

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2013**



12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**FINANCIAL REPORT**

**2012-2013**

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**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

MAYOR AND CITY COUNCIL MEMBERS AS OF JUNE 30, 2013

| <u>NAME</u>            | <u>TERM EXPIRES</u> |
|------------------------|---------------------|
| Randy Peterson – Mayor | December 31, 2014   |
| Douglas Morten         | December 31, 2014   |
| Keith Locke            | December 31, 2016   |
| Susan Conn             | December 31, 2014   |
| Ginny Carlson          | December 31, 2016   |

CITY STAFF

John Walsh, Administrator  
Terry Moss, Police Chief  
Sue Nelson and Neal Sheppard, Co-Interim Public Works Director  
Margaret Jeffries, Library Director  
Jon Ellis, Finance Director

MAILING ADDRESS

City of St. Helens  
P.O. Box 278  
St. Helens, OR 97051

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**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

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**PAULY, ROGERS, AND CO., P.C.**  
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(503) 620-2632 ♦ (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

December 12, 2013

To the Honorable Mayor and Members of the City Council  
City of St. Helens, Oregon

### INDEPENDENT AUDITORS' REPORT

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Helens as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. The financial statements of the City of St. Helens as of June 30, 2012 were audited by other auditors whose report dated December 28, 2012 expressed an unqualified opinion on those statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Helens, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

The City adopted the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2013. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. Helens' basic financial statements. The supplementary information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated in all material respects in relation to the financial statements as a whole.

*Other Information*

The listing of council members containing their term expiration dates, located before the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Report on Other Legal and Regulatory Requirements**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 12, 2013, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Kenneth Allen, CPA  
Municipal Auditor  
**PAULY, ROGERS AND CO., P.C.**

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# CITY OF ST. HELENS

## MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2013

### Introduction

City of St. Helens' discussion and analysis offers readers of the City's financial statements an overview and analysis of the City's financial activities for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the basic financial statements (which immediately follow this discussion).

### Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$49.65 million. Of this amount, \$6.86 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- On a government-wide basis, the City's total net position increased \$1.24 million. Net position associated with governmental activities increased \$1.21 million primarily reflecting transfers from Enterprise Funds for funding of capital projects combined with collections of System Development Charges. Net position associated from business-type activities increased \$.03 million primarily reflecting overall cost reductions.
- On a fund basis, the City's governmental funds reported a combined ending fund balance of \$8.6 million. A \$1.09 million increase from the prior year is primarily a reflection of transfers in from enterprise funds to fund pending capital improvement projects.
- The General Fund's financial position declined over last fiscal year. On June 30, 2013, the ending fund balance is \$1.25 million, a decrease of \$.01 million (0.08%) from the previous year. Although revenues increased from the prior year, expenditures still exceeded revenue levels by \$.01 million. The unassigned fund balance is \$1.22 million and represents 32.6% of operating expenditures and can be used to meet the City's ongoing obligations to citizens and creditors. City Council has designated a minimum undesignated fund balance to reflect no less than 20% of operating expenditures.

### Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the City's basic financial statements and other required supplemental information. The City's basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to basic financial statements

## *Government-wide Financial Statements*

The government-wide financial statements reports information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety and justice, land use and planning, street transportation, library and educational services, parks and recreation, tourism activities, and community housing services. The business-type activities include water system operations, sewer system operations, storm drain operations, fleet maintenance, administrative services and public works administrative activities.

## *Fund Financial Statements*

Fund financial statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to demonstrate finance-related legal compliance. All of the funds of the City can be divided into two categories: *governmental* or *proprietary*.

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund's financial statement focuses on the near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements. Because the focus of governmental funds is narrower than that of governmental activities financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's long-term financing decisions. The governmental funds' Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Information is presented separately in the governmental funds' Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for the General and State Tax Street Funds. Other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

*Proprietary funds* are maintained in two ways. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for Water Operation Services, Sewer Operation Services, and Storm Drain Services. Internal Services Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for Fleet Operations, Administrative Services and Public Works Administration. Because these services predominantly benefit business-type rather than governmental activities, they have been included within the business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

### *Notes to Basic Financial Statements*

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are an integral part of the basic financial statements.

### **Government-wide Financial Analysis**

#### *Statement of Net Position (In \$ millions)*

|  | Governmental Activities |          | Business-type Activities |          | Totals   |          |
|--|-------------------------|----------|--------------------------|----------|----------|----------|
|  | 2013                    | 2012     | 2013                     | 2012     | 2013     | 2012     |
| <b>ASSETS</b>                                      |                         |          |                          |          |          |          |
| Current and other assets                           | \$ 9.46                 | \$ 8.29  | \$ 5.40                  | \$ 5.10  | \$ 14.86 | \$ 13.39 |
| Capital assets, net                                | 16.16                   | 16.09    | 32.59                    | 31.63    | 48.76    | 47.72    |
| Total assets                                       | 25.63                   | 24.38    | 37.99                    | 36.73    | 63.62    | 61.11    |
| <b>LIABILITIES</b>                                 |                         |          |                          |          |          |          |
| Current liabilities                                | 0.70                    | 0.45     | 1.10                     | 0.43     | 1.80     | 0.89     |
| Long-term obligations                              | -                       | 0.22     | 12.17                    | 11.61    | 12.17    | 11.82    |
| Total liabilities                                  | 0.70                    | 0.67     | 13.27                    | 12.04    | 13.97    | 12.71    |
| <b>NET POSITION</b>                                |                         |          |                          |          |          |          |
| Invested in capital assets,<br>net of related debt | 16.16                   | 16.06    | 19.75                    | 20.15    | 35.91    | 36.21    |
| Restricted   | 6.54                    | 1.69     | 0.34                     | 0.83     | 6.88     | 2.52     |
| Unrestricted                                       | 2.22                    | 5.96     | 4.64                     | 3.71     | 6.86     | 9.67     |
| <b>TOTAL NET POSITION</b>                          | \$ 24.92                | \$ 23.71 | \$ 24.72                 | \$ 24.69 | \$ 49.65 | \$ 48.41 |

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's net position totaled \$49.65 million at June 30, 2013.

The largest portion of the City's net position represents its investment in capital assets, net of related debt. These assets include current year additions to water, sewer, and storm drain infrastructure which are

partially offset by issuance of debt (DEQ Loan Proceeds). These assets are used to provide services to the citizens of our City.

The restricted net position represents amounts which can be used only for specific purposes as imposed by external authorities or through applicable laws and regulations. The unrestricted net position is available to the City to meet its ongoing obligations to citizens and creditors.

*Changes in Net Position  
(In \$ millions)*

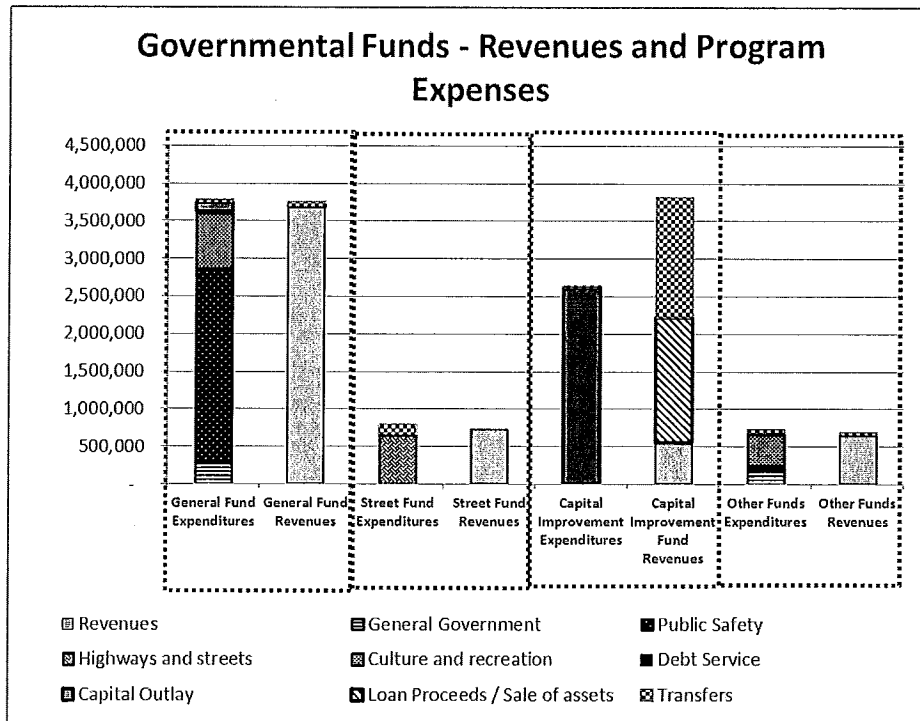
|                                    | Governmental Activities |                 | Business-type Activities |                 | Totals          |                 |
|------------------------------------|-------------------------|-----------------|--------------------------|-----------------|-----------------|-----------------|
|                                    | <u>2013</u>             | <u>2012</u>     | <u>2013</u>              | <u>2012</u>     | <u>2013</u>     | <u>2012</u>     |
| Program revenues                   |                         |                 |                          |                 |                 |                 |
| Charges for services               | \$ 0.49                 | \$ 0.56         | \$ 7.10                  | \$ 8.11         | \$ 7.59         | \$ 8.68         |
| Operating grants and contributions | 0.29                    | 0.76            | -                        | -               | 0.29            | 0.76            |
| Capital grants and contributions   | 0.36                    | 0.52            | -                        | 2.09            | 0.36            | 2.62            |
| General revenues                   |                         |                 |                          |                 |                 |                 |
| Property taxes                     | 1.51                    | 1.50            | -                        | -               | 1.51            | 1.50            |
| Franchise taxes                    | 1.38                    | 0.71            | -                        | -               | 1.38            | 0.71            |
| Transient room taxes               | 0.08                    | 0.07            | -                        | -               | 0.08            | 0.07            |
| Other grants and contributions     | 1.28                    | 0.39            | -                        | -               | 1.28            | 0.39            |
| Investment earnings                | 0.03                    | 0.03            | 0.04                     | 0.03            | 0.07            | 0.06            |
| Miscellaneous                      | 0.16                    | 0.79            | 0.75                     | 0.67            | 0.91            | 1.46            |
| Watershed logging                  | -                       | -               | -                        | -               | -               | -               |
| Transfers                          | 0.90                    | 3.03            | (0.90)                   | (3.03)          | -               | -               |
| <b>Total revenues</b>              | <b>6.46</b>             | <b>8.37</b>     | <b>6.99</b>              | <b>7.87</b>     | <b>13.45</b>    | <b>16.25</b>    |
| Program expenses                   |                         |                 |                          |                 |                 |                 |
| General government                 | 0.45                    | 0.43            | -                        | -               | 0.45            | 0.43            |
| Public safety                      | 2.87                    | 2.95            | -                        | -               | 2.87            | 2.95            |
| Highways and streets               | 0.68                    | 1.21            | -                        | -               | 0.68            | 1.21            |
| Culture and recreation             | 1.25                    | 1.04            | -                        | -               | 1.25            | 1.04            |
| Interest on long-term obligations  | 0.00                    | 0.00            | -                        | -               | 0.00            | 0.00            |
| Water                              | -                       | -               | 3.20                     | 3.71            | 3.20            | 3.71            |
| Sewer                              | -                       | -               | 3.76                     | 4.84            | 3.76            | 4.84            |
| <b>Total program expenses</b>      | <b>5.25</b>             | <b>5.62</b>     | <b>6.96</b>              | <b>8.55</b>     | <b>12.21</b>    | <b>14.17</b>    |
| Change in net position             | 1.21                    | 2.75            | 0.03                     | (0.67)          | 1.24            | 2.08            |
| Net position - beginning of year   | 23.71                   | 20.96           | 24.69                    | 25.36           | 48.41           | 46.33           |
| <b>Net position - end of year</b>  | <b>\$ 24.92</b>         | <b>\$ 23.71</b> | <b>\$ 24.72</b>          | <b>\$ 24.69</b> | <b>\$ 49.65</b> | <b>\$ 48.41</b> |

### Financial Analysis of the Government's Funds

The focus of the City's governmental funds is to provide information on expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$8.6 million. Approximately \$1.22 million or 14% of this amount constitutes unassigned fund balance which is available for spending at the government’s discretion. The remainder of fund balance is assigned, restricted, or unavailable and is not available for new spending because of contractual or regulatory requirements that limit usage.

The increase in reserves from \$7.52 million to \$8.60 million or an increase of \$1.08 million primarily reflects transfers of reserves from enterprise operating funds to fund pending capital improvement projects. The chart below reflects governmental fund’s revenue and program expenditures.



**Financial Analysis of the Proprietary’s Funds**

The City’s proprietary funds provide the same type of information as the business-type activities in the Government-wide financial statements. As of the end of the current fiscal year, the City’s proprietary funds reported a combined unrestricted net position balance of \$4.64 million. The unrestricted net assets increased by \$0.93 million primarily from decrease in debt service reserves associated with refinancing of debt with full faith and credit of the City combined with decrease in operating costs. The identified capital infrastructure replacement and system growth needs has resulted in projected multiyear rate increases.

**General Fund Budgetary Highlights**

City Council and staff continue to work hard to moderate the effects of the 2008-09 recession while maintaining existing service levels. The challenge is balancing the services desired by the public with available revenues. Responding to the declining reserves, operating expenditures were reduced approximately 9% in 2009-10, and 4% in 2010-11. Unfortunately, corresponding reductions in revenues occurred that offset much of the anticipated savings. In 2011-12 revenues increased approximately 5.0%, but were more than outpaced by increases in operating expenditures. In FY 2012-13, staffing levels further declined in the Police Department and Municipal Courts and revenue sharing funds dedicated to support general fund services. The City continues to maintain minimum operating reserves in excess of the 20% of the operating expenditures policy.



## Capital Asset and Debt Administration

**Capital Assets:** Investment in capital assets by the governmental and business-type activities as of June 30, 2013 was \$48.76 million net of accumulated depreciation. The investment in capital assets includes land, buildings, and system improvements, machinery and equipment and roads.

The major capital asset events during the current fiscal year were as follows:

- Governmental activities:
  - Police Vehicles - \$116,800
  - Vagt Building Roof - \$14,900
  - City Hall Awnings - \$4,500
  - Sidewalks and Streets - \$347,500
  
- Business-type activities
  - Water Mains/Meters replacements - \$133,900
  - Water Telemetry System upgrade - \$34,500
  - Rolling Equipment - \$226,500
  - Sanitary Sewer I/I Project - \$1,415,700
  - Sewer Mains and Storm Drains replacements- \$375,400
  - Wastewater Treatment Plant – Headwork upgrade - \$57,000

Additional information on the City's capital assets may be found in Note 4 to the basic financial statements.

**Long-term Debt:** At the end of the current fiscal year, the City had total debt outstanding of \$13.17 million. Of this amount, all long-term debt is reported in business-type activities. The City issued \$9.72 million in debt in this fiscal year of which:

- \$8.05 million was utilized to retire \$7.75 million of existing debt resulting in a net present value savings of \$650,600, and
  - \$1.67 million was drawn from DEQ loan for Sanitary/Storm Drain Systems
- Additional information on the City's long-term debt may be found in Note 7 to the basic financial statements.

## Economic Factors and Next Year's Budgets and Rates

During the preparation of the budget for the ensuing fiscal year, several major assumptions were used:

- Health premium costs would increase 5%
- PERS retirement costs would increase 11%
- Anticipated cost of living increase of 2%
- Staff reductions of 3.8 FTE
- Investment interest rates will be .6%
- Assessed values, the basis of property tax revenues, will grow by .5%
- Inflation will occur at 2%

## Requests for Information

This financial report is designed to provide a general overview of the City's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: City of St. Helens, Attn: Jon Ellis - Finance Director/Budget Officer, P. O. Box 278, St. Helens, Or 97051, or e-mailed to: [jellis@ci.st-helens.or.us](mailto:jellis@ci.st-helens.or.us).

