

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

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023



**12700 SW 72nd Ave.
Tigard, OR 97223**

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

FINANCIAL REPORT

2022-2023

CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON

MAYOR AND CITY COUNCIL MEMBERS AS OF JUNE 30, 2023

NAME

TERM EXPIRES

Rick Scholl – Mayor
rscholl@sthelensoregon.gov

December 31, 2024

Mark Gundersen
mgundersen@sthelensoregon.gov

December 31, 2026

Patrick Birkle
pbirkle@sthelensoregon.gov

December 31, 2024

Brandon Sundeen
bsundeen@sthelensoregon.gov

December 31, 2026

Jessica Chilton
jchilton@sthelensoregon.gov

December 31, 2024

CITY STAFF

John Walsh, City Administrator
Gloria Butsch, Finance Director
Kathy Payne, City Recorder
Brian Greenway, Police Chief
Mouhamad Zaher, Public Works Director
Suzanne Bishop, Library Director
Jacob Graichen, City Planner
Mike DeRoia, Building Official

MAILING ADDRESS

City of St. Helens
265 Strand Street
St. Helens, OR 97051

CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON

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**FINANCIAL
SECTION**



PAULY, ROGERS AND CO., P.C.
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February 8, 2024

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

INDEPENDENT AUDITORS' REPORT

Opinions

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 City of St. Helens, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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 City of St. Helens, as of June 30, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of St. Helens and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

The City adopted new accounting guidance, GASB Statement No. 96 – Subscriptions during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of St. Helens' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of St. Helens' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of St. Helens' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 and other records used to prepare the basic financial statements or to the basic 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, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2024 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated February 8, 2024, 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.

CITY OF ST. HELENS

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2023

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, 2023. 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 and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$64.48 million.
- The City's Total Assets increased by \$3.21 million. Liabilities increased by \$7.27 million.
- Total net position increased during the year by \$2.57 million.
- The General Fund's financial position decreased over last fiscal year. On June 30, 2023, the ending fund balance is \$1.25 million, a decrease of \$300 thousand from the previous year.
- The City adopted the provisions of GASB Statement 96, *Subscription-Based Information Technology Arrangements*.

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 asset, deferred outflows, deferred inflows and liabilities. Assets and deferred outflows less liabilities and deferred inflows are 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, culture and recreation, highways and streets. The business-type activities include water system operations, sewer system operations and storm drain operations.

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.

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 Information Technology, Equipment, Public Works Administration and Facility Major Maintenance. 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	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and other assets	\$ 27.36	\$ 25.00	\$ 14.50	\$ 13.45	\$ 41.86	\$ 38.45
Net opeb asset	0.09	0.08	0.04	0.04	0.13	0.12
Interfund loan	(0.30)	(0.60)	0.30	0.60	-	-
Notes Receivable	1.37	1.44	-	-	1.37	1.44
Leases Receivable	0.37	4.28	-	-	0.37	4.28
Capital assets, net	34.34	29.79	28.34	29.12	62.68	58.91
Total Assets	63.23	59.99	43.18	43.21	106.41	103.20
DEFERRED OUTFLOWS						
Pensions - GASB 68	4.04	4.00	1.18	1.17	5.22	5.17
OPEB - GASB 75	0.05	0.03	0.02	0.01	0.07	0.04
Total Deferred Outflows	4.09	4.03	1.20	1.18	5.29	5.21
LIABILITIES						
Current Liabilities	4.24	3.16	1.65	1.70	5.89	4.86
Long-term obligations	29.85	23.18	8.11	8.54	37.96	31.72
Total Liabilities	34.09	26.34	9.76	10.24	43.85	36.58
DEFERRED INFLOWS						
Pensions - GASB 68	2.20	4.29	0.64	1.25	2.84	5.54
OPEB - GASB 75	0.12	0.10	0.05	0.04	0.17	0.14
Leases - GASB 87	0.36	4.24	-	-	0.36	4.24
Total Deferred Inflows	2.68	8.63	0.69	1.29	3.37	9.92
NET POSITION						
Net Investment in						
Capital Assets	24.46	25.69	21.43	21.19	45.89	46.88
Restricted	6.47	5.26	3.97	4.05	10.44	9.31
Unrestricted	(0.38)	(1.90)	8.53	7.62	8.15	5.72
TOTAL NET POSITION	\$ 30.55	\$ 29.05	\$ 33.93	\$ 32.86	\$ 64.48	\$ 61.91

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's net position totaled \$61.48 million at June 30, 2023.

The largest portion of the City's net position represents its net investment in capital assets. These assets include current year additions to equipment and infrastructure, offset by depreciation. 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.

