

Trust and Agency Funds

Trust and Agency Funds account for transactions related to assets held in trust or held in an agency capacity by the State. They are accounted for in fiduciary fund types.

Pension Trust Fund

The Pension Trust Fund accounts for the transactions, assets, liabilities, and net assets held in trust for public employees by the Public Employees Retirement System for the payment of retirement, disability, and death benefits to members of the retirement system.

Nonexpendable Trust Funds

Nonexpendable Trust Funds account for the transactions, assets, liabilities, and fund equity of a trust where the principal must be preserved intact, but the income earned on the principal is available for expenditure for designated purposes.

Common School Fund

This fund accounts for the principal and interest derived from the sale of specific timber, land, and property escheated to the State. The earnings must be used for educational purposes.

Education Endowment Fund

This fund receives lottery or other funds, the earnings of which are used to finance public education.

Other Nonexpendable Trust Funds

This fund accounts for all other nonexpendable trust funds, the earnings of which are dedicated to the support of specific activities or functions.

Expendable Trust Funds

Expendable Trust Funds account for the transactions, assets, liabilities, and fund balance of a trust, where the principal and income may be expended in the course of the fund's designated operations.

Unemployment Insurance Fund

This fund accounts for federal monies and unemployment taxes collected from employers to provide payment of benefits to the unemployed.

Human Services Administrative Trust Fund

This fund accounts for all expendable trust fund activity related to the administration of human services programs throughout the State.

Conservatorship Trust Fund

This fund accounts for funds managed by the State in a fiduciary capacity for various citizens who are not residents of State institutions.

Deferred Compensation Fund

This fund accounts for the activities of the Deferred Compensation Program, an Internal Revenue Code Section 457 compensation plan, offered to employees of the State and administered by the Oregon Public Employees Retirement System.

Other Expendable Trust Funds

This fund is used to account for expendable trust fund activity not specifically accounted for in another expendable trust fund.

Investment Trust Fund

The Investment Trust Fund is used to account for funds deposited by local governments in the State Treasurer's cash and investment pool, the Oregon Short-Term Fund. Local governments use the cash and investment pool as a demand deposit account.

Agency Funds

Agency Funds account for assets held by the State as an agent for other funds, governmental units, organizations, or individuals.

State of Oregon

**COMBINING BALANCE SHEET
TRUST AND AGENCY FUNDS
JUNE 30, 1999
(In Thousands)**

	<u>Pension Trust</u>		<u>Nonexpendable Trust</u>		
	<u>Public</u>				
	<u>Employees</u>				
	<u>Retirement</u>	<u>Common</u>	<u>Education</u>		
	<u>System</u>	<u>School</u>	<u>Endowment</u>	<u>Other</u>	
ASSETS					
Cash and Cash Equivalents	\$ 947,023	\$ 36,978	\$ 91,446	\$ 7,395	
Investments	33,982,595	730,247	-	13,550	
Cash and Securities Held in Trust	-	986	-	4	
Securities Lending Cash Collateral	2,702,989	-	-	-	
Accounts and Interest Receivable	437,113	4,171	-	611	
Taxes Receivable	-	-	-	-	
Due from Other Funds	4,609	1,444	10,962	35	
Due from Other Governments	-	-	-	-	
Inventories	5	20	-	-	
Prepaid Items	42	-	-	-	
Net Contracts, Mortgages and Notes Receivable	-	2,954	-	-	
Advances to Other Funds	-	-	-	2,751	
Receivership Assets	-	-	-	-	
Net Fixed Assets	8,196	1,237	-	-	
Total Assets	\$ 38,082,572	\$ 778,037	\$ 102,408	\$ 24,346	
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and Interest Payable	\$ 236,429	\$ 354	\$ -	\$ 13	
Obligations Under Securities Lending	2,702,989	-	-	-	
Due to Other Funds	4,520	1,505	333	182	
Due to Other Governments	-	-	-	-	
Trust Funds Payable	88,211	89,097	-	4	
Contracts, Mortgages and Notes Payable	-	-	-	-	
Arbitrage Rebate Payable	24	-	-	-	
Bonds/COPs Payable	56,325	-	-	-	
Deferred Revenue	-	131	-	-	
Compensated Absences Payable	-	248	-	1	
Total Liabilities	3,088,498	91,335	333	200	
Fund Balances:					
Reserved for Trust Fund Principal	-	686,702	102,075	24,146	
Reserved for Encumbrances	-	-	-	-	
Reserved for Revolving Accounts	-	-	-	-	
Reserved for Advances to Other Funds	-	-	-	-	
Reserved for External Investment Pool Participants	-	-	-	-	
Reserved for Employee Pension and Postemployment Healthcare Benefits	34,994,074	-	-	-	
Unreserved, Undesignated	-	-	-	-	
Total Fund Balances	34,994,074	686,702	102,075	24,146	
Total Liabilities and Fund Balances	\$ 38,082,572	\$ 778,037	\$ 102,408	\$ 24,346	