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

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**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**STATEMENT OF NET POSITION  
June 30, 2013**

| ASSETS  | GOVERNMENTAL         | BUSINESS<br>TYPE     | TOTAL                |
|---|----------------------|----------------------|----------------------|
| Current Assets:                                 |                      |                      |                      |
| Cash and Investments                            | \$ 8,736,358         | \$ 3,451,421         | \$ 12,187,779        |
| Receivables, net                                | 701,988              | 1,803,019            | 2,505,007            |
| Prepaid Items                                   | 27,605               | -                    | 27,605               |
| Internal Balances                               | (57,590)             | 57,590               | -                    |
| Supply Inventory                                | 53,230               | 84,516               | 137,746              |
| Total Current Assets                            | <u>9,461,591</u>     | <u>5,396,546</u>     | <u>14,858,137</u>    |
| Capital Assets, net                             | <u>16,163,760</u>    | <u>32,594,591</u>    | <u>48,758,351</u>    |
| Total Assets                                    | <u>25,625,351</u>    | <u>37,991,137</u>    | <u>63,616,488</u>    |
| LIABILITIES                                     |                      |                      |                      |
| Current Liabilities:                            |                      |                      |                      |
| Accounts Payable and Accrued Liabilities        | 485,031              | 93,212               | 578,243              |
| Accrued Interest Payable                        | -                    | 40,410               | 40,410               |
| Deposits Payable                                | 41,660               | 137,091              | 178,751              |
| Current Portion of Long-Term Debt               | 176,497              | 829,063              | 1,005,560            |
| Total Current Liabilities                       | <u>703,188</u>       | <u>1,099,776</u>     | <u>1,802,964</u>     |
| Long-Term Liabilities                           |                      |                      |                      |
| Loans Payable                                   | -                    | 12,166,475           | 12,166,475           |
| Total Long-Term Liabilities                     | <u>-</u>             | <u>12,166,475</u>    | <u>12,166,475</u>    |
| Total Liabilities                               | <u>703,188</u>       | <u>13,266,251</u>    | <u>13,969,439</u>    |
| NET POSITION                                    |                      |                      |                      |
| Invested in Capital Assets, Net of Related Debt | 16,163,760           | 19,745,394           | 35,909,154           |
| Restricted For:                                 |                      |                      |                      |
| Capital Projects                                | 5,571,208            | -                    | 5,571,208            |
| Community Enhancement                           | 44,370               | -                    | 44,370               |
| Tourism   | 281,653              | -                    | 281,653              |
| Highways and Streets                            | 508,944              | -                    | 508,944              |
| Debt Service                                    | -                    | 338,883              | 338,883              |
| Other   | 131,652              | -                    | 131,652              |
| Unrestricted                                    | <u>2,220,576</u>     | <u>4,640,609</u>     | <u>6,861,185</u>     |
| Total Net Position                              | <u>\$ 24,922,163</u> | <u>\$ 24,724,886</u> | <u>\$ 49,647,049</u> |

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

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2013**

| Functions/Programs                   | Program Revenues     |                         |  |  |
|--------------------------------------|----------------------|-------------------------|--|--|
|                                      | Expenses             | Charges<br>For Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |
| <b>Governmental Activities</b>       |                      |                         |  |  |
| General Government                   | \$ 449,051           | \$ 168,975              | \$ 4,659                                 | \$ -                                   |
| Public Safety                        | 2,871,482            | 235,986                 | 189,489                                  | -                                      |
| Culture and Recreation               | 1,245,158            | 42,737                  | 89,535                                   | 16,500                                 |
| Highways and Streets                 | 683,814              | 45,187                  | 2,627                                    | 343,896                                |
| Interest on Long Term Debt           | 111                  | -                       | -  | -                                      |
| <b>Total Governmental Activities</b> | <b>5,249,616</b>     | <b>492,885</b>          | <b>286,310</b>                           | <b>360,396</b>                         |
| <b>Business-Type Activities</b>      |                      |                         |  |  |
| Water                                | 3,202,729            | 2,676,796               | -  | -                                      |
| Sewer                                | 3,759,926            | 4,422,922               | -  | -                                      |
| <b>Total Business Activities</b>     | <b>6,962,655</b>     | <b>7,099,718</b>        | <b>-</b>                                 | <b>-</b>                               |
| <b>Total Primary Government</b>      | <b>\$ 12,212,271</b> | <b>\$ 7,592,603</b>     | <b>\$ 286,310</b>                        | <b>\$ 360,396</b>                      |

General Revenues

Property Taxes  
Franchise Taxes  
Transient Room Taxes  
Unrestricted Grants and Contributions  
Unrestricted Investment Earnings  
Miscellaneous  
Capital Contributions  
Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

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

Net Revenues (Expenses) and Changes in Net Position

| <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> | <u>Total</u>         |
|------------------------------------|-------------------------------------|----------------------|
| \$ (275,417)                       | \$ -                                | \$ (275,417)         |
| (2,446,007)                        | -                                   | (2,446,007)          |
| (1,096,386)                        | -                                   | (1,096,386)          |
| (292,104)                          | -                                   | (292,104)            |
| (111)                              | -                                   | (111)                |
| <u>(4,110,025)</u>                 | <u>-</u>                            | <u>(4,110,025)</u>   |
| -                                  | (525,933)                           | (525,933)            |
| -                                  | 662,996                             | 662,996              |
| -                                  | 137,063                             | 137,063              |
| <u>(4,110,025)</u>                 | <u>137,063</u>                      | <u>(3,972,962)</u>   |
| 1,508,264                          | -                                   | 1,508,264            |
| 1,377,207                          | -                                   | 1,377,207            |
| 75,663                             | -                                   | 75,663               |
| 1,276,366                          | -                                   | 1,276,366            |
| 25,861                             | 40,209                              | 66,070               |
| 155,510                            | 752,892                             | 908,402              |
| (572,542)                          | 572,542                             | -                    |
| 1,471,250                          | (1,471,250)                         | -                    |
| <u>5,317,579</u>                   | <u>(105,607)</u>                    | <u>5,211,972</u>     |
| 1,207,554                          | 31,456                              | 1,239,010            |
| <u>23,714,609</u>                  | <u>24,693,430</u>                   | <u>48,408,039</u>    |
| <u>\$ 24,922,163</u>               | <u>\$ 24,724,886</u>                | <u>\$ 49,647,049</u> |

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2013**

|   | GENERAL             | STREET<br>FUND    | CAPITAL<br>IMPROVEMENT<br>FUND | OTHER<br>GOVERNMENTAL<br>FUNDS | TOTAL               |
|---|---------------------|-------------------|--------------------------------|--------------------------------|---------------------|
| <b>ASSETS</b>   |                     |                   |                                |                                |                     |
| Cash and Investments                                      | \$ 1,411,643        | \$ 544,387        | \$ 5,572,198                   | \$ 1,208,130                   | \$ 8,736,358        |
| Accounts Receivable, net                                  | 269,402             | -                 | 115,698                        | 165,545                        | 550,645             |
| Property Taxes Receivable                                 | 151,343             | -                 | -                              | -                              | 151,343             |
| Inventories   | -                   | 53,230            | -                              | -                              | 53,230              |
| Due From Other Funds                                      | 6,397               | -                 | -                              | -                              | 6,397               |
| Prepays   | 27,605              | -                 | -                              | -                              | 27,605              |
| Total Assets  | <u>\$ 1,866,390</u> | <u>\$ 597,617</u> | <u>\$ 5,687,896</u>            | <u>\$ 1,373,675</u>            | <u>\$ 9,525,578</u> |
| <b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>   |                     |                   |                                |                                |                     |
| <b>Liabilities:</b>                                       |                     |                   |                                |                                |                     |
| Accounts Payable and<br>Accrued Liabilities               | \$ 308,471          | \$ 35,443         | \$ 78,412                      | \$ 62,705                      | \$ 485,031          |
| Deposits Payable  | 41,660              | -                 | -                              | -                              | 41,660              |
| Due to Other Funds  | -                   | -                 | -                              | 6,397                          | 6,397               |
| Total Liabilities   | <u>350,131</u>      | <u>35,443</u>     | <u>78,412</u>                  | <u>69,102</u>                  | <u>533,088</u>      |
| <b>Deferred Inflows:</b>                                  |                     |                   |                                |                                |                     |
| Unearned Revenue  | <u>270,685</u>      | <u>-</u>          | <u>38,276</u>                  | <u>80,932</u>                  | <u>389,893</u>      |
| <b>Fund Balances:</b>                                     |                     |                   |                                |                                |                     |
| <b>Nonspendable:</b>                                      |                     |                   |                                |                                |                     |
| Inventory   | -                   | 53,230            | -                              | -                              | 53,230              |
| Prepays   | 27,605              | -                 | -                              | -                              | 27,605              |
| <b>Restricted For:</b>                                    |                     |                   |                                |                                |                     |
| Capital Projects  | -                   | -                 | 5,571,208                      | -                              | 5,571,208           |
| Community Enhancement                                     | -                   | -                 | -                              | 44,370                         | 44,370              |
| Tourism   | -                   | -                 | -                              | 281,653                        | 281,653             |
| Highways and Streets                                      | -                   | 508,944           | -                              | -                              | 508,944             |
| Other Purposes  | -                   | -                 | -                              | 131,652                        | 131,652             |
| <b>Committed For:</b>                                     |                     |                   |                                |                                |                     |
| Arts Commission   | -                   | -                 | -                              | 49,373                         | 49,373              |
| Parks Capital   | -                   | -                 | -                              | 79,805                         | 79,805              |
| Library Equipment   | -                   | -                 | -                              | 18,428                         | 18,428              |
| Library Facilities  | -                   | -                 | -                              | 268,360                        | 268,360             |
| <b>Assigned For:</b>                                      |                     |                   |                                |                                |                     |
| Capital Projects  | -                   | -                 | -                              | 350,000                        | 350,000             |
| Unassigned  | <u>1,217,969</u>    | <u>-</u>          | <u>-</u>                       | <u>-</u>                       | <u>1,217,969</u>    |
| Total Fund Balances                                       | <u>1,245,574</u>    | <u>562,174</u>    | <u>5,571,208</u>               | <u>1,223,641</u>               | <u>8,602,597</u>    |
| Total Liabilities, Deferred Inflows,<br>and Fund Balances | <u>\$ 1,866,390</u> | <u>\$ 597,617</u> | <u>\$ 5,687,896</u>            | <u>\$ 1,373,675</u>            | <u>\$ 9,525,578</u> |

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

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO STATEMENT OF NET POSITION**  
**June 30, 2013**

---

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

|  |                      |
|--|----------------------|
| Fund Balances  | \$ 8,602,597         |
| The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the City as a whole.                                      |                      |
| Net Capital Assets   | 16,163,760           |
| Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.  |                      |
| Accrued Vacation and Comp Time   | (176,497)            |
| Internal balances result from transactions between the governmental activities, business-type activities, and internal service funds.  |                      |
|  | (57,590)             |
| The governmental funds report receivables for various items where the related revenue is not available in the current period, and therefore the funds report that revenue as unearned. The statement of net position considers the revenue to be earned immediately, and does not report a deferred inflow for unearned revenue. |                      |
|  | <u>389,893</u>       |
| Total Net Position   | <u>\$ 24,922,163</u> |

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



**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2013**

|   | GENERAL             | STREET<br>FUND    | CAPITAL<br>IMPROVEMENT<br>FUND | OTHER<br>GOVERNMENTAL<br>FUNDS | TOTAL               |
|---|---------------------|-------------------|--------------------------------|--------------------------------|---------------------|
| <b>REVENUES</b>   |                     |                   |                                |                                |                     |
| Property Taxes  | \$ 1,502,084        | \$ -              | \$ -                           | \$ -                           | \$ 1,502,084        |
| Transient Room Taxes  | -                   | -                 | -                              | 75,663                         | 75,663              |
| Franchise Fees  | 1,377,207           | -                 | -                              | -                              | 1,377,207           |
| Licenses and Permits  | 132,921             | -                 | -                              | 146,809                        | 279,730             |
| Intergovernmental Revenues                                  | 271,467             | 704,841           | 343,896                        | 380,804                        | 1,701,008           |
| Fines and Forfeitures                                       | 241,721             | -                 | -                              | -                              | 241,721             |
| Systems Development Charges                                 | -                   | -                 | 181,949                        | -                              | 181,949             |
| Interest  | 11,203              | 10,981            | -                              | 3,677                          | 25,861              |
| Miscellaneous   | 147,212             | 3,571             | 16,617                         | 34,752                         | 202,152             |
| <b>Total Revenues</b>                                       | <b>3,683,815</b>    | <b>719,393</b>    | <b>542,462</b>                 | <b>641,705</b>                 | <b>5,587,375</b>    |
| <b>EXPENDITURES</b>   |                     |                   |                                |                                |                     |
| Current:  |                     |                   |                                |                                |                     |
| General Government  | 278,540             | -                 | -                              | 172,642                        | 451,182             |
| Public Safety   | 2,583,424           | -                 | -                              | 61,930                         | 2,645,354           |
| Culture and Recreation                                      | 726,900             | -                 | -                              | 423,600                        | 1,150,500           |
| Highways and Streets  | -                   | 633,509           | -                              | -                              | 633,509             |
| Debt Service  | 36,604              | -                 | -                              | -                              | 36,604              |
| Capital Outlay  | 116,799             | -                 | 2,609,933                      | -                              | 2,726,732           |
| <b>Total Expenditures</b>                                   | <b>3,742,267</b>    | <b>633,509</b>    | <b>2,609,933</b>               | <b>658,172</b>                 | <b>7,643,881</b>    |
| Excess, (Deficit) of Revenues Over,<br>(Under) Expenditures | (58,452)            | 85,884            | (2,067,471)                    | (16,467)                       | (2,056,506)         |
| <b>Other Financing Sources, -Uses</b>                       |                     |                   |                                |                                |                     |
| Sale of Assets  | 6,255               | -                 | -                              | -                              | 6,255               |
| Loan Proceeds   | -                   | -                 | 1,670,327                      | -                              | 1,670,327           |
| Transfers In  | 68,528              | -                 | 1,610,000                      | 27,426                         | 1,705,954           |
| Transfers Out   | (32,226)            | (138,750)         | (16,501)                       | (52,027)                       | (239,504)           |
| <b>Total Other Financing Sources,<br/>(Uses)</b>            | <b>42,557</b>       | <b>(138,750)</b>  | <b>3,263,826</b>               | <b>(24,601)</b>                | <b>3,143,032</b>    |
| Net Change in Fund Balance                                  | (15,895)            | (52,866)          | 1,196,355                      | (41,068)                       | 1,086,526           |
| Beginning Fund Balance                                      | 1,261,469           | 615,040           | 4,374,853                      | 1,264,709                      | 7,516,071           |
| Ending Fund Balance   | <u>\$ 1,245,574</u> | <u>\$ 562,174</u> | <u>\$ 5,571,208</u>            | <u>\$ 1,223,641</u>            | <u>\$ 8,602,597</u> |

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

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS - TO STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2013**

---

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

|  |    |           |
|--|----|-----------|
| Excess of Revenues over Expenditures   | \$ | 1,086,526 |
| <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p> |    |           |
| Capital Outlay   | \$ | 469,066   |
| Depreciation Expense   |    | (397,375) |
|  |    | 71,691    |
| Repayment of long term debt principal is an expenditure in the governmental funds, but the repayment reduces long term obligations in the statement of net position.   |    | 34,720    |
| Governmental funds record interest expense when paid. The statement of activities, however, records interest expense as it comes due.  |    | 1,773     |
| On the statement of activities, compensated absences are recorded as expenses as soon as they are earned by employees. The governmental funds, however, only record an expense for compensated absences when they are paid out   |    | 4,283     |
| The government-wide statements accrue revenue as it is earned. The fund statements, however, only record revenue when it is available to pay for current expenditures. This is the change in the governmental funds' deferred inflow for unearned revenue.   |    | 17,729    |
| Internal service funds are used by management to allocate costs among the City's various funds. The net revenue (expense) of the internal service funds that are attributable to the governmental activities are recorded in the statement of activities   |    | (9,168)   |
| Change in Net Position   | \$ | 1,207,554 |