Statement of Activities
(In \$ millions)

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Program revenues						
Charges for services	\$ 2.45	\$ 3.76	\$ 10.31	\$ 9.27	\$ 12.76	\$ 13.03
Operating grants and contributions	2.35	1.74	-	-	2.35	1.74
Capital grants and contributions	0.03	2.18	-	-	0.03	2.18
General Revenues						
Property taxes	3.28	2.96	-	-	3.28	2.96
Franchise taxes	1.74	2.03	-	-	1.74	2.03
Transient room taxes	0.15	0.15	-	-	0.15	0.15
Timber Harvest	1.40	2.13	-	-	1.40	2.13
Other grants and contributions	0.83	0.64	-	-	0.83	0.64
Investment earnings	0.93	-	0.22	0.02	1.15	0.02
Miscellaneous	0.16	0.02	0.32	1.13	0.48	1.15
Total Revenues	\$ 13.32	\$ 15.61	\$ 10.85	\$ 10.42	\$ 24.17	\$ 26.03
Program expenses						
General government	1.12	1.07	-	-	1.12	1.07
Public safety	5.71	5.92	-	-	5.71	5.92
Highways and streets	0.85	0.66	-	-	0.85	0.66
Culture and recreation	3.85	4.98	-	-	3.85	4.98
Interest on long-term obligations	0.46	0.41	-	-	0.46	0.41
Water	-	-	4.08	4.02	4.08	4.02
Sewer	-	-	3.89	3.34	3.89	3.34
Storm	-	-	1.64	1.68	1.64	1.68
Total program expenses	\$ 11.99	\$ 13.04	\$ 9.61	\$ 9.04	\$ 21.60	\$ 22.08
Other Financing sources, (uses)						
Capital contributions	-	1.38	-	(1.38)	-	-
Transfers	0.17	-	(0.17)	-	-	-
Total other financing sources, (uses)	\$ 0.17	\$ 1.38	\$ (0.17)	\$ (1.38)	\$ -	\$ -
Change in net position	1.50	3.95	1.07	-	2.57	3.95
Net position - beginning of year	29.05	25.39	32.86	32.57	61.91	57.96
Prior Period Adjustent	-	(0.29)	-	0.29	-	-
Net position - end of year	\$ 30.55	\$ 29.05	\$ 33.93	\$ 32.86	\$ 64.48	\$ 61.91

The City's Change in Net Position decreased from the prior year, but remained positive. During 2022-2023, overall Net Position increased by \$2.57 million. Revenues as a whole were down, mainly due to the City receiving fewer capital grants and contributions. Revenues from timber harvest were also down significantly. The City budgeted for expenditures accordingly and total spending remained stable in comparison to the prior year.

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, unassigned 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 \$23.97 million. Approximately \$1.25 million or 5% 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.

Financial Analysis of the Proprietary 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 of \$8.53 million.

General Fund Budgetary Highlights

City Council and staff continue to work hard to maintain existing service levels with minimum staffing. While the local economy continues to recover from the pandemic, the cash flow of operating revenues still limit improvement to services. The challenge is balancing the services desired by the public with available revenues. During 2022-2023, the General Fund's final budget reflected the amounts from the original adopted budget, and one resolution, amending budgeted amounts. Actual expenditures during the year for total operations were well within the City's budget.

Capital Asset and Debt Administration

Capital Assets: Investment in capital assets by the governmental and business-type activities as of June 30, 2023 was \$62.68 million net of accumulated depreciation, which is an increase of \$3.77 million from the prior year. The investment in capital assets includes land, buildings, and system improvements, machinery and equipment and roads. The major capital asset additions during the current fiscal year were as follows:

- Governmental activities:
 - Infrastructure - \$423,756
 - Work in Process - \$4,940,065

- Business-type activities
 - Equipment - \$143,362
 - Infrastructure - \$172,810
 - Work in Process - \$506,927
 - Buildings and Improvements \$40,960

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

Long-term Liabilities: The City's long-term liabilities consist of long-term debt, lease liabilities, the proportionate share of the state-wide net pension liability, and other post-employment benefits.

During 2022-2023, the Oregon Business Development Department provided \$4.9 million in financing to the City for the purpose of riverfront redevelopment.

At the end of the current fiscal year, the City saw an increase in long-term liabilities of \$6.24 million. The change was mainly due to the combination of loan activity (payments as well as the issuance of new debt) and changes in the City's pension estimates.

Additional information on the City's pension liabilities, other post-employment benefits, long-term debt, lease liabilities and subscription liabilities may be found in Notes 5-10 to the basic financial statements.

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: Finance Director, 265 Strand Street, St. Helens, OR 97051.