State of Oregon

Expendable Trust

Human Services				
Unemployment <u>Insurance</u>	Administrative <u>Trust</u>	Conservatorship <u>Trust</u>	Deferred <u>Compensation</u>	<u>Other</u>
\$ 1,231,549	\$ 155	\$ 20,092	\$ 2,222	\$ 57,758
-	-	-	544,668	230,445
4	-	1,878	-	5
-	-	1,766	-	25,038
24,672	-	265	-	2,327
143,187	-	-	-	-
657	-	-	-	547
5,710	-	-	-	-
-	-	-	-	-
-	-	-	-	-
31,837	-	-	-	3,061
150	-	-	-	-
-	-	-	-	-
-	-	3,038	-	-
<u>\$ 1,437,766</u>	<u>\$ 155</u>	<u>\$ 27,039</u>	<u>\$ 546,890</u>	<u>\$ 319,181</u>
\$ 8,134	\$ -	\$ -	\$ -	\$ 2,230
-	-	1,766	-	25,038
1,082	-	28	89	3,157
4,475	-	-	-	-
743	-	151	-	194
-	-	639	-	-
-	-	-	-	-
-	-	-	-	-
41,976	-	-	1,438	8,346
-	-	-	-	-
<u>56,410</u>	<u>-</u>	<u>2,584</u>	<u>1,527</u>	<u>38,965</u>
-	-	-	-	-
-	-	-	8	192
-	20	-	-	-
150	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,381,206</u>	<u>135</u>	<u>24,455</u>	<u>545,355</u>	<u>280,024</u>
<u>1,381,356</u>	<u>155</u>	<u>24,455</u>	<u>545,363</u>	<u>280,216</u>
<u>\$ 1,437,766</u>	<u>\$ 155</u>	<u>\$ 27,039</u>	<u>\$ 546,890</u>	<u>\$ 319,181</u>