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

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**STATEMENT OF PROPRIETARY NET POSITION  
June 30, 2013**

|   | ENTERPRISE FUNDS     |                      |                   | INTERNAL<br>SERVICE |
|---|----------------------|----------------------|-------------------|---------------------|
|   | WATER                | SEWER                | TOTAL             |                     |
| <b>ASSETS</b>                                   |                      |                      |                   |                     |
| Current Assets                                  |                      |                      |                   |                     |
| Cash and Investments                            | \$ 1,416,188         | \$ 1,841,341         | \$ 3,257,529      | \$ 193,892          |
| Accounts Receivable, net                        | 508,205              | 1,294,584            | 1,802,789         | 230                 |
| Inventory                                       | 57,225               | 17,625               | 74,850            | 9,666               |
| Total Current Assets                            | <u>1,981,618</u>     | <u>3,153,550</u>     | <u>5,135,168</u>  | <u>203,788</u>      |
| Capital Assets, net                             | <u>15,898,529</u>    | <u>16,613,458</u>    | <u>32,511,987</u> | <u>82,604</u>       |
| Total Assets                                    | <u>17,880,147</u>    | <u>19,767,008</u>    | <u>37,647,155</u> | <u>286,392</u>      |
| <b>LIABILITIES</b>                              |                      |                      |                   |                     |
| Current Liabilities                             |                      |                      |                   |                     |
| Accounts Payable and Accrued Liabilities        | 26,415               | 26,987               | 53,402            | 39,810              |
| Accrued Interest Payable                        | 1,573                | 38,837               | 40,410            | -                   |
| Deposits Payable                                | 137,091              | -                    | 137,091           | -                   |
| Compensated Absences Payable                    | 57,696               | 88,645               | 146,341           | -                   |
| Current Portion of Long-Term Liabilities        | <u>367,445</u>       | <u>315,277</u>       | <u>682,722</u>    | <u>-</u>            |
| Total Current Liabilities                       | <u>590,220</u>       | <u>469,746</u>       | <u>1,059,966</u>  | <u>39,810</u>       |
| Long-term Liabilities                           |                      |                      |                   |                     |
| Bonds & Loans Payable, Net of Current Portion   | <u>5,907,000</u>     | <u>6,259,475</u>     | <u>12,166,475</u> | <u>-</u>            |
| Total Liabilities                               | <u>6,497,220</u>     | <u>6,729,221</u>     | <u>13,226,441</u> | <u>-</u>            |
| <b>NET POSITION</b>                             |                      |                      |                   |                     |
| Invested in Capital Assets, Net of Related Debt | 9,624,084            | 10,038,706           | 19,662,790        | 82,604              |
| Restricted for Debt Service                     | -                    | 338,883              | 338,883           | -                   |
| Unrestricted                                    | <u>1,758,843</u>     | <u>2,660,198</u>     | <u>4,419,041</u>  | <u>163,978</u>      |
| Total Net Position                              | <u>\$ 11,382,927</u> | <u>\$ 13,037,787</u> | 24,420,714        | <u>\$ 246,582</u>   |

Reconciliation to the Statement of Net Position:

The assets and liabilities of the internal service funds have been included in business-type activities on the statement of net position as they provide services predominantly to the enterprise funds 246,582

Internal balances result from transactions between the governmental activities, business-type activities, and internal service funds 57,590

NET POSITION OF BUSINESS-TYPE ACTIVITIES \$ 24,724,886

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

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2013**

|  | ENTERPRISE FUNDS     |                      |                      | INTERNAL<br>SERVICE |
|--|----------------------|----------------------|----------------------|---------------------|
|  | WATER                | SEWER                | TOTAL                |                     |
| OPERATING REVENUES                           |                      |                      |                      |                     |
| Utility Service Charges                      | \$ 2,676,796         | \$ 4,422,922         | \$ 7,099,718         | \$ -                |
| Other Service Charges                        | -                    | -                    | -                    | 719                 |
| Internal Charges                             | -                    | -                    | -                    | 1,601,449           |
| <b>Total Operating Revenues</b>              | <b>2,676,796</b>     | <b>4,422,922</b>     | <b>7,099,718</b>     | <b>1,602,168</b>    |
| OPERATING EXPENSES                           |                      |                      |                      |                     |
| Personal Service                             | 896,564              | 1,433,222            | 2,329,786            | 1,002,693           |
| Materials and Services                       | 1,154,911            | 1,665,438            | 2,820,349            | 628,633             |
| Depreciation                                 | 779,194              | 531,229              | 1,310,423            | 8,128               |
| <b>Total Operating Expenses</b>              | <b>2,830,669</b>     | <b>3,629,889</b>     | <b>6,460,558</b>     | <b>1,639,454</b>    |
| <b>Operating Income -Loss</b>                | <b>(153,873)</b>     | <b>793,033</b>       | <b>639,160</b>       | <b>(37,286)</b>     |
| NONOPERATING REVENUES, (EXPENSES)            |                      |                      |                      |                     |
| Transfers In                                 | -                    | -                    | -                    | 4,800               |
| Transfers Out                                | (508,750)            | (962,500)            | (1,471,250)          | -                   |
| Interest                                     | 17,611               | 22,598               | 40,209               | -                   |
| Miscellaneous                                | 21,236               | 58,356               | 79,592               | -                   |
| Watershed Logging                            | 636,009              | -                    | 636,009              | -                   |
| Capital Contributions                        | 195,550              | 376,992              | 572,542              | -                   |
| Gain on Sale of Capital Assets               | -                    | 37,291               | 37,291               | -                   |
| Debt Refinancing Costs                       | (52,338)             | (30,882)             | (83,220)             | -                   |
| Bond & Loan Interest Expense                 | (317,168)            | (78,391)             | (395,559)            | -                   |
| <b>Total Nonoperating Revenues -Expenses</b> | <b>(7,850)</b>       | <b>(576,536)</b>     | <b>(584,386)</b>     | <b>4,800</b>        |
| <b>Change in Net Position</b>                | <b>(161,723)</b>     | <b>216,497</b>       | <b>54,774</b>        | <b>(32,486)</b>     |
| NET POSITION, Beginning of Year              | 11,544,650           | 12,821,290           | 24,365,940           | 279,068             |
| NET POSITION, End of Year                    | <u>\$ 11,382,927</u> | <u>\$ 13,037,787</u> | <u>\$ 24,420,714</u> | <u>\$ 246,582</u>   |

Reconciliation to the Statement of Activities:

Change in Net Position (from above) 54,774

A portion of the net revenue (expense) of the internal service funds  
are allocated to the business-type activities (23,318)

**CHANGE IN NET POSITION OF BUSINESS TYPE ACTIVITIES** \$ 31,456

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

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2013**

|  | ENTERPRISE FUNDS    |                     |                     | INTERNAL<br>SERVICE |
|--|---------------------|---------------------|---------------------|---------------------|
|  | WATER               | SEWER               | TOTAL               |                     |
| Cash Flows from Operating Activities:  |                     |                     |                     |                     |
| Cash Received from Customers   | \$ 2,569,952        | \$ 4,292,751        | \$ 6,862,703        | \$ 1,601,938        |
| Cash Paid to Suppliers   | (1,168,578)         | (1,687,723)         | (2,856,301)         | (613,219)           |
| Cash Paid to Employees   | (892,644)           | (1,419,804)         | (2,312,448)         | (1,002,693)         |
| Net Cash Provided -Used by Operating Activities                                    | 508,730             | 1,185,224           | 1,693,954           | (13,974)            |
| Cash Flows from Noncapital Financing Activities:                                   |                     |                     |                     |                     |
| Miscellaneous Receipts   | 21,236              | 31,866              | 53,102              | -                   |
| Transfers  | (508,750)           | (962,500)           | (1,471,250)         | 4,800               |
| Net Cash Provided -Used by<br>Noncapital Financing Activities                      | (487,514)           | (930,634)           | (1,418,148)         | 4,800               |
| Cash Flows from Capital and Related Financing Activities:                          |                     |                     |                     |                     |
| Payment of Principal of Long Term Debt   | (89,118)            | (291,453)           | (380,571)           | -                   |
| Payment of Interest on Long Term Debt  | (456,843)           | (78,640)            | (535,483)           | -                   |
| Purchase of Capital Assets   | -                   | (2,157)             | (2,157)             | -                   |
| Net Cash Provided -Used by Capital and<br>Related Financing Activities             | (545,961)           | (372,250)           | (918,211)           | -                   |
| Cash Flows from Investing Activities:  |                     |                     |                     |                     |
| Watershed Logging - net  | 636,009             | -                   | 636,009             | -                   |
| Interest on Investments  | 17,611              | 22,598              | 40,209              | -                   |
| Net Cash Provided -Used by Investing Activities                                    | 653,620             | 22,598              | 676,218             | -                   |
| Net Increase -Decrease in Cash and Cash Equivalents                                | 128,875             | (95,062)            | 33,813              | (9,174)             |
| Cash and Investments at Beginning of Year  | 1,287,313           | 1,936,403           | 3,223,716           | 203,066             |
| Cash and Investments at End of Year  | <u>\$ 1,416,188</u> | <u>\$ 1,841,341</u> | <u>\$ 3,257,529</u> | <u>\$ 193,892</u>   |
| Reconciliation of Operating Income to<br>Net Cash Provided by Operating Activities |                     |                     |                     |                     |
| Operating Income, -Loss  | \$ (153,873)        | \$ 793,033          | \$ 639,160          | \$ (37,286)         |
| Noncash Items Included in Income:  |                     |                     |                     |                     |
| Depreciation   | 779,194             | 531,229             | 1,310,423           | 8,128               |
| Decrease -Increase in Accounts Receivable  | (102,758)           | (130,171)           | (232,929)           | (230)               |
| Decrease -Increase in Inventory  | 5,389               | (5,416)             | (27)                | (340)               |
| Increase -Decrease in Accounts Payable<br>and Accrued Liabilities                  | (19,056)            | (16,869)            | (35,925)            | 15,754              |
| Increase -Decrease in Accrued Vacation Payable                                     | 3,920               | 13,418              | 17,338              | -                   |
| Increase -Decrease in Customer Deposits  | (4,086)             | -                   | (4,086)             | -                   |
| Net Cash Provided -Used by Operating Activities                                    | <u>\$ 508,730</u>   | <u>\$ 1,185,224</u> | <u>\$ 1,693,954</u> | <u>\$ (13,974)</u>  |

**NON-CASH TRANSACTIONS**

|  |             |             |             |   |
|--|-------------|-------------|-------------|---|
| Capital Contribution - Assets Purchased by Other Funds | 195,550     | 2,047,319   | 2,242,869   | - |
| Capital Contribution - Debt Paid by Other Funds        | -           | (1,670,327) | (1,670,327) | - |
| New Debt Proceeds                                      | 6,142,000   | 1,912,000   | 8,054,000   | - |
| Proceeds Paid to Escrow Agent                          | (6,089,662) | (1,881,118) | (7,970,780) | - |
| Refinancing Costs                                      | (52,338)    | (30,882)    | (83,220)    | - |
| Gain on Sale of Assets                                 | -           | 37,291      | 37,291      | - |

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

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting policies. The more significant of the accounting policies are described below.

**A. THE FINANCIAL REPORTING ENTITY**

The City of St. Helens was chartered in 1889 through an act of the state legislature. In 1903, the City became the Columbia County Seat.

The City is a municipal corporation governed by an elected mayor and city council. Administrative functions are delegated to individuals who report to and are responsible to the mayor and council. The chief administrative officer is the city administrator.

Accounting principles generally accepted in the United States of America require that these financial statements present the City (the primary government) and all component units, if any. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The City does not have any component units.

**B. BASIS OF PRESENTATION – FUND ACCOUNTING**

Financial operations are accounted for in the following major governmental and proprietary funds:

**GENERAL FUND**

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund. The principal revenue sources are property taxes, fees, licenses and state apportionments.

**STATE TAX STREET FUND**

This fund accounts for revenues received from state gas taxes that are expended on street construction and maintenance.

**CAPITAL IMPROVEMENT FUND**

This fund accounts for all capital improvement projects done by the City.

**WATER FUND**

This proprietary fund accounts for water system operations. The fund is predominantly self-supported through user charges to customers.

**SEWER FUND**

This proprietary fund accounts for sewer system operations. The fund is predominantly self-supported through user charges to customers.

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**B. BASIS OF PRESENTATION – FUND ACCOUNTING (continued)**

**COMBINED INTERNAL SERVICE FUNDS**

These proprietary funds, which include the Fleet Maintenance, Administrative Services, and Public Works funds, are combined and presented as one individual fund in the proprietary fund financial statements. These funds account for services provided to other departments within the City that benefit from the funds' services.

The City also includes the following fund types as other governmental funds:

Special Revenue Funds – These funds account for revenue derived from specific taxes or other revenue sources, which are designated to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make expenditures.

Water Improvement Reserve Fund – This fund accounts for monies put in to reserve for future capital improvements to water infrastructure.

**C. GOVERNMENT WIDE FINANCIAL STATEMENTS**

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and the proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing, producing, and delivering goods in connection with a proprietary fund's principal ongoing operations.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be measurable to accrue as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

E. GRANTS

Unreimbursed grant expenditures due from grantor agencies are recorded in the basic financial statements as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures is recorded as Deferred Revenue in the combined balance sheet.

F. PROPERTY TAXES RECEIVABLE

*Ad valorem* property taxes are a lien on all taxable property as of July 1. Property taxes are levied and payable on November 15. Taxes are administered by the County. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are shown in the combined balance sheet. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. Property taxes collected within approximately sixty days of fiscal year-end are recognized as revenue. The remaining balance of taxes receivable is recorded as deferred revenue because it is not deemed available to finance operations of the current period.

G. BUDGETS

A budget is prepared for all funds in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. For governmental fund types, the budgetary basis of accounting is the same as generally accepted accounting principles. The budget process begins early in each fiscal year with the establishment of the Budget Committee. Recommendations are developed through late winter with the Budget Committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption, however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30th.



**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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G. BUDGETS (continued)

The levels of control are combined in various ways throughout the funds to make up the master appropriated amounts. Expenditures cannot legally exceed the master appropriation levels except in the case of restricted revenues which could not be estimated at the time of budget adoption. Appropriation authority may be transferred from one level of control to another by Council resolution. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur if the Council approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original budget amounts and three appropriation transfers and one supplemental budget. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2013.

H. SUPPLY INVENTORY

Inventories are stated at the lower of cost or market, using the first-in, first-out method and are recognized as expenses in Proprietary Fund types as consumed except that on the budgetary basis they are considered expenditures as purchased.

I. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets in the proprietary fund types are stated at cost, or the estimated fair market value at the date of receipt for gifts or projects constructed by others and accepted for ownership and maintenance by the City. Maintenance and repairs are expensed as incurred. Replacements which improve or extend the lives of property are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation and resulting gains or losses are reflected in operations. Estimated useful lives used in computing depreciation are:

|                                   |                |
|-----------------------------------|----------------|
| Buildings and improvements        | 25 to 40 years |
| Improvements other than buildings | 20 to 30 years |
| Equipment and machinery           | 5 to 20 years  |
| Vehicles                          | 5 to 15 years  |
| Infrastructure                    | 25 to 50 years |

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**J. LONG-TERM OBLIGATIONS**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**K. COMPENSATED ABSENCES**

The City has a policy which permits full-time employees to earn sick leave at the rate of one day per month and accumulate a maximum of 120 days. Sick leave, which does not vest, is recognized in the funds when the leave is taken.

Each employee earns vacation at rates determined by their length of employment. An employee can accumulate a maximum of 600 hours. Vacation leave is accrued as it is earned. For governmental funds, the non-current portion ( the amount estimated to be used in subsequent fiscal years) is maintained separately and represents a reconciling item between the fund-level and government-wide presentations. Only the current portion is reported in the governmental funds, and is calculated based on historical trends. In business type/enterprise funds, both the current and long-term liabilities are recorded.

**L. RETIREMENT PLANS**

All eligible employees may participate in the Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and are charged to expenditures as funded.

**M. FUND BALANCE**

In March 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- Restricted fund balance 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).

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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M. FUND BALANCE (continued)

- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance 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. The fund balance of the Water System Improvement Reserve fund has been assigned by management to pay for the cost of future capital projects.
- Unassigned fund balance 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 governing body 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 unassigned.

The governing body has adopted a minimum fund balance policy for the General Fund. Per the policy, the General Fund's ending fund balance is not to be reduced below 20% of operating expenditures.

N. NET POSITION

Net position is comprised of the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Invested in capital assets, net of related debt – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – consists of all other assets not included in the other categories previously mentioned.

O. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Operating interfund transactions are reported as transfers.

P. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Proprietary Funds consider cash to include their proportional share of the cash and investment common pool since it has the general characteristics of demand deposit accounts in that the Proprietary Funds may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**Q. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**R. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets and liabilities, the statement of financial position will sometimes report a separate section for deferred outflows and inflows of resources. As a separate financial statement element, deferred outflows of resources, represents a consumption of net positions that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not have any items classified in this category.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the governmental funds, a deferred inflow titled "unearned revenue" is recognized to offset any items that have been accrued as receivables where the related revenue will not be collected within 60 days.

**2. CASH AND INVESTMENTS**

Cash management policies are governed by state statutes. Statutes authorized investing in bankers acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments. In addition, cash is separately held by some of the funds.

