement of Fund Net Assets**  
 Proprietary Funds  
 June 30, 2008

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Fair Board	Solid Waste Disposal	Housing and Community Services	Other Enterprise Funds	Total Enterprise Funds	
<b>Assets</b>						
<u>Current assets</u>						
Cash and cash equivalents	\$ 869,519	\$ 22,110,920	\$ 2,386,232	\$ 3,953,542	\$ 29,320,213	\$ 38,974,930
Investments	-	-	3,742,035	-	3,742,035	-
Receivables (net of uncollectibles):						
Interest	-	161,821	-	26,579	188,400	303,869
Accounts	44,871	1,207,832	22,816	313,446	1,588,965	77,961
Intergovernmental	-	180	478,975	15,260	494,415	3,236
Other	-	-	2,224,507	-	2,224,507	-
Due from other funds	-	-	-	-	-	1,915,600
Inventories	12,590	-	42,796	5,454	60,840	873,532
Prepays	25,654	-	66,279	-	91,933	-
<b>Total current assets</b>	<b>952,634</b>	<b>23,480,753</b>	<b>8,963,640</b>	<b>4,314,281</b>	<b>37,711,308</b>	<b>42,149,128</b>
<u>Noncurrent assets</u>						
Advances to other funds	-	-	-	-	-	1,000,000
Restricted assets:						
Cash	-	-	376,313	-	376,313	-
Investments	-	-	2,177,844	-	2,177,844	1,261,000
Investments in limited partnerships	-	-	2,028,463	-	2,028,463	-
Deferred charges	-	-	-	-	-	638,218
Deposits	-	-	1,142	-	1,142	50,000
Loans receivable	-	-	4,217,408	-	4,217,408	-
Net pension asset	-	-	-	-	-	64,563,118
Capital assets:						
Land	1,165,165	1,805,607	8,082,679	-	11,053,451	-
Buildings and land improvements	24,213,328	9,719,220	42,634,399	-	76,566,947	235,597
Equipment and furniture	2,768,278	1,323,152	2,173,159	5,211,691	11,476,280	29,923,604
Construction in progress	70,854	12,092,581	1,097,153	4,446,894	17,707,482	-
Accumulated depreciation	(14,644,870)	(6,019,715)	(21,471,271)	(3,279,756)	(45,415,612)	(17,597,432)
<b>Total noncurrent assets</b>	<b>13,572,755</b>	<b>18,920,845</b>	<b>41,317,289</b>	<b>6,378,829</b>	<b>80,189,718</b>	<b>80,074,105</b>
<b>Total assets</b>	<b>14,525,389</b>	<b>42,401,598</b>	<b>50,280,929</b>	<b>10,693,110</b>	<b>117,901,026</b>	<b>122,223,233</b>
<u>Liabilities</u>						
<u>Current liabilities</u>						
Accounts payable	156,279	350,820	676,425	361,089	1,544,613	6,083,714
Wages and benefits payable	44,481	152,692	74,306	197,415	468,894	179,118
Compensated absences payable	26,631	267,281	460,093	324,355	1,078,360	362,592
Claims payable	-	-	-	-	-	2,880,000
Due to other funds	20,479	94,351	-	108,398	223,228	100,724
Interest payable	638	-	21,948	-	22,586	285,405
Unearned revenue	284,717	-	692,267	-	976,984	-
Customer deposits	-	-	560,434	88,849	649,283	-
Notes payable	71,849	-	293,425	-	365,274	-
Bonds payable	-	-	45,000	-	45,000	1,215,000
<b>Total current liabilities</b>	<b>605,074</b>	<b>865,144</b>	<b>2,823,898</b>	<b>1,080,106</b>	<b>5,374,222</b>	<b>11,106,553</b>
<u>Noncurrent liabilities</u>						
Net OPEB obligation	-	-	-	-	-	1,249,760
Notes payable	133,043	-	5,636,037	-	5,769,080	-
Bonds payable (net of unamortized discounts)	-	-	842,170	-	842,170	67,836,155
Landfill closure and postclosure care liability	-	3,333,099	-	-	3,333,099	-
<b>Total noncurrent liabilities</b>	<b>133,043</b>	<b>3,333,099</b>	<b>6,478,207</b>	<b>-</b>	<b>9,944,349</b>	<b>69,085,915</b>
<b>Total liabilities</b>	<b>738,117</b>	<b>4,198,243</b>	<b>9,302,105</b>	<b>1,080,106</b>	<b>15,318,571</b>	<b>80,192,468</b>
<u>Net assets</u>						
Invested in capital assets, net of related debt	13,367,863	18,920,845	25,699,487	6,378,829	64,367,024	12,561,769
Restricted for:						
Housing and community services	-	-	2,177,847	-	2,177,847	-
Self insurance	-	-	-	-	-	1,261,000
Unrestricted	419,409	19,282,510	13,101,490	3,234,175	36,037,584	28,207,996
<b>Total net assets</b>	<b>\$ 13,787,272</b>	<b>\$ 38,203,355</b>	<b>\$ 40,978,824</b>	<b>\$ 9,613,004</b>	<b>102,582,455</b>	<b>\$ 42,030,765</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					3,509,367	
Net assets of business-type activities					<u>\$ 106,091,822</u>	