State of Oregon

**COMBINING BALANCE SHEET
TRUST AND AGENCY FUNDS
JUNE 30, 1999
(In Thousands)
(continued)**

	Investment Trust Fund	Agency Funds	Total
ASSETS			
Cash and Cash Equivalents	\$ 2,735,068	\$ 74,762	\$ 5,204,448
Investments	-	-	35,501,505
Cash and Securities Held in Trust	-	1,407,358	1,410,235
Securities Lending Cash Collateral	239,205	-	2,968,998
Accounts and Interest Receivable	30,815	8,028	508,002
Taxes Receivable	-	796	143,983
Due from Other Funds	-	-	18,254
Due from Other Governments	-	-	5,710
Inventories	-	23	48
Prepaid Items	-	-	42
Net Contracts, Mortgages and Notes Receivable	-	155,102	192,954
Advances to Other Funds	-	-	2,901
Receivership Assets	-	49,312	49,312
Net Fixed Assets	-	-	12,471
Total Assets	\$ 3,005,088	\$ 1,695,381	\$ 46,018,863
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts and Interest Payable	\$ 15,356	\$ 2,065	\$ 264,581
Obligations Under Securities Lending	239,205	-	2,968,998
Due to Other Funds	-	79	10,975
Due to Other Governments	-	7,445	11,920
Trust Funds Payable	-	1,685,792	1,864,192
Contracts, Mortgages and Notes Payable	-	-	639
Arbitrage Rebate Payable	-	-	24
Bonds/COPs Payable	-	-	56,325
Deferred Revenue	-	-	51,891
Compensated Absences Payable	-	-	249
Total Liabilities	254,561	1,695,381	5,229,794
Fund Balances:			
Reserved for Trust fund Principal	-	-	812,923
Reserved for Encumbrances	-	-	200
Reserved for Revolving Accounts	-	-	20
Reserved for Advances to Other Funds	-	-	150
Reserved for External Investment Pool Participants	2,750,527	-	2,750,527
Reserved for Employee Pension and Postemployment Healthcare Benefits	-	-	34,994,074
Unreserved, Undesignated	-	-	2,231,175
Total Fund Balances	2,750,527	-	40,789,069
Total Liabilities and Fund Balances	\$ 3,005,088	\$ 1,695,381	\$ 46,018,863

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**STATEMENT OF PLAN NET ASSETS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
PENSION TRUST FUND
JUNE 30, 1999
(In Thousands)**

	<u>Defined Benefit Pension Plan</u>	<u>Postemployment Healthcare Plan</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 921,002	\$ 26,021	\$ 947,023
Receivables:			
Employer Contributions	35,487	2,593	38,080
Employee Contributions	22,560	-	22,560
Interest and Dividends	141,315	-	141,315
Other	235,158	-	235,158
Total Receivables	434,520	2,593	437,113
Due from Other Funds	892	3,717	4,609
Investments:			
U.S. Government Obligations	2,468,616	-	2,468,616
Domestic Corporate Obligations	2,171,723	-	2,171,723
Domestic Stocks and Mutual Funds	15,687,249	-	15,687,249
International Government and Corporate Obligations	1,440,179	-	1,440,179
International Stocks and Mutual Funds	6,531,953	-	6,531,953
Asset Backed Securities	236,081	-	236,081
Mortgages	10,964	-	10,964
Real Estate	1,790,713	-	1,790,713
Limited Partnerships	1,788,136	-	1,788,136
Venture Capital	10,771	-	10,771
Leveraged Buy-Outs	1,846,210	-	1,846,210
Total Investments	33,982,595	-	33,982,595
Securities Lending Cash Collateral	2,702,989	-	2,702,989
Prepaid Expenses	42	-	42
Fixed Assets (net of accumulated depreciation)	8,196	-	8,196
Office Supplies Inventory	5	-	5
Total Assets	38,050,241	32,331	38,082,572
LIABILITIES			
Investment Purchases and Accrued Expenses	236,303	126	236,429
Deposits and Other Liabilities	88,211	-	88,211
Due To Other Funds	3,805	715	4,520
Arbitrage Rebate Payable	24	-	24
Bonds/COPs Payable	56,325	-	56,325
Obligations Under Securities Lending	2,702,989	-	2,702,989
Total Liabilities	3,087,657	841	3,088,498
Fund Balance Reserved for Employee Pension and Postemployment Healthcare Benefits	\$ 34,962,584	\$ 31,490	\$34,994,074

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**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY -
NONEXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1999
(In Thousands)**