Cash and Investments (recorded at cost) consisted of:

|                                       |                      |
|---------------------------------------|----------------------|
| Deposits With Financial Institutions: |                      |
| Petty Cash                            | \$ 1,850             |
| Demand Deposits                       | 81,988               |
| Investments                           | <u>12,103,941</u>    |
|                                       | <u>\$ 12,187,779</u> |

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**2. CASH AND INVESTMENTS (continued)**

Investments

The State Treasurer's Local Government Investment Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the State's investment policies. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements.

Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. As of June 30, 2013 the fair value of the position in the LGIP is 100.65% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. There were no known violations of legal or contractual provisions for deposits and investments during the fiscal year.

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There were no investments that have a maturity date.

Credit Risk

Oregon Revised Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool. The statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

There were the following investments and maturities:

| Investment Type                   | Fair Value           | Investment Maturities (in months) |                   |
|-----------------------------------|----------------------|-----------------------------------|-------------------|
|                                   |                      | Less than 3                       | More than 3       |
| State Treasurer's Investment Pool | \$ 11,086,826        | \$ 11,086,826                     | \$ -              |
| Credit Suisse First Boston USA    | 502,921              | 502,921                           | -                 |
| JP Morgan Chase and Company       | 514,194              | -                                 | 514,194           |
| <b>Total</b>                      | <b>\$ 12,103,941</b> | <b>\$ 11,086,826</b>              | <b>\$ 514,194</b> |

The Credit Suisse securities are rated Aa1 and mature on August 15<sup>th</sup>, 2013. The JP Morgan securities are rated A3 and mature on March 15, 2014.

Concentration of Credit/Deposit Risk

At year-end, the City's net carrying amount of deposits was \$81,988 and the bank balance was \$84,957. Of these deposits, the entire amount was covered by federal depository insurance. If any deposits not covered by federal depository insurance would be collateralized by the State of Oregon.

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**3. RECEIVABLES**

The details for the City's receivables at June 30, 2013 were as follows:

|                                 | Governmental Activities/Funds |             |                        |                                | Business-Type Activities/<br>Proprietary Funds |                     |                     | Totals              |
|---------------------------------|-------------------------------|-------------|------------------------|--------------------------------|--|---------------------|---------------------|---------------------|
|                                 | General                       | Street      | Capital<br>Improvement | Other<br>Governmental<br>Funds | Water  | Sewer               | Internal<br>Service |                     |
| Accounts                        | \$ 118,196                    | \$ -        | \$ -                   | \$ -                           | \$ 533,378                                     | \$ 894,185          | \$ -                | \$ 1,545,759        |
| System Development Charges      | -                             | -           | 27,992                 | -                              | -  | 97,478              | -                   | 125,470             |
| Construction Loan Draws         | -                             | -           | 77,422                 | -                              | -  | -                   | -                   | 77,422              |
| State Revenue Sharing           | -                             | -           | -                      | 25,888                         | -  | -                   | -                   | 25,888              |
| Grants                          | -                             | -           | -                      | 129,531                        | -  | -                   | -                   | 129,531             |
| Property Assessments            | 4,474                         | -           | -                      | -                              | -  | 364,550             | -                   | 369,024             |
| Property Taxes                  | 151,343                       | -           | -                      | -                              | -  | -                   | -                   | 151,343             |
| Cash Held - County Treasurer    | 10,302                        | -           | -                      | -                              | -  | -                   | -                   | 10,302              |
| Interest                        | 14,111                        | -           | -                      | -                              | -  | -                   | -                   | 14,111              |
| Other                           | 33,291                        | -           | 10,284                 | 10,126                         | -  | -                   | 230                 | 53,931              |
| Fines                           | 2,412,082                     | -           | -                      | -                              | -  | -                   | -                   | 2,412,082           |
| Allowance for Doubtful Accounts | (2,323,054)                   | -           | -                      | -                              | (25,173)                                       | (61,629)            | -                   | (2,409,856)         |
| <b>Total</b>                    | <b>\$ 420,745</b>             | <b>\$ -</b> | <b>\$ 115,698</b>      | <b>\$ 165,545</b>              | <b>\$ 508,205</b>                              | <b>\$ 1,294,584</b> | <b>\$ 230</b>       | <b>\$ 2,505,007</b> |

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS**

Changes in capital assets of the governmental activities for the year ended June 30, 2013 are as follows:

|   | June 30,<br>2012     | Additions        | Retirements | June 30,<br>2013     |
|---|----------------------|------------------|-------------|----------------------|
| <b>Capital Assets Not Being Depreciated:</b>        |                      |                  |             |                      |
| Land  | \$ 2,022,019         | \$ -             | \$ -        | \$ 2,022,019         |
| Right-Of-Way  | 5,259,111            | -                | -           | 5,259,111            |
| Library Collection                                  | 1,297,493            | -                | -           | 1,297,493            |
| Construction in Progress                            | 25,127               | -                | -           | 25,127               |
| Total   | <u>8,603,750</u>     | <u>-</u>         | <u>-</u>    | <u>8,603,750</u>     |
| <b>Depreciable Assets:</b>                          |                      |                  |             |                      |
| Buildings and Improvements                          | 4,709,566            | 14,879           | -           | 4,724,445            |
| Equipment   | 1,868,350            | 131,977          | -           | 2,000,327            |
| Infrastructure                                      | 5,510,257            | 322,210          | -           | 5,832,467            |
| Total   | <u>12,088,173</u>    | <u>469,066</u>   | <u>-</u>    | <u>12,557,239</u>    |
| <b>Less Accumulated Depreciation:</b>               |                      |                  |             |                      |
| Buildings and Improvements                          | (2,186,863)          | (117,723)        | -           | (2,304,586)          |
| Equipment   | (1,153,681)          | (112,995)        | -           | (1,266,676)          |
| Infrastructure                                      | (1,259,310)          | (166,657)        | -           | (1,425,967)          |
| Total   | <u>(4,599,854)</u>   | <u>(397,375)</u> | <u>-</u>    | <u>(4,997,229)</u>   |
| Total Capital Assets Being Depreciated (Net)        | <u>7,488,319</u>     | <u>71,691</u>    | <u>-</u>    | <u>7,560,010</u>     |
| Total Capital Assets, Governmental Activities (Net) | <u>\$ 16,092,069</u> |                  |             | <u>\$ 16,163,760</u> |

Governmental depreciation was allocated to the functions as follows:

|                               |                   |
|-------------------------------|-------------------|
| General Government            | \$ 36,736         |
| Municipal Court               | 215,384           |
| Culture and Recreation        | 93,675            |
| Highways and Streets          | 51,580            |
| Total Governmental Activities | <u>\$ 397,375</u> |

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS (continued)**

Changes in Business-Type capital assets for the year ended June 30, 2013 are as follows:

|  | June 30,<br>2012     | Adjustments      | Additions          | Retirements      | June 30,<br>2013     |
|--|----------------------|------------------|--------------------|------------------|----------------------|
| <b>Capital Assets Not Being Depreciated:</b> |                      |                  |                    |                  |                      |
| Land   | \$ 1,006,535         | \$ -             | \$ -               | \$ -             | \$ 1,006,535         |
| Construction In Progress                     | 1,782,598            | (564,328)        | 1,513,598          | -                | 2,731,868            |
| Total  | <u>2,789,133</u>     | <u>(564,328)</u> | <u>1,513,598</u>   | <u>-</u>         | <u>3,738,403</u>     |
| <b>Depreciable Assets:</b>                   |                      |                  |                    |                  |                      |
| Buildings and Improvements                   | 24,660,484           | 564,328          | 56,963             | -                | 25,281,775           |
| Equipment                                    | 7,722,825            | -                | 340,858            | (205,000)        | 7,858,683            |
| Infrastructure                               | 15,157,741           | -                | 413,607            | -                | 15,571,348           |
| Total  | <u>47,541,050</u>    | <u>564,328</u>   | <u>811,428</u>     | <u>(205,000)</u> | <u>48,711,806</u>    |
| <b>Less Accumulated Depreciation:</b>        |                      |                  |                    |                  |                      |
| Buildings and Improvements                   | (7,675,641)          | -                | (734,637)          | -                | (8,410,278)          |
| Equipment                                    | (3,580,066)          | -                | (323,658)          | 162,291          | (3,741,433)          |
| Infrastructure                               | (7,443,651)          | -                | (260,256)          | -                | (7,703,907)          |
| Total  | <u>(18,699,358)</u>  | <u>-</u>         | <u>(1,318,551)</u> | <u>162,291</u>   | <u>(19,855,618)</u>  |
| Total Capital Assets Being Depreciated (Net) | <u>28,841,692</u>    | <u>564,328</u>   | <u>(507,123)</u>   | <u>(42,709)</u>  | <u>28,856,188</u>    |
| Total Net Capital Assets                     |                      |                  |                    |                  |                      |
| Business-Type Activities                     | <u>\$ 31,630,825</u> |                  |                    |                  | <u>\$ 32,594,591</u> |

Depreciation expense for business-type activities is charged to the functions and programs as follows:

|                                |                     |
|--------------------------------|---------------------|
| Water                          | \$ 779,194          |
| Sewer                          | 531,229             |
| Internal Service Fund          | <u>8,128</u>        |
| Total Business-Type Activities | <u>\$ 1,318,551</u> |



**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**5. DEFERRED INFLOWS – UNEARNED REVENUE**

The governmental funds only recognize revenue that is available within 60 days. Revenues that have been accrued as receivables but that are not available in that timeframe are considered to be unearned, and are classified as deferred inflows on the governmental fund's balance sheet.

The General Fund had unearned revenue totaling \$270,686, which consisted of \$145,608, \$120,604, and \$4,474 of property taxes, court fines, and unbounded assessments respectively. The Capital Improvement Fund had unearned revenue of \$38,276, which represented unavailable system development charges. And finally, the Other Governmental Funds had \$80,932 of unearned revenue related to community development block grants.

**6. RETIREMENT PLANS**

Plan Description:

The City is a participating employer in the State of Oregon Public Employees Retirement System Plan. PERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The Oregon Public Service Retirement Plan ("OPSRP") is effective for all new employees hired on or after August 29, 2003, and applies to any inactive PERS members who returned to employment following a six month or greater break in service. The new plan consists of a defined benefit program (the Individual Account Program or "IAP"). The Pension Program portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service and a factor that varies based on type of service (general verses police or fire).

Both PERS and OPSRP are administered by the Oregon Public Employees Retirement Board ("OPERB"). The comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, Oregon 97281-3700, by calling (503) 598-7377, or by accessing the PERS website at [www.oregon.gov/PERS](http://www.oregon.gov/PERS).

Description of Funding Policy:

Plan members are required to contribute six percent of their annual covered salary. ORS 238.225 requires the City to contribute at an actuarially determined rate(s). In 2003, the Oregon Legislature revised OPERF operations and how benefits for existing and new employees are calculated and funded. Accordingly, employers may now have two rates to use in calculating the amount owed to fund the liabilities of employees benefits in OPERF. The new plan, established in 2003, is called the Oregon Public Service Retirement Plan (OPSRP) and the current rates are: PERS-General Service 18.86%, PERS-Police and Fire 18.86%, OPSRP-General Service 14.45%, and OPSRP-Police and Fire 17.16%, respectively, of annual covered payroll. The contribution requirement of plan members are established under ORS Chapter 238, and may be amended by an act of the Oregon legislature.

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**6. RETIREMENT PLANS (continued)**

The City's contribution to the plan for the years ending June 30, 2013, 2012, and 2011, were equal to the City's required contributions for each year as follows:

| Year Ended<br>June 30 | City<br>Contribution | City Paid<br>Member<br>Contribution | Totals     |
|-----------------------|----------------------|-------------------------------------|------------|
| 2013                  | \$ 666,853           | \$ 230,204                          | \$ 897,057 |
| 2012                  | \$ 722,471           | \$ 248,999                          | \$ 971,470 |
| 2011                  | \$ 596,981           | \$ 255,817                          | \$ 852,798 |

**7. LONG-TERM DEBT**

Long term debt for governmental activities changed as follows for the year ended June 30, 2013:

| Debt Item                   | Balance<br>July 1, 2012 | Additions         | Reductions          | Balance<br>June 30, 2013 | Balance<br>Due Within<br>One Year |
|-----------------------------|-------------------------|-------------------|---------------------|--------------------------|-----------------------------------|
| Compensated Absences        | \$ 180,780              | \$ 176,497        | \$ (180,780)        | \$ 176,497               | \$ 176,497                        |
| Dahlgren Land Sale Contract | 34,720                  | -                 | (34,720)            | -                        | -                                 |
| Total Long-Term Debt        | <u>\$ 215,500</u>       | <u>\$ 176,497</u> | <u>\$ (215,500)</u> | <u>\$ 176,497</u>        | <u>\$ 176,497</u>                 |

Long term debt for business-type activities changed as follows for the year ended June 30, 2013:

| Debt Item                          | Balance<br>July 1, 2012 | Issued              | Matured and<br>Redeemed | Balance<br>June 30, 2013 | Balance<br>Due Within<br>One Year |
|------------------------------------|-------------------------|---------------------|-------------------------|--------------------------|-----------------------------------|
| DEQ Loan (R06801)                  | 1,950,000               | -                   | (100,000)               | 1,850,000                | 100,000                           |
| DEQ Loan (R80160)                  | 199,242                 | -                   | (77,922)                | 121,320                  | 80,277                            |
| DEQ Loan (R80161)                  | 1,994,649               | -                   | (1,994,649)             | -                        | -                                 |
| DEQ Loan (R80162)                  | 311,654                 | 108,107             | -                       | 419,761                  | -                                 |
| DEQ Loan (R80163)                  | 709,451                 | 1,562,220           | -                       | 2,271,671                | -                                 |
| OECD Loan (G04004)                 | 3,235,551               | -                   | (3,103,106)             | 132,445                  | 132,445                           |
| OECD Loan (S04004)                 | 3,075,674               | -                   | (3,075,674)             | -                        | -                                 |
| Capital One - Water Refunding Note | -                       | 6,142,000           | -                       | 6,142,000                | 235,000                           |
| Capital One - Sewer Refunding Note | -                       | 1,912,000           | -                       | 1,912,000                | 135,000                           |
| Total Loans Payable                | <u>\$ 11,476,221</u>    | <u>\$ 9,724,327</u> | <u>\$ (8,351,351)</u>   | <u>\$ 12,849,197</u>     | <u>\$ 682,722</u>                 |
| Compensated Absences               | <u>129,003</u>          | <u>146,341</u>      | <u>(129,003)</u>        | <u>146,341</u>           | <u>146,341</u>                    |
| Total Long-Term Debt               | <u>\$ 11,605,224</u>    | <u>\$ 9,870,668</u> | <u>\$ (8,480,354)</u>   | <u>\$ 12,995,538</u>     | <u>\$ 829,063</u>                 |

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**7. LONG-TERM DEBT (continued)**

Details for business-type loans payable as of June 30, 2013 were as follows:

State of Oregon Department of Environmental Quality (Loan R06801)

This is an interest free loan. The City makes principal payments of \$50,000 on a semi-annual basis. Net operating revenues of the sewer system have been pledged.

State of Oregon Department of Environmental Quality (Loan R80160)

The City pays semi-annual installments, including principal and 3% interest. Net operating revenues of the sewer system have been pledged.

State of Oregon Department of Environmental Quality (Loan R80161)

During 2012-2013, the City paid down and refinanced the entire amount of principal owed on this loan. Proceeds from the issue of the 2013 Capital One Sewer Refunding Note was used to pay off the remaining principal balance.

State of Oregon Department of Environmental Quality (Loan R80162)

The City continues to draw down on this construction loan, which has been authorized for a maximum amount of \$550,000. Payments are set to begin in 2014 and will be due in semi-annual installments, including principal and 1.25% interest. Net operating revenues of the sewer system have been pledged.

State of Oregon Department of Environmental Quality (Loan R80163)

The City continues to draw down on this construction loan, which has been authorized for an amount up to a maximum of \$4,559,700. Payments are set to begin in 2014 and will be due in semi-annual installments, including principal and 2.83% interest. Net operating revenues of the sewer system have been pledged.

Oregon Economic and Community Development Department (Loan G04004)

During 2012-2013, the City paid down and refinanced all but \$132,445 of principal on this Construction loan. Proceeds from Capital One Water Refunding Note were used to pay off the principal balance. The final principal and interest payments are set to be made in 2013-2014. Net operating revenues of the water system have been pledged.

Oregon Economic and Community Development Department (Loan S04004)

During 2012-2013, the City paid down and refinanced the entire principal on this loan. The outstanding principal due was paid off with the proceeds of from the Capital One Water Refunding Note.