The accompanying notes are an integral part of the financial statements.

**Statement of Revenues, Expenses, and Changes in Fund Net Assets**

Proprietary Funds

For the Fiscal Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Fair Board	Solid Waste Disposal	Housing and Community Services	Other Enterprise Funds	Total Enterprise Funds	
<b>Operating revenues</b>						
Licenses and permits	\$ -	\$ -	\$ -	\$ 1,867,237	\$ 1,867,237	\$ -
Intergovernmental	-	-	20,204,819	-	20,204,819	-
Charges for services	2,934,195	15,922,079	3,527,447	10,635,929	33,019,650	66,740,129
Rents pledged as security for revenue bonds	-	-	392,327	-	392,327	-
Fines, forfeitures and penalties	-	100	-	46,579	46,679	785
Administrative and facility charges	-	-	-	206,841	206,841	815,306
Sale and rental of property	1,283,338	791,676	-	972	2,075,986	39,929
<b>Total operating revenues</b>	<b>4,217,533</b>	<b>16,713,855</b>	<b>24,124,593</b>	<b>12,757,558</b>	<b>57,813,539</b>	<b>67,596,149</b>
<b>Operating expenses</b>						
Personnel services	1,585,707	5,892,522	5,469,969	6,837,126	19,785,324	6,750,047
Materials and services	3,002,614	6,051,319	17,399,335	4,120,248	30,573,516	51,801,148
Landfill closure and postclosure care costs	-	269,150	-	-	269,150	-
Depreciation	1,040,136	364,697	1,032,822	675,103	3,112,758	2,586,857
<b>Total operating expenses</b>	<b>5,628,457</b>	<b>12,577,688</b>	<b>23,902,126</b>	<b>11,632,477</b>	<b>53,740,748</b>	<b>61,138,052</b>
Operating income (loss)	(1,410,924)	4,136,167	222,467	1,125,081	4,072,791	6,458,097
<b>Nonoperating revenues (expenses)</b>						
Intergovernmental	49,405	12,115	-	282,074	343,594	148,137
Contributions to other governments	-	-	-	-	-	(45,838)
Investment earnings	34,917	1,000,031	368,881	174,948	1,578,777	2,193,510
Interest expense	(17,160)	-	(308,110)	-	(325,270)	(4,975,523)
Amortization of net pension asset	-	-	-	-	-	(1,181,334)
Amortization of bond issuance costs	-	-	-	-	-	(43,586)
Gain (loss) on fixed asset disposal	-	9,003	-	-	9,003	94,868
<b>Total nonoperating revenues (expenses)</b>	<b>67,162</b>	<b>1,021,149</b>	<b>60,771</b>	<b>457,022</b>	<b>1,606,104</b>	<b>(3,809,766)</b>
Income (loss) before contributions and transfers	(1,343,762)	5,157,316	283,238	1,582,103	5,678,895	2,648,331
Capital grants	-	-	2,104,203	-	2,104,203	-
Capital contributions	-	3,740	-	38,510	42,250	54,071
Transfers in	859,032	-	-	1,292,063	2,151,095	7,519,163
Transfers out	-	(51,685)	-	(57,180)	(108,865)	(7,010,768)
Change in net assets	(484,730)	5,109,371	2,387,441	2,855,496	9,867,578	3,210,797
Total net assets, June 30, 2007	14,272,002	33,093,984	38,591,383	6,757,508		38,819,968
<b>Total net assets, June 30, 2008</b>	<b>\$ 13,787,272</b>	<b>\$ 38,203,355</b>	<b>\$ 40,978,824</b>	<b>\$ 9,613,004</b>		<b>\$ 42,030,765</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					837,942	
Change in net assets of business-type activities					<u>\$ 10,705,520</u>	