	<u>Common School</u>	<u>Education Endowment</u>	<u>Other</u>	<u>Total</u>
Operating Revenues:				
Licenses and Fees	\$ 276	\$ -	\$ -	\$ 276
Charges for Services	43	-	-	43
Fines and Forfeitures	85	-	12	97
Rents and Royalties	6,206	-	-	6,206
Investment Income	102,774	-	1,199	103,973
Sales	17,605	-	-	17,605
Other	256	-	254	510
Total Operating Revenues	127,245	-	1,465	128,710
Operating Expenses:				
Salaries and Wages	4,841	-	92	4,933
Services and Supplies	3,709	1,131	154	4,994
Other Distributions	-	-	29	29
Distributions to Other Governments	11,008	-	-	11,008
Depreciation and Amortization	13	-	-	13
Total Operating Expenses	19,571	1,131	275	20,977
Operating Income (Loss)	107,674	(1,131)	1,190	107,733
Nonoperating Revenues (Expenses):				
Gain (Loss) on Disposition of Equipment	(4)	-	-	(4)
Income (Loss) Before Operating Transfers	107,670	(1,131)	1,190	107,729
Operating Transfers In	21,803	57,573	822	80,198
Operating Transfers Out	(22,822)	(333)	(777)	(23,932)
Net Income (Loss)	106,651	56,109	1,235	163,995
Fund Equity:				
Fund Equity - Beginning	580,076	45,966	23,275	649,317
Prior Period Adjustment	-	-	(21)	(21)
Fund Equity - Beginning - As Restated	580,076	45,966	23,254	649,296
Residual Equity Transfers Out	(25)	-	(343)	(368)
Fund Equity - Ending	\$ 686,702	\$ 102,075	\$ 24,146	\$ 812,923

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COMBINING STATEMENT OF CASH FLOWS NONEXPENDABLE TRUST FUNDS FOR THE YEAR ENDED JUNE 30, 1999 (In Thousands)

	Common School	Education Endowment	Other	Total
Operating Income (Loss)	\$ 107,674	\$ (1,131)	\$ 1,190	\$ 107,733
Adjustments to Reconcile Operating Income to Net Cash and Cash Equivalents Provided by Operating Activities:				
Depreciation and Amortization	13	-	-	13
Net Change in Fair Value of Investments	(58,807)	-	156	(58,651)
Interest Received on Investments Included as Operating Income (Loss)	(102,774)	-	(1,199)	(103,973)
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts and Interest Receivable	(307)	212	(126)	(221)
(Increase) Decrease in Due from Other Funds	(652)	(10,962)	324	(11,290)
(Increase) Decrease in Inventories	(10)	-	-	(10)
(Increase) Decrease in Securities Held in Trust	680	-	(4)	676
Increase (Decrease) in Accounts and Interest Payable	(5,115)	-	11	(5,104)
Increase (Decrease) in Due to Other Funds	676	333	(186)	823
Increase (Decrease) in Trust Funds Payable	9,129	-	2	9,131
Increase (Decrease) in Compensated Absences Payable	16	-	-	16
Increase (Decrease) in Deferred Revenue	128	-	-	128
Total Adjustments	(157,023)	(10,417)	(1,022)	(168,462)
Net Cash and Cash Equivalents Provided (Used) in Operating Activities	(49,349)	(11,548)	168	(60,729)
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In	21,803	57,573	822	80,198
Operating Transfers Out	(22,822)	(333)	(777)	(23,932)
Residual Equity Transfers Out	(25)	-	(343)	(368)
Repayment of Contracts, Mortgages and Notes	545	-	-	545
Net Cash and Cash Equivalents Provided (Used) in Noncapital Financing Activities	(499)	57,240	(298)	56,443
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(237)	-	-	(237)
Net Cash and Cash Equivalents Provided (Used) in Capital and Related Financing Activities	(237)	-	-	(237)
Cash Flows from Investing Activities:				
Purchases of Investments	(90,659)	-	-	(90,659)
Proceeds from Sales and Maturities of Investments	48,171	-	1	48,172
Interest on Investments and Cash Balances	102,774	-	1,199	103,973
Net Cash and Cash Equivalents Provided (Used) in Investing Activities	60,286	-	1,200	61,486
Net Increase (Decrease) in Cash	10,201	45,692	1,070	56,963
Cash and Cash Equivalents Balance - Beginning	26,777	45,754	6,346	78,877
Prior Period Adjustment Affecting Cash	-	-	(21)	(21)
Cash and Cash Equivalents Balance - Ending	\$ 36,978	\$ 91,446	\$ 7,395	\$ 135,819