Capital One – Water Refunding Note

In June of 2013, the City signed an agreement with Capital One for \$6,142,000 to refund OECD Loans G04004 and S04004. Principal payments are due annually on December 1. Interest is due semi-annually on June 1 and accrues at a rate of 2.35%. Payments are scheduled through December 1, 2029. Net operating revenues of the water system have been pledged.

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**7. LONG-TERM DEBT (continued)**

Capital One – Sewer Refunding Note

In June of 2013, the City signed an agreement with Capital One for \$1,912,000 to refund DEQ Loan R80161. Principal payments are due annually on December 1. Interest is due semi-annually on June 1 and accrues at a rate of 2.35%. Payments are scheduled through December 1, 2025. Net operating revenues of the sewer system have been pledged.

Future maturities of business-type debt are as follows:

| Fiscal Year  | DEQ R06801          |             | DEQ R80160        |                 | DEQ R80162        |                  | DEQ R80163          |                     |
|--------------|---------------------|-------------|-------------------|-----------------|-------------------|------------------|---------------------|---------------------|
|              | Principal           | Interest    | Principal         | Interest        | Principal         | Interest         | Principal           | Interest            |
| 2013-2014    | \$ 100,000          | \$ -        | \$ 80,277         | \$ 3,042        | \$ -              | \$ -             | \$ -                | \$ -                |
| 2014-2015    | 100,000             | -           | 41,043            | 616             | 119,571           | 10,403           | 88,412              | 111,020             |
| 2015-2016    | 100,000             | -           | -                 | -               | 121,071           | 5,003            | 180,595             | 63,889              |
| 2016-2017    | 100,000             | -           | -                 | -               | 122,589           | 3,485            | 185,743             | 120,121             |
| 2017-2018    | 100,000             | -           | -                 | -               | 56,530            | 1,948            | 191,036             | 114,828             |
| 2018-2023    | 500,000             | -           | -                 | -               | -                 | -                | 1,040,018           | 489,302             |
| 2023-2028    | 500,000             | -           | -                 | -               | -                 | -                | 585,867             | 153,041             |
| 2028-2033    | 350,000             | -           | -                 | -               | -                 | -                | -                   | -                   |
| <b>Total</b> | <b>\$ 1,850,000</b> | <b>\$ -</b> | <b>\$ 121,320</b> | <b>\$ 3,658</b> | <b>\$ 419,761</b> | <b>\$ 20,839</b> | <b>\$ 2,271,671</b> | <b>\$ 1,052,201</b> |

| Fiscal Year  | OECDD (G04004)    |                   | Capital One - Water |                     | Capital One - Sewer |                   | Total                |                     |
|--------------|-------------------|-------------------|---------------------|---------------------|---------------------|-------------------|----------------------|---------------------|
|              | Principal         | Interest          | Principal           | Interest            | Principal           | Interest          | Principal            | Interest            |
| 2013-2014    | \$ 132,445        | \$ 130,014        | \$ 235,000          | \$ 131,151          | \$ 135,000          | \$ 40,100         | \$ 682,722           | \$ 304,307          |
| 2014-2015    | -                 | -                 | 367,000             | 134,502             | 133,000             | 40,196            | 849,026              | 296,737             |
| 2015-2016    | -                 | -                 | 377,000             | 125,761             | 136,000             | 37,036            | 914,666              | 231,689             |
| 2016-2017    | -                 | -                 | 382,000             | 116,843             | 138,000             | 33,817            | 928,332              | 274,266             |
| 2017-2018    | -                 | -                 | 392,000             | 107,748             | 141,000             | 30,539            | 880,566              | 255,063             |
| 2018-2023    | -                 | -                 | 2,106,000           | 394,496             | 746,000             | 101,240           | 4,392,018            | 985,038             |
| 2023-2028    | -                 | -                 | 1,822,000           | 144,550             | 483,000             | 17,165            | 3,390,867            | 314,756             |
| 2028-2033    | -                 | -                 | 461,000             | 10,911              | -                   | -                 | 811,000              | 10,911              |
| <b>Total</b> | <b>\$ 132,445</b> | <b>\$ 130,014</b> | <b>\$ 6,142,000</b> | <b>\$ 1,165,962</b> | <b>\$ 1,912,000</b> | <b>\$ 300,093</b> | <b>\$ 12,849,197</b> | <b>\$ 2,672,767</b> |

Debt Covenants

Net operating revenues, defined as gross operating revenue less operating expenses of the facility, are irrevocably pledged for payment of certain loan obligations. Net operating revenues of the Sewer Fund are pledged to the Oregon Department of Environmental Quality (ODEQ) Sewer Separation Project loan, as well as the 2003/2004 I&I Correction Projects, the Wastewater I&I Infiltration Reduction loan, and the Wastewater Facilities Planning loan (all of which are not currently in re-payment). Net operating revenues of the Water Fund are pledged to the Oregon Economic and Community Development Department (OECDD) loan number G04004.

In addition to pledged revenues, the OECDD loan number G04004 requires the City to charge rates and fees in connection with operation of the Water system adequate to generate net operating revenues each fiscal year of at least 120% of annual debt service due in the fiscal year. Net operating revenue for the Water system for the fiscal year was \$614,275, while 120% of the debt service for the fiscal year was \$652,011.

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**7. LONG-TERM DEBT (continued)**

The ODEQ requires the City to maintain sewer rates and fees sufficient to generate net operating revenues in each fiscal year of at least 105% of the debt service requirement for the fiscal year. Net operating revenue for the current fiscal year was \$1,270,741, while 105% of the debt service requirement was \$388,327. The loans for the 2003/2004 I&I Correction Projects, the Wastewater I&I Infiltration Reduction, and the Wastewater Facilities Planning also require Sewer rates and fees sufficient to generate net operating revenues in excess of debt service requirements. However, until these loans enter repayment, the annual debt service requirement is not established. Additionally, ODEQ requires the City to document and maintain a reserve for debt service. At June 30, 2013, the reserve requirement for the Sewer Fund was \$338,883. The City presents this amount as restricted net position.

The Capital One loans are backed by the full faith and credit of the City and require a debt ratio of 1.1 for the Water and Sewer Funds. At June 30, 2013, the Water Fund had a debt ratio of 1.13 and the Sewer Fund had a debt ratio of 3.44.

**8. INTERFUND TRANSFERS**

Interfund transfers during the year ended June 30, 2013 were as follows:

| <u>Governmental Funds</u>    | <u>Transfers</u>        |                         |
|------------------------------|-------------------------|-------------------------|
|                              | <u>In</u>               | <u>Out</u>              |
| General                      | \$ 68,528               | \$ 32,226               |
| Street                       | -                       | 138,750                 |
| Capital Improvement          | 1,610,000               | 16,501                  |
| Other                        | 27,426                  | 52,027                  |
| <br><u>Proprietary Funds</u> |                         |                         |
| Water                        | -                       | 508,750                 |
| Sewer                        | -                       | 962,500                 |
| Internal Service             | 4,800                   | -                       |
| <br>Total Transfers          | <br><u>\$ 1,710,754</u> | <br><u>\$ 1,710,754</u> |

Transfers were used to fund operations between funds.

**9. CAPITAL CONTRIBUTIONS**

In certain cases, the governmental funds will receive resources or pay for costs of the proprietary funds. When this happens, the transaction must be recorded as a capital contribution in the government-wide statements so that the resources are allocated correctly between the governmental and business-type activities. During 2012-2013, the Capital Improvement Fund spent \$195,550 and \$2,047,319 respectively for capital assets in the Water and Sewer Fund. The Capital Improvement Fund also received \$1,670,327 of long term debt proceeds for the Sewer Fund. On the Statement of Activities, these transactions resulted in a net capital contribution to the Business-Type Activities of \$572,542.

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**10. PROPERTY TAX LIMITATIONS**

The State of Oregon has a constitutional limit on property taxes for schools and nonschool government operations. The limitation provides that property taxes for nonschool operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

An additional limit reduces the amount of operating property tax revenues available to the City for its 1997-98 fiscal year, and thereafter. This reduction was accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The Constitution also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

**11. CONTINGENCIES – EARNED SICK LEAVE**

Portions of accumulated sick leave at any point in time can be expected to be redeemed before termination of employment; however, such redemptions cannot be reasonably estimated. As of June 30, 2013, City employees had accumulated 2,115 days of sick leave. Additionally, eligible retirees of the City are allowed to request to have accumulated sick leave up to 960 hours deposited into their Voluntary Employee Benefit Association (VEBA) account. As of June 30, 2013 \$86,056 of sick leave has been earned by eligible retirees and could be converted to their VEBA account upon retirement.

**12. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize its exposure to these risks.

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**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION**



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**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

| <u>GENERAL FUND</u>                                      |                    |                      |                     |                                    |
|--|--------------------|----------------------|---------------------|------------------------------------|
|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET      | ACTUAL              | VARIANCE<br>POSITIVE<br>(NEGATIVE) |
| <b>REVENUES</b>  |                    |                      |                     |                                    |
| Property Taxes   | \$ 1,504,000       | \$ 1,504,000         | \$ 1,502,084        | \$ (1,916)                         |
| Franchise Fees   | 1,410,500          | 1,410,500            | 1,377,207           | (33,293)                           |
| Licenses and Permits                                     | 116,500            | 116,500              | 132,921             | 16,421                             |
| Fines and Forfeitures                                    | 238,500            | 238,500              | 241,721             | 3,221                              |
| Intergovernmental  | 247,300            | 247,300              | 271,467             | 24,167                             |
| Interest   | 10,000             | 10,000               | 11,203              | 1,203                              |
| Miscellaneous  | 99,150             | 99,150               | 147,212             | 48,062                             |
| Total Revenues   | <u>3,625,950</u>   | <u>3,625,950</u>     | <u>3,683,815</u>    | <u>57,865</u>                      |
| <b>EXPENDITURES</b>                                      |                    |                      |                     |                                    |
| <b>Mayor and City Council</b>                            |                    |                      |                     |                                    |
| Personal Services  | 32,350             | 32,750               | 32,714              | 36                                 |
| Materials and Services                                   | 20,600             | 20,600               | 20,184              | 416                                |
| Total Mayor and City Council                             | <u>52,950</u>      | <u>53,350</u> (1)    | <u>52,898</u>       | <u>452</u>                         |
| <b>Municipal Court</b>                                   |                    |                      |                     |                                    |
| Personal Services  | 137,210            | 144,210              | 143,013             | 1,197                              |
| Materials and Services                                   | 178,410            | 182,710              | 181,398             | 1,312                              |
| Total Municipal Court                                    | <u>315,620</u>     | <u>326,920</u> (1)   | <u>324,411</u>      | <u>2,509</u>                       |
| <b>Planning</b>  |                    |                      |                     |                                    |
| Personal Services  | 96,630             | 93,930               | 93,829              | 101                                |
| Materials and Services                                   | 40,190             | 33,990               | 32,615              | 1,375                              |
| Total Planning   | <u>136,820</u>     | <u>127,920</u> (1)   | <u>126,444</u>      | <u>1,476</u>                       |
| <b>Police</b>  |                    |                      |                     |                                    |
| Personal Services  | 1,970,540          | 1,920,540            | 1,850,408           | 70,132                             |
| Materials and Services                                   | 422,310            | 458,910              | 408,605             | 50,305                             |
| Total Police   | <u>2,392,850</u>   | <u>2,379,450</u> (1) | <u>2,259,013</u>    | <u>120,437</u>                     |
| <b>Library</b>   |                    |                      |                     |                                    |
| Personal Services  | 362,140            | 362,140              | 357,913             | 4,227                              |
| Materials and Services                                   | 138,120            | 138,120              | 135,523             | 2,597                              |
| Total Library  | <u>500,260</u>     | <u>500,260</u> (1)   | <u>493,436</u>      | <u>6,824</u>                       |
| <b>Parks</b>   |                    |                      |                     |                                    |
| Personal Services  | 115,220            | 115,220              | 115,248             | (28)                               |
| Materials and Services                                   | 121,690            | 121,690              | 118,216             | 3,474                              |
| Debt Service   | 36,610             | 36,610               | 36,604              | 6                                  |
| Total Parks  | <u>273,520</u>     | <u>273,520</u> (1)   | <u>270,068</u>      | <u>3,452</u>                       |
| <b>Non-Departmental</b>                                  |                    |                      |                     |                                    |
| Personal Services  | 23,760             | 28,060               | 27,563              | 497                                |
| Materials and Services                                   | 22,290             | 72,590               | 71,635              | 955                                |
| Capital Outlay   | -                  | 116,800              | 116,799             | 1                                  |
| Total Non-Departmental                                   | <u>46,050</u>      | <u>217,450</u> (1)   | <u>215,997</u>      | <u>1,453</u>                       |
| Contingency  | 744,570            | 554,770 (1)          | -                   | 554,770                            |
| Total Expenditures                                       | <u>4,462,640</u>   | <u>4,433,640</u>     | <u>3,742,267</u>    | <u>691,373</u>                     |
| Excess, (Deficit) of Revenues Over, (Under) Expenditures | (836,690)          | (807,690)            | (58,452)            | 749,238                            |
| <b>OTHER FINANCING SOURCES, (USES)</b>                   |                    |                      |                     |                                    |
| Sale of Assets   | -                  | -                    | 6,255               | 6,255                              |
| Transfers In   | 71,150             | 71,150               | 68,528              | (2,622)                            |
| Transfers Out  | (32,940)           | (61,940) (1)         | (32,226)            | 29,714                             |
| Total Other Financing Sources, (Uses)                    | <u>38,210</u>      | <u>9,210</u>         | <u>42,557</u>       | <u>33,347</u>                      |
| Net Change in Fund Balance                               | (798,480)          | (798,480)            | (15,895)            | 782,585                            |
| Beginning Fund Balance                                   | 1,225,681          | 1,225,681            | 1,261,469           | 35,788                             |
| Ending Fund Balance                                      | <u>\$ 427,201</u>  | <u>\$ 427,201</u>    | <u>\$ 1,245,574</u> | <u>\$ 818,373</u>                  |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

| <u>STREET FUND</u>   |                            |                         |                      |   |
|--|----------------------------|-------------------------|----------------------|---|
|  | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>        | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
| <b>REVENUES</b>  |                            |                         |                      |   |
| Intergovernmental  | \$ 710,000                 | \$ 710,000              | \$ 704,841           | \$ (5,159)                                  |
| Interest   | 8,500                      | 8,500                   | 10,981               | 2,481                                       |
| Miscellaneous  | 500                        | 500                     | 3,571                | 3,071                                       |
| <b>Total Revenues</b>                                      | <u>719,000</u>             | <u>719,000</u>          | <u>719,393</u>       | <u>393</u>                                  |
| <b>EXPENDITURES</b>  |                            |                         |                      |   |
| Personal Services  | 263,710                    | 263,710                 | 267,099              | (3,389)                                     |
| Materials and Services                                     | 425,220                    | 425,220                 | 366,410              | 58,810                                      |
| Capital Outlay   | 20,000                     | 20,000                  | -                    | 20,000                                      |
| Total Streets  | <u>708,930</u>             | <u>708,930</u>          | (1) <u>633,509</u>   | <u>75,421</u>                               |
| Contingency  | <u>137,790</u>             | <u>137,790</u>          | (1) <u>-</u>         | <u>137,790</u>                              |
| <b>Total Expenditures</b>                                  | <u>846,720</u>             | <u>846,720</u>          | <u>633,509</u>       | <u>213,211</u>                              |
| Excess, (Deficit) of Revenues Over<br>(Under) Expenditures | (127,720)                  | (127,720)               | 85,884               | 213,604                                     |
| <b>OTHER FINANCING SOURCES, (USES)</b>                     |                            |                         |                      |   |
| Transfers Out  | <u>(138,750)</u>           | <u>(138,750)</u>        | (1) <u>(138,750)</u> | <u>-</u>                                    |
| <b>Total Other Financing Sources, (Uses)</b>               | <u>(138,750)</u>           | <u>(138,750)</u>        | <u>(138,750)</u>     | <u>-</u>                                    |
| <b>Net Change in Fund Balance</b>                          | <u>(266,470)</u>           | <u>(266,470)</u>        | <u>(52,866)</u>      | <u>213,604</u>                              |
| Beginning Fund Balance                                     | <u>498,588</u>             | <u>498,588</u>          | <u>615,040</u>       | <u>116,452</u>                              |
| Ending Fund Balance  | <u>\$ 232,118</u>          | <u>\$ 232,118</u>       | <u>\$ 562,174</u>    | <u>\$ 330,056</u>                           |