The accompanying notes are an integral part of the financial statements.

Lane County, Oregon  
**Statement of Cash Flows**  
 Proprietary Funds  
 For the Fiscal Year Ended June 30, 2008

	Fair Board	Solid Waste Disposal	Housing and Community Services	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
<b>Cash flows from operating activities</b>						
Receipts from customers and users	\$ 2,919,537	\$ 15,663,437	\$ 23,738,364	\$ 12,826,102	\$ 55,147,440	\$ 990,976
Receipts from facilities rent	1,283,338	791,676	-	972	2,075,986	39,929
Receipts from interfund services	-	-	-	-	-	66,554,010
Payments to employees	(1,631,812)	(3,469,025)	(5,431,979)	(4,066,881)	(14,599,697)	(4,170,450)
Payments to suppliers	(3,015,324)	(3,490,762)	(17,228,300)	(3,582,516)	(27,316,902)	(48,306,488)
Payments for interfund services	-	(5,603,128)	-	(3,092,424)	(8,695,552)	(2,914,159)
<b>Net cash provided (used) by operating activities</b>	<b>(444,261)</b>	<b>3,892,198</b>	<b>1,078,085</b>	<b>2,085,253</b>	<b>6,611,275</b>	<b>12,193,818</b>
<b>Cash flows from noncapital financing activities</b>						
Intergovernmental subsidies	49,405	12,835	-	266,814	329,054	144,901
Principal paid on pension bonds	-	-	-	-	-	(7,490,000)
Interest paid on pension bonds	-	-	-	-	-	(3,659,614)
Interfund loans granted	-	-	-	-	-	(1,000,000)
Interfund loan repayment received	-	-	-	-	-	8,750
Transfers in	859,032	-	-	1,292,063	2,151,095	7,519,163
Transfers out	-	(51,685)	-	(57,180)	(108,865)	(7,010,768)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>908,437</b>	<b>(38,850)</b>	<b>-</b>	<b>1,501,697</b>	<b>2,371,284</b>	<b>(11,487,568)</b>
<b>Cash flows from capital and related financing activities</b>						
Capital grants	-	-	2,104,203	-	2,104,203	-
Principal paid on long-term debt	(66,928)	-	(319,873)	-	(386,801)	-
Interest paid on long-term debt	(17,265)	-	(287,740)	-	(305,005)	-
Proceeds from sale of property	-	9,003	-	-	9,003	190,535
Purchases of capital assets	(110,954)	(7,187,316)	(1,015,460)	(3,189,837)	(11,503,567)	(2,835,816)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(195,147)</b>	<b>(7,178,313)</b>	<b>481,130</b>	<b>(3,189,837)</b>	<b>(10,082,167)</b>	<b>(2,645,281)</b>
<b>Cash flows from investing activities</b>						
Purchase of investments	-	-	(371,587)	-	(371,587)	(510,000)
Change in loans receivable	-	-	(1,271,265)	-	(1,271,265)	-
Investment earnings	34,917	1,072,351	368,881	183,541	1,659,690	2,262,688
<b>Net cash provided (used) by investing activities</b>	<b>34,917</b>	<b>1,072,351</b>	<b>(1,273,971)</b>	<b>183,541</b>	<b>16,838</b>	<b>1,752,688</b>
Net increase (decrease) in cash and cash equivalents	303,946	(2,252,614)	285,244	580,654	(1,082,770)	(186,343)
Cash and cash equivalents, June 30, 2007	565,573	24,363,534	2,477,301	3,372,888	30,779,296	39,161,273
<b>Cash and cash equivalents, June 30, 2008</b>	<b>\$ 869,519</b>	<b>\$ 22,110,920</b>	<b>\$ 2,762,545</b>	<b>\$ 3,953,542</b>	<b>\$ 29,696,526</b>	<b>\$ 38,974,930</b>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (1,410,924)	\$ 4,136,167	\$ 222,467	\$ 1,125,081	\$ 4,072,791	\$ 6,458,097