State of Oregon

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1999
(In Thousands)**

	Unemployment <u>Insurance</u>	Human Services Administrative <u>Trust</u>
Revenues:		
Taxes	\$ 517,832	\$ -
Licenses and Fees	-	-
Employee Contributions	-	-
Federal	16,240	-
Charges for Services	-	-
Fines and Forfeitures	3,236	-
Rents and Royalties	-	-
Investment Income	64,665	6
Sales	-	-
Other	-	243
Total Revenues	601,973	249
Expenditures:		
Education	-	-
Human Resources	-	22
Public Safety	-	203
Economic and Community Development	448,814	-
Natural Resources	-	-
Administration	-	-
Legislative	-	-
Total Expenditures	448,814	225
Excess (Deficiency) of Revenues Over (Under) Expenditures	153,159	24
Other Financing Sources (Uses):		
Operating Transfers In	918,477	1
Operating Transfers Out	(924,561)	-
Total Other Financing Sources (Uses)	(6,084)	1
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	147,075	25
Fund Balances:		
Fund Balances - Beginning	1,234,281	145
Residual Equity Transfers In	-	-
Residual Equity Transfers Out	-	(15)
Fund Balances - Ending	\$ 1,381,356	\$ 155

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Conservatorship Trust	Deferred Compensation	Other	Total
\$ -	\$ -	\$ 455	\$ 518,287
-	-	1,174	1,174
-	32,520	-	32,520
-	-	11	16,251
-	-	344	344
-	-	-	3,236
-	-	91	91
1,086	60,458	3,774	129,989
-	-	166	166
6,670	730	3,054	10,697
7,756	93,708	9,069	712,755
-	-	983	983
-	-	395	417
-	-	2,703	2,906
6,099	-	283	455,196
-	-	3,774	3,774
-	14,522	312	14,834
-	-	1	1
6,099	14,522	8,451	478,111
1,657	79,186	618	234,644
-	-	3,842	922,320
(59)	-	(20,631)	(945,251)
(59)	-	(16,789)	(22,931)
1,598	79,186	(16,171)	211,713
22,857	466,177	296,044	2,019,504
-	-	343	343
-	-	-	(15)
\$ 24,455	\$ 545,363	\$ 280,216	\$ 2,231,545

State of Oregon

**COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 1999
(In Thousands)**

	<u>Balance</u> <u>July 1, 1998</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 1999</u>
ASSETS				
Cash and Cash Equivalents	\$ 65,240	\$ 554,363	\$ 544,841	\$ 74,762
Investments	-	422	422	-
Cash and Securities Held in Trust	1,434,145	2,809	29,596	1,407,358
Accounts and Interest Receivable	12,901	3,240	8,113	8,028
Taxes Receivable	796	-	-	796
Due from Other Funds	1,938	740	2,678	-
Inventories	22	1	-	23
Net Contracts, Mortgages, and Notes Receivable	112,993	42,126	17	155,102
Receivership Assets	50,616	31,518	32,822	49,312
Total Assets	<u>\$ 1,678,651</u>	<u>\$ 635,219</u>	<u>\$ 618,489</u>	<u>\$ 1,695,381</u>
LIABILITIES				
Accounts and Interest Payable	\$ 1,257	\$ 1,864	\$ 1,056	\$ 2,065
Due to Other Funds	669	42	632	79
Due to Other Governments	8,048	137	740	7,445
Trust Funds Payable	1,668,677	366,050	348,935	1,685,792
Total Liabilities	<u>\$ 1,678,651</u>	<u>\$ 368,093</u>	<u>\$ 351,363</u>	<u>\$ 1,695,381</u>