(1) Appropriation Level

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**SUPPLEMENTARY INFORMATION**

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**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

| <u>CAPITAL IMPROVEMENT FUND</u>                            |                            |                         |                     |   |
|--|----------------------------|-------------------------|---------------------|---|
|  | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>       | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
| <b>REVENUES</b>  |                            |                         |                     |   |
| Intergovernmental  | \$ 270,000                 | \$ 270,000              | \$ 343,896          | \$ 73,896                                   |
| System Development Charges                                 | 133,000                    | 133,000                 | 181,949             | 48,949                                      |
| Miscellaneous  | -                          | -                       | 16,617              | 16,617                                      |
| Total Revenues   | <u>403,000</u>             | <u>403,000</u>          | <u>542,462</u>      | <u>139,462</u>                              |
| <b>EXPENDITURES</b>  |                            |                         |                     |   |
| Capital Outlay   | 3,915,000                  | 3,995,430 (1)           | 2,609,933           | 1,385,497                                   |
| Contingency  | 349,000                    | 349,000 (1)             | -                   | 349,000                                     |
| Total Expenditures   | <u>4,264,000</u>           | <u>4,344,430</u>        | <u>2,609,933</u>    | <u>1,734,497</u>                            |
| Excess, (Deficit) of Revenues Over<br>(Under) Expenditures | (3,861,000)                | (3,941,430)             | (2,067,471)         | 1,873,959                                   |
| <b>OTHER FINANCING SOURCES, (USES)</b>                     |                            |                         |                     |   |
| Loan Proceeds  | 1,350,000                  | 1,350,000               | 1,670,327           | 320,327                                     |
| Transfers In   | 1,610,000                  | 1,610,000               | 1,610,000           | -   |
| Transfers Out  | (19,350)                   | (19,350) (1)            | (16,501)            | 2,849                                       |
| Total Other Financing<br>Sources, (Uses)                   | <u>2,940,650</u>           | <u>2,940,650</u>        | <u>3,263,826</u>    | <u>323,176</u>                              |
| Net Change in Fund Balance                                 | (920,350)                  | (1,000,780)             | 1,196,355           | 2,197,135                                   |
| Beginning Fund Balance                                     | <u>4,525,040</u>           | <u>4,525,040</u>        | <u>4,374,853</u>    | <u>(150,187)</u>                            |
| Ending Fund Balance  | <u>\$ 3,604,690</u>        | <u>\$ 3,524,260</u>     | <u>\$ 5,571,208</u> | <u>\$ 2,046,948</u>                         |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
June 30, 2013**

|   | BUILDING         | 911         | ST. HELENS<br>VISITORS AND<br>TOURISM | STATE<br>REVENUE<br>SHARING |
|---|------------------|-------------|---------------------------------------|-----------------------------|
| <b>ASSETS</b>                               |                  |             |                                       |                             |
| Cash and Investments                        | \$ 43,089        | \$ -        | \$ 274,858                            | \$ 105,892                  |
| Accounts Receivable                         | -                | -           | 8,997                                 | 25,888                      |
| Total Assets                                | <u>\$ 43,089</u> | <u>\$ -</u> | <u>\$ 283,855</u>                     | <u>\$ 131,780</u>           |
| <b>LIABILITIES AND FUND BALANCES</b>        |                  |             |                                       |                             |
| <b>Liabilities:</b>                         |                  |             |                                       |                             |
| Accounts Payable and<br>Accrued Liabilities | \$ 43,089        | \$ -        | \$ 2,202                              | \$ 128                      |
| Due to Other Funds                          | -                | -           | -                                     | -                           |
| Deferred Revenue                            | -                | -           | -                                     | -                           |
| Total Liabilities                           | <u>43,089</u>    | <u>-</u>    | <u>2,202</u>                          | <u>128</u>                  |
| <b>Fund Balances:</b>                       |                  |             |                                       |                             |
| <b>Restricted For:</b>                      |                  |             |                                       |                             |
| Community Enhancement                       | -                | -           | -                                     | -                           |
| Tourism                                     | -                | -           | 281,653                               | -                           |
| Other Purposes                              | -                | -           | -                                     | 131,652                     |
| <b>Committed For:</b>                       |                  |             |                                       |                             |
| Arts Commission                             | -                | -           | -                                     | -                           |
| Parks Capital                               | -                | -           | -                                     | -                           |
| Library Equipment                           | -                | -           | -                                     | -                           |
| Library Facilities                          | -                | -           | -                                     | -                           |
| <b>Assigned For:</b>                        |                  |             |                                       |                             |
| Capital Projects                            | -                | -           | -                                     | -                           |
| Total Fund Balances                         | <u>-</u>         | <u>-</u>    | <u>281,653</u>                        | <u>131,652</u>              |
| Total Liabilities and<br>Fund Balances      | <u>\$ 43,089</u> | <u>\$ -</u> | <u>\$ 283,855</u>                     | <u>\$ 131,780</u>           |

| <u>COMMUNITY DEVELOPMENT</u> | <u>COMMUNITY ENHANCEMENT</u> | <u>WATER SYSTEM IMPROVEMENT RESERVE</u> | <u>TOTAL</u>        |
|------------------------------|------------------------------|---|---------------------|
| \$ -                         | \$ 434,291                   | \$ 350,000                              | \$ 1,208,130        |
| 89,845                       | 40,815                       | -                                       | 165,545             |
| <u>\$ 89,845</u>             | <u>\$ 475,106</u>            | <u>\$ 350,000</u>                       | <u>\$ 1,373,675</u> |
| \$ 2,516                     | \$ 14,770                    | \$ -                                    | \$ 62,705           |
| 6,397                        | -                            | -                                       | 6,397               |
| 80,932                       | -                            | -                                       | 80,932              |
| <u>89,845</u>                | <u>14,770</u>                | <u>-</u>                                | <u>150,034</u>      |
| -                            | 44,370                       | -                                       | 44,370              |
| -                            | -                            | -                                       | 281,653             |
| -                            | -                            | -                                       | 131,652             |
| -                            | 49,373                       | -                                       | 49,373              |
| -                            | 79,805                       | -                                       | 79,805              |
| -                            | 18,428                       | -                                       | 18,428              |
| -                            | 268,360                      | -                                       | 268,360             |
| -                            | -                            | 350,000                                 | 350,000             |
| -                            | 460,336                      | 350,000                                 | 1,223,641           |
| <u>\$ 89,845</u>             | <u>\$ 475,106</u>            | <u>\$ 350,000</u>                       | <u>\$ 1,373,675</u> |



**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS**

**For the Year Ended June 30, 2013**

|  | BUILDING       | 911 EMERGENCY | ST. HELENS<br>VISITORS AND<br>TOURISM | STATE<br>REVENUE<br>SHARING |
|--|----------------|---------------|---------------------------------------|-----------------------------|
| <b>REVENUES</b>                              |                |               |                                       |                             |
| Licenses and Permits                         | \$ 146,809     | \$ -          | \$ -                                  | \$ -                        |
| Charges for Services                         | -              | -             | -                                     | -                           |
| Transient Room Tax                           | -              | -             | 75,663                                | -                           |
| Intergovernmental                            | -              | 61,930        | 1,000                                 | 109,720                     |
| Interest                                     | -              | -             | -                                     | -                           |
| Miscellaneous                                | 55             | -             | -                                     | -                           |
|  | <u>146,864</u> | <u>61,930</u> | <u>76,663</u>                         | <u>109,720</u>              |
| <b>Total Revenues</b>                        | <b>146,864</b> | <b>61,930</b> | <b>76,663</b>                         | <b>109,720</b>              |
| <b>EXPENDITURES</b>                          |                |               |                                       |                             |
| Current:                                     |                |               |                                       |                             |
| Public Safety                                | -              | 61,930        | -                                     | -                           |
| Visitor and Tourism                          | -              | -             | 98,746                                | -                           |
| Community Enhancement                        | -              | -             | -                                     | -                           |
| Revenue Sharing                              | -              | -             | -                                     | 51,849                      |
| Community Block Grants                       | -              | -             | -                                     | -                           |
| Building                                     | 172,642        | -             | -                                     | -                           |
|  | <u>172,642</u> | <u>61,930</u> | <u>98,746</u>                         | <u>51,849</u>               |
| <b>Total Expenditures</b>                    | <b>172,642</b> | <b>61,930</b> | <b>98,746</b>                         | <b>51,849</b>               |
| Excess of Revenues Over, -Under Expenditures | (25,778)       | -             | (22,083)                              | 57,871                      |
| <b>Other Financing Sources, (Uses)</b>       |                |               |                                       |                             |
| Transfers In                                 | 25,778         | -             | -                                     | -                           |
| Transfers Out                                | -              | -             | -                                     | (50,000)                    |
|  | <u>25,778</u>  | <u>-</u>      | <u>-</u>                              | <u>(50,000)</u>             |
| <b>Total Other Financing Sources, (Uses)</b> | <b>25,778</b>  | <b>-</b>      | <b>-</b>                              | <b>(50,000)</b>             |
| Net Change in Fund Balance                   | -              | -             | (22,083)                              | 7,871                       |
| Beginning Fund Balance                       | -              | -             | 303,736                               | 123,781                     |
| Ending Fund Balance                          | <u>\$ -</u>    | <u>\$ -</u>   | <u>\$ 281,653</u>                     | <u>\$ 131,652</u>           |

| <u>COMMUNITY<br/>DEVELOPMENT</u> | <u>COMMUNITY<br/>ENHANCEMENT</u> | <u>WATER SYSTEM<br/>IMPROVEMENT<br/>RESERVE</u> | <u>TOTAL</u>        |
|----------------------------------|----------------------------------|---|---------------------|
| \$ -                             | \$ -                             | \$ -  | \$ 146,809          |
| -                                | 558                              | -   | 558                 |
| -                                | -                                | -   | 75,663              |
| 70,049                           | 138,105                          | -   | 380,804             |
| -                                | 1,650                            | 2,027   | 3,677               |
| 10,807                           | 23,332                           | -   | 34,194              |
| <u>80,856</u>                    | <u>163,645</u>                   | <u>2,027</u>                                    | <u>641,705</u>      |
| -                                | -                                | -   | 61,930              |
| -                                | -                                | -   | 98,746              |
| -                                | 192,149                          | -   | 192,149             |
| -                                | -                                | -   | 51,849              |
| 80,856                           | -                                | -   | 80,856              |
| -                                | -                                | -   | 172,642             |
| <u>80,856</u>                    | <u>192,149</u>                   | <u>-</u>  | <u>658,172</u>      |
| -                                | (28,504)                         | 2,027   | (16,467)            |
| -                                | 1,648                            | -   | 27,426              |
| -                                | -                                | (2,027)   | (52,027)            |
| <u>-</u>                         | <u>1,648</u>                     | <u>(2,027)</u>                                  | <u>(24,601)</u>     |
| -                                | (26,856)                         | -   | (41,068)            |
| -                                | 487,192                          | 350,000   | 1,264,709           |
| <u>\$ -</u>                      | <u>\$ 460,336</u>                | <u>\$ 350,000</u>                               | <u>\$ 1,223,641</u> |

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

BUILDING FUND

|   | ORIGINAL<br>BUDGET | FINAL<br>BUDGET    | ACTUAL         | VARIANCE<br>POSITIVE<br>(NEGATIVE) |
|---|--------------------|--------------------|----------------|------------------------------------|
| <b>REVENUES</b>   |                    |                    |                |                                    |
| Licenses and Permits  | \$ 155,400         | \$ 155,400         | \$ 146,809     | \$ (8,591)                         |
| Miscellaneous   | 2,900              | 2,900              | 55             | (2,845)                            |
| Total Revenues  | <u>158,300</u>     | <u>158,300</u>     | <u>146,864</u> | <u>(11,436)</u>                    |
| <b>EXPENDITURES</b>   |                    |                    |                |                                    |
| Personal Services   | 139,560            | 139,860            | 139,880        | (20)                               |
| Materials and Services                                      | 30,880             | 33,980             | 32,762         | 1,218                              |
| Total Building  | <u>170,440</u>     | <u>173,840</u> (1) | <u>172,642</u> | <u>1,198</u>                       |
| Contingency   | <u>10,000</u>      | <u>6,600</u> (1)   | <u>-</u>       | <u>6,600</u>                       |
| Total Expenditures  | <u>180,440</u>     | <u>180,440</u>     | <u>172,642</u> | <u>7,798</u>                       |
| Excess, (Deficit) of Revenues Over,<br>(Under) Expenditures | (22,140)           | (22,140)           | (25,778)       | (3,638)                            |
| <b>OTHER FINANCING SOURCES, (USES)</b>                      |                    |                    |                |                                    |
| Transfers In  | <u>22,140</u>      | <u>22,140</u>      | <u>25,778</u>  | <u>3,638</u>                       |
| Total Other Financing<br>Sources, (Uses)                    | <u>22,140</u>      | <u>22,140</u>      | <u>25,778</u>  | <u>3,638</u>                       |
| Net Change in Fund Balance                                  | -                  | -                  | -              | -                                  |
| Beginning Fund Balance                                      | <u>-</u>           | <u>-</u>           | <u>-</u>       | <u>-</u>                           |
| Ending Fund Balance   | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>    | <u>\$ -</u>                        |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

911 EMERGENCY FUND

|                            | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL     | VARIANCE<br>POSITIVE<br>(NEGATIVE) |
|----------------------------|--------------------|-----------------|------------|------------------------------------|
| REVENUES                   |                    |                 |            |                                    |
| Intergovernmental          | \$ 62,000          | \$ 65,000       | \$ 61,930  | \$ (3,070)                         |
| Total Revenues             | 62,000             | 65,000          | 61,930     | (3,070)                            |
| EXPENDITURES               |                    |                 |            |                                    |
| Materials and Services     | 62,000             | 65,000          | 61,930     | 3,070                              |
| Total 911 Emergency        | 62,000             | 65,000          | (1) 61,930 | 3,070                              |
| Total Expenditures         | 62,000             | 65,000          | 61,930     | 3,070                              |
| Net Change in Fund Balance | -                  | -               | -          | -                                  |
| Beginning Fund Balance     | -                  | -               | -          | -                                  |
| Ending Fund Balance        | \$ -               | \$ -            | \$ -       | \$ -                               |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

ST. HELENS VISITORS AND TOURISM FUND

|                            | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>     | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|----------------------------|----------------------------|-------------------------|-------------------|---|
| <b>REVENUES</b>            |                            |                         |                   |   |
| Transient Room Tax         | \$ 67,740                  | \$ 67,740               | \$ 75,663         | \$ 7,923                                    |
| Intergovernmental          | 10,000                     | 10,000                  | 1,000             | (9,000)                                     |
| Miscellaneous              | 150,000                    | 150,000                 | -                 | (150,000)                                   |
| Total Revenues             | <u>227,740</u>             | <u>227,740</u>          | <u>76,663</u>     | <u>(151,077)</u>                            |
| <b>EXPENDITURES</b>        |                            |                         |                   |   |
| Materials and Services     | <u>234,150</u>             | <u>234,150</u>          | <u>98,746</u>     | <u>135,404</u>                              |
| Total Visitors and Tourism | <u>234,150</u>             | <u>234,150</u>          | (1) <u>98,746</u> | <u>135,404</u>                              |
| Contingency                | <u>31,000</u>              | <u>31,000</u>           | (1) <u>-</u>      | <u>31,000</u>                               |
| Total Expenditures         | 265,150                    | 265,150                 | 98,746            | 166,404                                     |
| Net Change in Fund Balance | (37,410)                   | (37,410)                | (22,083)          | 15,327                                      |
| Beginning Fund Balance     | <u>292,380</u>             | <u>292,380</u>          | <u>303,736</u>    | <u>11,356</u>                               |
| Ending Fund Balance        | <u>\$ 254,970</u>          | <u>\$ 254,970</u>       | <u>\$ 281,653</u> | <u>\$ 26,683</u>                            |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

| <u>STATE REVENUE SHARING FUND</u>                           |                            |                         |                     |   |
|---|----------------------------|-------------------------|---------------------|---|
|   | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>       | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
| <b>REVENUES</b>   |                            |                         |                     |   |
| Intergovernmental   | \$ 104,000                 | \$ 104,000              | \$ 109,720          | \$ 5,720                                    |
| Total Revenues  | <u>104,000</u>             | <u>104,000</u>          | <u>109,720</u>      | <u>5,720</u>                                |
| <b>EXPENDITURES</b>   |                            |                         |                     |   |
| Materials and Services                                      | 61,000                     | 61,000                  | 51,849              | 9,151                                       |
| Total Revenue Sharing                                       | <u>61,000</u>              | <u>61,000</u>           | (1) <u>51,849</u>   | <u>9,151</u>                                |
| Contingency   | 26,690                     | 26,690                  | (1) -               | 26,690                                      |
| Total Expenditures  | <u>87,690</u>              | <u>87,690</u>           | <u>51,849</u>       | <u>35,841</u>                               |
| Excess, (Deficit) of Revenues Over, (Under)<br>Expenditures | 16,310                     | 16,310                  | 57,871              | 41,561                                      |
| <b>OTHER FINANCING SOURCES, (USES)</b>                      |                            |                         |                     |   |
| Transfers Out   | <u>(50,000)</u>            | <u>(50,000)</u>         | (1) <u>(50,000)</u> | <u>-</u>                                    |
| Net Change in Fund Balance                                  | (33,690)                   | (33,690)                | 7,871               | 41,561                                      |
| Beginning Fund Balance                                      | <u>33,690</u>              | <u>33,690</u>           | <u>123,781</u>      | <u>90,091</u>                               |
| Ending Fund Balance   | <u>\$ -</u>                | <u>\$ -</u>             | <u>\$ 131,652</u>   | <u>\$ 131,652</u>                           |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