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities</b>						
Landfill closure and postclosure care costs	-	269,150	-	-	269,150	-
Depreciation	1,040,136	364,697	1,032,822	675,103	3,112,758	2,586,857
(Increase) decrease in receivables	44,457	(258,742)	(1,328,982)	(5,703)	(1,548,970)	(10,963)
(Increase) decrease in due from other funds	-	-	-	-	-	(169,777)
(Increase) decrease in inventories	578	-	12,841	3,180	16,599	(180,920)
(Increase) decrease in prepaids	(10,352)	-	(9,702)	-	(20,054)	159,762
(Increase) decrease in deferred charges	-	-	822,217	-	822,217	-
Increase (decrease) in accounts payable	32,526	(662,414)	167,896	(89,204)	(551,196)	2,032,948
Increase (decrease) in wages and benefits payable	(22,424)	15,288	13,534	111,708	118,106	21,354
Increase (decrease) in compensated absences payable	(23,681)	17,847	24,456	123,138	141,760	32,675
Increase (decrease) in due to other funds	(35,462)	10,205	-	66,731	41,474	14,025
Increase (decrease) in unearned revenue	(59,115)	-	(46,665)	(13,630)	(119,410)	-
Increase (decrease) in customer deposits	-	-	167,201	88,849	256,050	-
Increase (decrease) in net OPEB obligation	-	-	-	-	-	1,249,760
<b>Net cash provided (used) by operating activities</b>	<b>\$ (444,261)</b>	<b>\$ 3,892,198</b>	<b>\$ 1,078,085</b>	<b>\$ 2,085,253</b>	<b>\$ 6,611,275</b>	<b>\$ 12,193,818</b>
<b>Reconciliation to Statement of Fund Net Assets</b>						
Cash and cash equivalents	\$ 869,519	\$ 22,110,920	\$ 2,386,232	\$ 3,953,542	\$ 29,320,213	\$ 38,974,930
Restricted assets: Cash	-	-	376,313	-	376,313	-
<b>Cash and cash equivalents, June 30, 2008</b>	<b>\$ 869,519</b>	<b>\$ 22,110,920</b>	<b>\$ 2,762,545</b>	<b>\$ 3,953,542</b>	<b>\$ 29,696,526</b>	<b>\$ 38,974,930</b>
<b>Noncash investing, capital, and financing activities:</b>						
Contributions of capital assets from governmental funds	\$ -	\$ 3,740	\$ -	\$ 38,510	\$ 42,250	\$ 54,071
Contributions of capital assets to governmental funds	-	-	-	-	-	45,838
(Increase) decrease in fair value of investments	-	(44,006)	-	(8,969)	(52,975)	(59,868)

The accompanying notes are an integral part of the financial statements.

Lane County, Oregon

**Statement of Fiduciary Net Assets**

Property Tax Agency

June 30, 2008

	<u>Property Tax Agency</u>
<b><u>Assets</u></b>	
<u>Current assets</u>	
Cash and cash equivalents	\$ 3,101,306
Receivables (net of uncollectibles):	
Interest	1,875
Property taxes	17,749,962
Accounts	28,337
<u>Total current assets</u>	<u>20,881,480</u>
<b><u>Total assets</u></b>	<b><u>\$ 20,881,480</u></b>
<b><u>Liabilities</u></b>	
<u>Current liabilities</u>	
Accounts payable	\$ 178,380
Due to other governments	20,703,100
<u>Total current liabilities</u>	<u>20,881,480</u>
<b><u>Total liabilities</u></b>	<b><u>\$ 20,881,480</u></b>

The accompanying notes are an integral part of the financial statements.