COMMUNITY DEVELOPMENT FUND

|                             | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>     | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|-----------------------------|----------------------------|-------------------------|-------------------|---|
| <b>REVENUES</b>             |                            |                         |                   |   |
| Intergovernmental           | \$ 400,000                 | \$ 400,000              | \$ 70,049         | \$ (329,951)                                |
| Miscellaneous               | 56,830                     | 56,830                  | 10,807            | (46,023)                                    |
| Total Revenues              | <u>456,830</u>             | <u>456,830</u>          | <u>80,856</u>     | <u>(375,974)</u>                            |
| <b>EXPENDITURES</b>         |                            |                         |                   |   |
| Materials and Services      | 56,830                     | 56,830                  | 10,807            | 46,023                                      |
| Capital Outlay              | 400,000                    | 400,000                 | 70,049            | 329,951                                     |
| Total Community Development | <u>456,830</u>             | <u>456,830</u>          | <u>80,856</u> (1) | <u>375,974</u>                              |
| Total Expenditures          | <u>456,830</u>             | <u>456,830</u>          | <u>80,856</u>     | <u>375,974</u>                              |
| Net Change in Fund Balance  | -                          | -                       | -                 | -   |
| Beginning Fund Balance      | -                          | -                       | -                 | -   |
| Ending Fund Balance         | <u>\$ -</u>                | <u>\$ -</u>             | <u>\$ -</u>       | <u>\$ -</u>                                 |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

COMMUNITY ENHANCEMENT FUND

|   | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>     | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---|----------------------------|-------------------------|-------------------|---|
| <b>REVENUES</b>   |                            |                         |                   |   |
| Charges for Services  | \$ -                       | \$ -                    | \$ 558            | \$ 558                                      |
| Intergovernmental   | 70,580                     | 133,890                 | 138,105           | 4,215                                       |
| Interest  | 1,400                      | 1,400                   | 1,650             | 250   |
| Miscellaneous   | 6,700                      | 11,380                  | 23,332            | 11,952                                      |
| <b>Total Revenues</b>                                       | <u>78,680</u>              | <u>146,670</u>          | <u>163,645</u>    | <u>16,975</u>                               |
| <b>EXPENDITURES</b>   |                            |                         |                   |   |
| Public Art  | 37,750                     | 37,750 (1)              | 6,351             | 31,399                                      |
| Library Improvements - Building                             | 26,530                     | 30,030 (1)              | 27,557            | 2,473                                       |
| Library Improvements - Equipment                            | 8,680                      | 8,680 (1)               | 8,119             | 561   |
| Police Data Cellular  | 4,010                      | 4,010 (1)               | 4,522             | (512)                                       |
| PEG Access  | 23,580                     | 23,580 (1)              | 5,758             | 17,822                                      |
| Grants  | 77,880                     | 86,270 (1)              | 81,767            | 4,503                                       |
| LSTA  | -                          | 59,600 (1)              | 58,075            | 1,525                                       |
| Contingency   | 37,000                     | 33,500 (1)              | -                 | 33,500                                      |
| <b>Total Expenditures</b>                                   | <u>215,430</u>             | <u>283,420</u>          | <u>192,149</u>    | <u>91,271</u>                               |
| Excess, (Deficit) of Revenues Over, (Under)<br>Expenditures | (136,750)                  | (136,750)               | (28,504)          | 108,246                                     |
| <b>OTHER FINANCING SOURCES, (USES)</b>                      |                            |                         |                   |   |
| Transfers In  | 6,000                      | 6,000                   | 1,648             | (4,352)                                     |
| <b>Net Change in Fund Balance</b>                           | (130,750)                  | (130,750)               | (26,856)          | 103,894                                     |
| <b>Beginning Fund Balance</b>                               | <u>462,710</u>             | <u>462,710</u>          | <u>487,192</u>    | <u>24,482</u>                               |
| <b>Ending Fund Balance</b>                                  | <u>\$ 331,960</u>          | <u>\$ 331,960</u>       | <u>\$ 460,336</u> | <u>\$ 128,376</u>                           |

(1) Appropriation Level



**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

WATER SYSTEM IMPROVEMENT RESERVE FUND

|                                 | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>      | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
|---------------------------------|----------------------------|-------------------------|--------------------|---|
| REVENUES                        |                            |                         |                    |   |
| Interest                        | \$ 1,800                   | \$ 2,500                | \$ 2,027           | \$ (473)                                    |
| Total Revenues                  | <u>1,800</u>               | <u>2,500</u>            | <u>2,027</u>       | <u>(473)</u>                                |
| OTHER FINANCING SOURCES, (USES) |                            |                         |                    |   |
| Transfers Out                   | <u>(1,800)</u>             | <u>(2,500)</u>          | (1) <u>(2,027)</u> | <u>473</u>                                  |
| Net Change in Fund Balance      | -                          | -                       | -                  | -   |
| Beginning Fund Balance          | <u>350,000</u>             | <u>350,000</u>          | <u>350,000</u>     | <u>-</u>                                    |
| Ending Fund Balance             | <u>\$ 350,000</u>          | <u>\$ 350,000</u>       | <u>\$ 350,000</u>  | <u>\$ -</u>                                 |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS  
For the Year Ended June 30, 2013**

|   | <u>WATER FUND</u>          |                         |                      | VARIANCE<br>POSITIVE<br>(NEGATIVE) |
|---|----------------------------|-------------------------|----------------------|------------------------------------|
|   | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>        |                                    |
| <b>REVENUES</b>                             |                            |                         |                      |                                    |
| Charges for Services                        | \$ 2,883,000               | \$ 2,883,000            | \$ 3,366,453         | \$ 483,453                         |
| Interest                                    | 10,000                     | 10,000                  | 17,611               | 7,611                              |
| Miscellaneous                               | 20,000                     | 20,000                  | 17,423               | (2,577)                            |
| Total Revenues                              | <u>2,913,000</u>           | <u>2,913,000</u>        | <u>3,401,487</u>     | <u>488,487</u>                     |
| <b>EXPENDITURES</b>                         |                            |                         |                      |                                    |
| Water Filtration Plant                      |                            |                         |                      |                                    |
| Personal Services                           | 195,990                    | 206,570                 | 206,867              | (297)                              |
| Materials and Services                      | 146,550                    | 135,970                 | 120,753              | 15,217                             |
| Debt Service                                | 543,350                    | 543,350                 | 543,343              | 7                                  |
| Total Water Filtration Plant                | <u>885,890</u>             | <u>885,890</u>          | (1) 870,963          | <u>14,927</u>                      |
| Water Production/Delivery                   |                            |                         |                      |                                    |
| Personal Services                           | 693,970                    | 695,970                 | 685,777              | 10,193                             |
| Materials and Services                      | 1,124,480                  | 1,122,480               | 1,087,806            | 34,674                             |
| Total Water Production/Delivery             | <u>1,818,450</u>           | <u>1,818,450</u>        | (1) 1,773,583        | <u>44,867</u>                      |
| Contingency                                 | 543,350                    | 543,350                 | (1) -                | 543,350                            |
| Total Expenditures                          | <u>3,247,690</u>           | <u>3,247,690</u>        | <u>2,644,546</u>     | <u>603,144</u>                     |
| Excess, (Deficit) of Revenues Over, (Under) |                            |                         |                      |                                    |
| Expenditures                                | (334,690)                  | (334,690)               | 756,941              | 1,091,631                          |
| <b>OTHER FINANCING SOURCES, (USES)</b>      |                            |                         |                      |                                    |
| Debt Proceeds                               | -                          | 6,180,000               | 6,142,000            | (38,000)                           |
| Contributed Capital                         | -                          | -                       | 3,813                | 3,813                              |
| Debt Retired                                | -                          | (6,180,000)             | (6,144,618)          | 35,382                             |
| Transfers Out                               | (508,750)                  | (508,750)               | (508,750)            | -                                  |
| Total Other Financing Sources, (Uses)       | <u>(508,750)</u>           | <u>(508,750)</u>        | <u>(507,555)</u>     | <u>1,195</u>                       |
| Net Change in Fund Balance                  | (843,440)                  | (843,440)               | 249,386              | 1,092,826                          |
| Beginning Fund Balance                      | <u>1,496,733</u>           | <u>1,496,733</u>        | <u>1,568,726</u>     | <u>71,993</u>                      |
| Ending Fund Balance                         | <u>\$ 653,293</u>          | <u>\$ 653,293</u>       | 1,818,112            | <u>\$ 1,164,819</u>                |
| <b>Reconciling Items:</b>                   |                            |                         |                      |                                    |
| Net Capital Assets                          |                            |                         | 15,898,529           |                                    |
| Accrued Interest                            |                            |                         | (1,573)              |                                    |
| Long-Term Debt                              |                            |                         | (6,274,445)          |                                    |
| Compensated Absences                        |                            |                         | <u>(57,696)</u>      |                                    |
| Net Position                                |                            |                         | <u>\$ 11,382,927</u> |                                    |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS  
For the Year Ended June 30, 2013**

| <u>SEWER FUND</u>   |                            |                         |                      |   |
|---|----------------------------|-------------------------|----------------------|---|
|   | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>        | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
| <b>REVENUES</b>   |                            |                         |                      |   |
| Charges for Services  | \$ 4,648,430               | \$ 4,648,430            | \$ 4,422,922         | \$ (225,508)                                |
| Interest  | 20,000                     | 20,000                  | 22,598               | 2,598                                       |
| Miscellaneous   | 2,000                      | 2,000                   | 30,679               | 28,679                                      |
| Total Revenues  | <u>4,670,430</u>           | <u>4,670,430</u>        | <u>4,476,199</u>     | <u>(194,231)</u>                            |
| <b>EXPENDITURES</b>   |                            |                         |                      |   |
| <b>Sewer Collections</b>                                    |                            |                         |                      |   |
| Personal Services   | 882,530                    | 882,530                 | 776,023              | 106,507                                     |
| Materials and Services                                      | 1,102,270                  | 1,102,270               | 942,561              | 159,709                                     |
| Debt Service  | 374,680                    | 374,680                 | 369,836              | 4,844                                       |
| Total Sewer Collections                                     | <u>2,359,480</u>           | <u>2,359,480</u>        | <u>(1) 2,088,420</u> | <u>271,060</u>                              |
| <b>Sewer Secondary</b>                                      |                            |                         |                      |   |
| Personal Services   | 184,610                    | 200,560                 | 185,450              | 15,110                                      |
| Materials and Services                                      | 353,320                    | 337,278                 | 297,131              | 40,147                                      |
| Total Sewer Secondary                                       | <u>537,930</u>             | <u>537,838</u>          | <u>(1) 482,581</u>   | <u>55,257</u>                               |
| <b>Sewer Primary</b>  |                            |                         |                      |   |
| Personal Services   | 143,400                    | 148,400                 | 144,039              | 4,361                                       |
| Materials and Services                                      | 227,710                    | 222,710                 | 192,298              | 30,412                                      |
| Total Sewer Primary   | <u>371,110</u>             | <u>371,110</u>          | <u>(1) 336,337</u>   | <u>34,773</u>                               |
| <b>Pumps</b>  |                            |                         |                      |   |
| Personal Services   | 118,810                    | 122,410                 | 119,506              | 2,904                                       |
| Materials and Services                                      | 53,050                     | 60,150                  | 53,182               | 6,968                                       |
| Total Pumps   | <u>171,860</u>             | <u>182,560</u>          | <u>(1) 172,688</u>   | <u>9,872</u>                                |
| <b>Storm Water</b>  |                            |                         |                      |   |
| Personal Services   | 232,240                    | 232,240                 | 194,786              | 37,454                                      |
| Materials and Services                                      | 201,500                    | 201,500                 | 182,423              | 19,077                                      |
| Total Storm Water   | <u>433,740</u>             | <u>433,740</u>          | <u>(1) 377,209</u>   | <u>56,531</u>                               |
| Contingency   | 748,140                    | 737,532                 | (1) -                | 737,532                                     |
| Total Expenditures  | <u>4,622,260</u>           | <u>4,622,260</u>        | <u>3,457,235</u>     | <u>1,165,025</u>                            |
| Excess, (Deficit) of Revenues Over, (Under)<br>Expenditures | <u>48,170</u>              | <u>48,170</u>           | <u>1,018,964</u>     | <u>970,794</u>                              |

Continued on page 43A

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY (NON-GAAP) BASIS  
For the Year Ended June 30, 2013**

Continued from page 43

OTHER FINANCING SOURCES, (USES)

|   |                    |                    |                     |                     |
|---|--------------------|--------------------|---------------------|---------------------|
| Debt Proceeds                             | -                  | 1,904,000          | 1,912,000           | 8,000               |
| Contributed Capital                       | -                  | -                  | 1,187               | 1,187               |
| Debt Retired                              | (374,680)          | (2,278,680)        | (1) (1,912,257)     | 366,423             |
| Transfers Out                             | (1,000,310)        | (1,000,310)        | (1) (962,500)       | 37,810              |
|   | <u>(1,374,990)</u> | <u>(1,374,990)</u> | <u>(961,570)</u>    | <u>413,420</u>      |
| <br>Total Other Financing Sources, (Uses) |                    |                    |                     |                     |
| Net Change in Fund Balance                | (1,326,820)        | (1,326,820)        | 57,394              | 1,384,214           |
| Beginning Fund Balance                    | <u>2,042,648</u>   | <u>2,042,648</u>   | <u>2,607,141</u>    | <u>564,493</u>      |
| Ending Fund Balance                       | <u>\$ 715,828</u>  | <u>\$ 715,828</u>  | <u>\$ 2,664,535</u> | <u>\$ 1,948,707</u> |

Reconciling Items:

|                      |                          |
|----------------------|--------------------------|
| Net Capital Assets   | 16,613,458               |
| Deferred Revenue     | 462,028                  |
| Accrued Interest     | (38,837)                 |
| Long-Term Debt       | (6,574,752)              |
| Compensated Absences | <u>(88,645)</u>          |
| <br>Net Position     | <br><u>\$ 13,037,787</u> |

(1) Appropriation Level

CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
June 30, 2013

|  | FLEET<br>MAINTENANCE | ADMINISTRATIVE<br>SERVICES | PUBLIC WORKS    | TOTAL             |
|--|----------------------|----------------------------|-----------------|-------------------|
| <b>ASSETS</b>                                      |                      |                            |                 |                   |
| Current:   |                      |                            |                 |                   |
| Cash and Investments                               | \$ 57,786            | \$ 129,185                 | \$ 6,921        | \$ 193,892        |
| Accounts Receivable                                | -                    | 230                        | -               | 230               |
| Inventories  | 9,666                | -                          | -               | 9,666             |
| Total Current Assets                               | <u>67,452</u>        | <u>129,415</u>             | <u>6,921</u>    | <u>203,788</u>    |
| Capital Assets, (Net)                              | <u>82,604</u>        | <u>-</u>                   | <u>-</u>        | <u>82,604</u>     |
| Total Assets                                       | <u>\$ 150,056</u>    | <u>\$ 129,415</u>          | <u>\$ 6,921</u> | <u>\$ 286,392</u> |
| <b>LIABILITIES AND FUND BALANCES</b>               |                      |                            |                 |                   |
| Liabilities:                                       |                      |                            |                 |                   |
| Accounts Payable and<br>Accrued Liabilities        | \$ 6,353             | \$ 26,536                  | \$ 6,921        | \$ 39,810         |
| Total Liabilities                                  | <u>6,353</u>         | <u>26,536</u>              | <u>6,921</u>    | <u>39,810</u>     |
| Net Position:                                      |                      |                            |                 |                   |
| Invested in Capital Assets,<br>Net of Related Debt | 82,604               | -                          | -               | 82,604            |
| Unrestricted                                       | 61,099               | 102,879                    | -               | 163,978           |
| Total Net Position                                 | <u>143,703</u>       | <u>102,879</u>             | <u>-</u>        | <u>246,582</u>    |
| Total Liabilities and<br>Net Position              | <u>\$ 150,056</u>    | <u>\$ 129,415</u>          | <u>\$ 6,921</u> | <u>\$ 286,392</u> |

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN NET POSITION - INTERNAL SERVICE FUNDS  
For the Year Ended June 30, 2013**

|                               | FLEET<br>MAINTENANCE | ADMINISTRATIVE<br>SERVICES | PUBLIC<br>WORKS | TOTAL             |
|-------------------------------|----------------------|----------------------------|-----------------|-------------------|
| <b>OPERATING REVENUES</b>     |                      |                            |                 |                   |
| Internal Charges              | \$ 250,000           | \$ 1,174,428               | \$ 177,021      | \$ 1,601,449      |
| Charges for Services          | -                    | -                          | 719             | 719               |
| Total Revenues                | <u>250,000</u>       | <u>1,174,428</u>           | <u>177,740</u>  | <u>1,602,168</u>  |
| <b>OPERATING EXPENDITURES</b> |                      |                            |                 |                   |
| Personal Services             | 185,639              | 786,376                    | 30,678          | 1,002,693         |
| Materials and Services        | 59,031               | 422,540                    | 147,062         | 628,633           |
| Depreciation                  | 8,128                | -                          | -               | 8,128             |
| Total Expenditures            | <u>252,798</u>       | <u>1,208,916</u>           | <u>177,740</u>  | <u>1,639,454</u>  |
| Operating Income, (Loss)      | (2,798)              | (34,488)                   | -               | (37,286)          |
| <b>TRANSFERS</b>              |                      |                            |                 |                   |
| Transfers                     | -                    | 4,800                      | -               | 4,800             |
| Change in Net Position        | (2,798)              | (29,688)                   | -               | (32,486)          |
| Beginning Net Position        | <u>146,501</u>       | <u>132,567</u>             | <u>-</u>        | <u>279,068</u>    |
| Ending Net Position           | <u>\$ 143,703</u>    | <u>\$ 102,879</u>          | <u>\$ -</u>     | <u>\$ 246,582</u> |

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Year Ended June 30, 2013**

|  | FLEET<br>MAINTENANCE | ADMINISTRATIVE<br>SERVICES | PUBLIC<br>WORKS | TOTAL        |
|--|----------------------|----------------------------|-----------------|--------------|
| Cash Flows from Operating Activities:  |                      |                            |                 |              |
| Cash Received from Customers   | \$ 250,000           | \$ 1,174,198               | \$ 177,740      | \$ 1,601,938 |
| Cash Paid to Suppliers   | (65,475)             | (404,911)                  | (142,833)       | (613,219)    |
| Cash Paid to Employees   | (185,639)            | (786,376)                  | (30,678)        | (1,002,693)  |
| Net Cash Provided -Used by Operating Activities                                    | (1,114)              | (17,089)                   | 4,229           | (13,974)     |
| Cash Flows from Noncapital Financing Activities:                                   |                      |                            |                 |              |
| Transfers  | -                    | 4,800                      | -               | 4,800        |
| Net Cash Provided -Used by<br>Noncapital Financing Activities                      | -                    | 4,800                      | -               | 4,800        |
| Net Increase -Decrease in Cash and Cash Equivalents                                | (1,114)              | (12,289)                   | 4,229           | (9,174)      |
| Cash and Investments at Beginning of Year  | 58,900               | 141,474                    | 2,692           | 203,066      |
| Cash and Investments at End of Year  | \$ 57,786            | \$ 129,185                 | \$ 6,921        | \$ 193,892   |
| Reconciliation of Operating Income to<br>Net Cash Provided by Operating Activities |                      |                            |                 |              |
| Operating Income, -Loss  | \$ (2,798)           | \$ (34,488)                | \$ -            | \$ (37,286)  |
| Noncash Items Included in Income:  |                      |                            |                 |              |
| Depreciation   | 8,128                | -                          | -               | 8,128        |
| Decrease -Increase in Accounts Receivable  | -                    | (230)                      | -               | (230)        |
| Decrease -Increase in Inventory  | (340)                | -                          | -               | (340)        |
| Increase -Decrease in Accounts Payable<br>and Accrued Liabilities                  | (6,104)              | 17,629                     | 4,229           | 15,754       |
| Net Cash Provided -Used by Operating Activities                                    | \$ (1,114)           | \$ (17,089)                | \$ 4,229        | \$ (13,974)  |

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

| <u>FLEET MAINTENANCE FUND</u>  |                            |                         |                    |   |
|--------------------------------|----------------------------|-------------------------|--------------------|---|
|                                | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>      | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
| <b>REVENUES</b>                |                            |                         |                    |   |
| Charges for Interfund Services | \$ 250,000                 | \$ 250,000              | \$ 250,000         | \$ -  |
| Total Revenue                  | <u>250,000</u>             | <u>250,000</u>          | <u>250,000</u>     | <u>-</u>                                    |
| <b>EXPENDITURES</b>            |                            |                         |                    |   |
| Fleet Maintenance              |                            |                         |                    |   |
| Personal Services              | 185,910                    | 185,910                 | 185,639            | 271   |
| Materials and Services         | 84,490                     | 84,490                  | 59,031             | 25,459                                      |
| Total Fleet Maintenance        | <u>270,400</u>             | <u>270,400</u>          | (1) <u>244,670</u> | <u>25,730</u>                               |
| Contingency                    | <u>19,830</u>              | <u>19,830</u>           | (1) -              | <u>19,830</u>                               |
| Total Expenditures             | <u>290,230</u>             | <u>290,230</u>          | <u>244,670</u>     | <u>45,560</u>                               |
| Net Change in Fund Balance     | (40,230)                   | (40,230)                | 5,330              | 45,560                                      |
| Beginning Fund Balance         | <u>40,230</u>              | <u>40,230</u>           | <u>46,103</u>      | <u>5,873</u>                                |
| Ending Fund Balance            | <u>\$ -</u>                | <u>\$ -</u>             | 51,433             | <u>\$ 51,433</u>                            |
| <b>Reconciling Items:</b>      |                            |                         |                    |   |
| Net Capital Assets             |                            |                         | 82,604             |   |
| Inventory                      |                            |                         | <u>9,666</u>       |   |
| Net Position                   |                            |                         | <u>\$ 143,703</u>  |   |

(1) Appropriation Level



**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

| <u>ADMINISTRATIVE SERVICES FUND</u>                         |                            |                         |                    |   |
|---|----------------------------|-------------------------|--------------------|---|
|   | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>      | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
| <b>REVENUES</b>   |                            |                         |                    |   |
| Indirect Cost Allocation                                    | \$ 1,255,990               | \$ 1,255,990            | \$ 1,174,428       | \$ (81,562)                                 |
| Total Charges for Interfund Services                        | <u>1,255,990</u>           | <u>1,255,990</u>        | <u>1,174,428</u>   | <u>(81,562)</u>                             |
| <b>EXPENDITURES</b>   |                            |                         |                    |   |
| City Administrator  |                            |                         |                    |   |
| Personal Services   | 151,970                    | 151,970                 | 134,807            | 17,163                                      |
| Materials and Services                                      | 62,950                     | 66,600                  | 57,986             | 66,600                                      |
| Total City Administrator                                    | <u>214,920</u>             | <u>218,570</u>          | (1) <u>192,793</u> | <u>25,777</u>                               |
| City Recorder   |                            |                         |                    |   |
| Personal Services   | 227,540                    | 227,540                 | 215,392            | 12,148                                      |
| Materials and Services                                      | 69,240                     | 61,390                  | 49,588             | 11,802                                      |
| Capital Outlay  | 5,000                      | 5,000                   | 5,000              | -   |
| Total City Recorder   | <u>301,780</u>             | <u>293,930</u>          | (1) <u>269,980</u> | <u>23,950</u>                               |
| Finance   |                            |                         |                    |   |
| Personal Services   | 452,290                    | 448,580                 | 436,177            | 12,403                                      |
| Materials and Services                                      | 146,650                    | 150,200                 | 140,102            | 10,098                                      |
| Capital Outlay  | 5,000                      | 5,000                   | 3,132              | 1,868                                       |
| Total Finance   | <u>603,940</u>             | <u>603,780</u>          | (1) <u>579,411</u> | <u>24,369</u>                               |
| City Hall Facilities  |                            |                         |                    |   |
| Materials and Services                                      | 91,830                     | 91,830                  | 89,989             | 1,841                                       |
| Capital Outlay  | 15,000                     | 19,360                  | 19,360             | -   |
| Total City Hall Facilities                                  | <u>106,830</u>             | <u>111,190</u>          | (1) <u>109,349</u> | <u>1,841</u>                                |
| IT/Self-Insurance   |                            |                         |                    |   |
| Capital Outlay  | 25,800                     | 70,800                  | 57,383             | 13,417                                      |
| Total IT/Self-Insurance                                     | <u>25,800</u>              | <u>70,800</u>           | (1) <u>57,383</u>  | <u>13,417</u>                               |
| Contingency   | <u>137,760</u>             | <u>92,760</u>           | (1) <u>-</u>       | <u>92,760</u>                               |
| Total Expenditures  | <u>1,391,030</u>           | <u>1,391,030</u>        | <u>1,208,916</u>   | <u>182,114</u>                              |
| Excess, (Deficit) of Revenues Over, (Under)<br>Expenditures | (135,040)                  | (135,040)               | (34,488)           | 100,552                                     |
| <b>OTHER FINANCING SOURCES, (USES)</b>                      |                            |                         |                    |   |
| Transfers In  | <u>4,800</u>               | <u>4,800</u>            | <u>4,800</u>       | <u>-</u>                                    |
| Net Change in Fund Balance                                  | (130,240)                  | (130,240)               | (29,688)           | 100,552                                     |
| Beginning Fund Balance                                      | <u>130,240</u>             | <u>130,240</u>          | <u>132,567</u>     | <u>2,327</u>                                |
| Ending Fund Balance   | <u>\$ -</u>                | <u>\$ -</u>             | <u>\$ 102,879</u>  | <u>\$ 102,879</u>                           |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
For the Year Ended June 30, 2013**

| <u>PUBLIC WORKS FUND</u>                                    |                            |                         |                    |   |
|---|----------------------------|-------------------------|--------------------|---|
|   | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>      | <u>VARIANCE<br/>POSITIVE<br/>(NEGATIVE)</u> |
| <b>REVENUES</b>   |                            |                         |                    |   |
| Indirect Cost Allocation                                    | \$ 189,030                 | \$ 189,030              | \$ 177,021         | \$ (12,009)                                 |
| Charges for Services  | -                          | -                       | 719                | 719   |
| Total Revenues  | <u>189,030</u>             | <u>189,030</u>          | <u>177,740</u>     | <u>(11,290)</u>                             |
| <b>EXPENDITURES</b>   |                            |                         |                    |   |
| Engineering   |                            |                         |                    |   |
| Personal Services   | 28,730                     | 28,730                  | 30,678             | (1,948)                                     |
| Materials and Services                                      | 26,200                     | 26,200                  | 19,273             | 6,927                                       |
| Capital Outlay  | 9,100                      | 9,100                   | 6,191              | 2,909                                       |
| Total Engineering   | <u>64,030</u>              | <u>64,030</u>           | (1) <u>56,142</u>  | <u>7,888</u>                                |
| Operations  |                            |                         |                    |   |
| Materials and Services                                      | 125,000                    | 125,000                 | 121,598            | 3,402                                       |
| Total Operations  | <u>125,000</u>             | <u>125,000</u>          | (1) <u>121,598</u> | <u>3,402</u>                                |
| Contingency   | 37,810                     | 37,810                  | (1) -              | 37,810                                      |
| Total Expenditures  | <u>226,840</u>             | <u>226,840</u>          | <u>177,740</u>     | <u>49,100</u>                               |
| Excess, (Deficit) of Revenues Over, (Under)<br>Expenditures | (37,810)                   | (37,810)                | -                  | 37,810                                      |
| <b>OTHER FINANCING SOURCES, (USES)</b>                      |                            |                         |                    |   |
| Transfers In  | 37,810                     | 37,810                  | -                  | (37,810)                                    |
| Net Change in Fund Balance                                  | -                          | -                       | -                  | -   |
| Beginning Fund Balance                                      | -                          | -                       | -                  | -   |
| Ending Fund Balance   | <u>\$ -</u>                | <u>\$ -</u>             | <u>\$ -</u>        | <u>\$ -</u>                                 |

(1) Appropriation Level

**CITY OF ST. HELENS  
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED - GENERAL FUND  
For the Year Ended June 30, 2013**

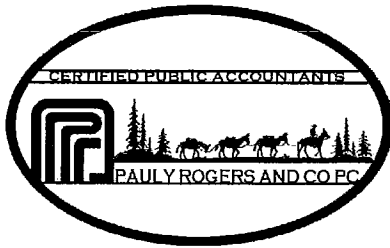
| TAX<br>YEAR  | IMPOSED<br>LEVY OR<br>UNCOL-<br>LECTED<br>AT 7-1-12 | DEDUCT<br>DISCOUNTS | ADJUST-<br>MENTS<br>TO<br>ROLLS | INTEREST         | CASH<br>COLLEC-<br>TIONS<br>BY COUNTY<br>TREAS-<br>URER | BALANCE<br>UNCOL-<br>LECTED<br>OR UNSEG-<br>REGATED<br>AT 6-30-13 |
|--------------|---|---------------------|---------------------------------|------------------|---|---|
| CURRENT:     |   |                     |                                 |                  |   |   |
| 2012-2013    | \$ 1,535,897  | \$ 38,212           | \$ (21,080)                     | \$ 725           | \$ 1,407,400  | \$ 69,205   |
| PRIOR YEARS: |   |                     |                                 |                  |   |   |
| 2011-2012    | 77,299  | 150                 | 1,962                           | 2,195            | 41,468  | 37,643  |
| 2010-2011    | 45,143  | 2                   | 2,582                           | 2,758            | 20,702  | 27,021  |
| 2009-2010    | 28,300  | -                   | 4,305                           | 4,396            | 22,575  | 10,030  |
| 2008-2009    | 11,471  | -                   | 2,320                           | 2,471            | 10,730  | 3,061   |
| Prior        | 5,373   | -                   | (197)                           | 260              | 793   | 4,383   |
| Total Prior  | 167,586   | 152                 | 10,972                          | 12,080           | 96,268  | 82,138  |
| Total        | <u>\$ 1,703,483</u>                                 | <u>\$ 38,364</u>    | <u>\$ (10,108)</u>              | <u>\$ 12,805</u> | <u>\$ 1,503,668</u>                                     | <u>\$ 151,343</u>   |

| RECONCILIATION OF REVENUE:                 | GENERAL<br>FUND     |
|--|---------------------|
| Cash Collections by County Treasurer Above | \$ 1,503,668        |
| Accrual of Receivables:                    |                     |
| Other Taxes                                | 188                 |
| June 30, 2012                              | (7,507)             |
| June 30, 2013                              | <u>5,735</u>        |
| Total Revenue                              | <u>\$ 1,502,084</u> |

**CITY OF ST. HELENS**  
**COLUMBIA COUNTY, OREGON**

**INDEPENDENT AUDITORS' REPORT REQUIRED BY  
OREGON STATE REGULATIONS**

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(503) 620-2632 ♦ (503) 684-7523 FAX  
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December 12, 2013

### **Independent Auditors' Report Required by Oregon State Regulations**

We have audited the basic financial statements of the City of St. Helens as of and for the year ended June 30, 2013, and have issued our report thereon dated December 12, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### **Compliance**

As part of obtaining reasonable assurance about whether the City of St. Helens' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

#### **OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

**Independent Auditors' Report Required by Oregon State Regulations**

We noted no matters involving the internal control structure and its operation that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants.

This report is intended solely for the information and use of the council members and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Kenneth Allen, CPA  
Municipal Auditor  
**PAULY, ROGERS AND CO., P.C.**