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

BASIC FINANCIAL STATEMENTS

CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2023

ASSETS	GOVERNMENTAL	BUSINESS TYPE	TOTAL
Current Assets:			
Cash and Investments	\$ 26,559,819	\$ 13,302,300	\$ 39,862,119
Receivables	577,977	1,260,079	1,838,056
Internal Balances	201,393	(201,393)	-
Supply Inventory	25,236	136,384	161,620
Total Current Assets	<u>27,364,425</u>	<u>14,497,370</u>	<u>41,861,795</u>
Interfund Loan	(300,000)	300,000	-
Notes Receivable	1,365,536	-	1,365,536
Leases Receivable	367,399	-	367,399
OPEB Asset - RHIA	97,275	41,689	138,964
Capital Assets, not being depreciated			
Land	6,781,238	1,296,624	8,077,862
Right-Of-Way	5,259,111	-	5,259,111
Library Collection	1,043,893	-	1,043,893
Construction In Progress	7,468,740	506,927	7,975,667
Capital Assets, net of depreciation and amortization			
Buildings and Improvements	4,682,729	12,714,790	17,397,519
Land Improvements	2,612,379	-	2,612,379
Equipment	792,387	2,878,970	3,671,357
Infrastructure	5,520,522	10,945,529	16,466,051
Right-To-Use Assets, Leases	141,953	-	141,953
Right-To-Use Assets, Subscriptions	34,173	-	34,173
Total Assets	<u>63,231,760</u>	<u>43,181,899</u>	<u>106,413,659</u>
 DEFERRED OUTFLOWS			
Pensions - GASB 68	4,043,149	1,181,708	5,224,857
OPEB - GASB 75 RHIA	1,974	846	2,820
OPEB - GASB 75 Retiree Health Subsidy	47,228	20,239	67,467
Total Deferred Outflows	<u>4,092,351</u>	<u>1,202,793</u>	<u>5,295,144</u>

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

CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2023

LIABILITIES

Current Liabilities:

Accounts Payable and Accrued Liabilities	1,437,121	204,130	1,641,251
Deposits Payable	-	151,026	151,026
Accrued Interest Payable	211,911	13,826	225,737
Unearned Revenue	1,635,927	3,550	1,639,477
Leases Payable, due within one year	72,975	-	72,975
Subscriptions Payable, due within one year	11,430	-	11,430
Long-Term Debt, due within one year	871,407	1,273,899	2,145,306
Total Current Liabilities	4,240,771	1,646,431	5,887,202

Long-Term Liabilities

Proportionate Share of the Net Pension Liability	7,345,392	2,146,870	9,492,262
Other Postemployment Benefits	264,273	113,259	377,532
Leases Payable, Net of Current Portion	69,219	-	69,219
Subscriptions Payable, Net of Current Portion	12,700	-	12,700
Long-Term Debt, Net of Current Portion	22,158,710	5,852,667	28,011,377
Total Long-Term Liabilities	29,850,294	8,112,796	37,963,090

Total Liabilities	34,091,065	9,759,227	43,850,292
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DEFERRED INFLOWS

Pensions - GASB 68	2,190,526	640,235	2,830,761
OPEB - GASB 75 RHIA	16,577	7,104	23,681
OPEB - GASB 75 Implicit Health Subsidy	107,411	46,033	153,444
Leases - GASB 87	363,374	-	363,374
Total Deferred Inflows	2,677,888	693,372	3,371,260

NET POSITION

Net Investment in Capital Assets	24,461,924	21,433,284	45,895,208
Restricted For:			
Community Enhancement	390,976	-	390,976
Urban Renewal Agency	1,873,954	-	1,873,954
Highways and Streets	3,117,391	-	3,117,391
Parks Capital Projects	1,094,034	-	1,094,034
Loan Reserve	-	50,000	50,000
Water, Sewer, Storm SDCs	-	3,917,794	3,917,794
Unrestricted	(383,121)	8,531,015	8,147,894
Total Net Position	\$ 30,555,158	\$ 33,932,093	\$ 64,487,251

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, 2023**

Functions/Programs	Expenses	Program Revenues		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 1,119,810	\$ 1,024,507	\$ 600,059	\$ -
Public Safety	5,714,236	422,467	-	-
Culture and Recreation	3,847,714	849,479	615,690	-
Highways and Streets	847,681	155,595	1,138,225	32,419
Interest on Long Term Debt	460,744	-	-	-
Total Governmental Activities	11,990,185	2,452,048	2,353,974	32,419
Business-Type Activities				
Water	4,084,620	4,134,212	-	-
Sewer	3,890,596	4,716,201	-	-
Storm	1,641,681	1,466,992	-	-
Total Business Activities	9,616,897	10,317,405	-	-
Total Primary Government	\$ 21,607,082	\$ 12,769,453	\$ 2,353,974	\$ 32,419

General Revenues

Property Taxes
Franchise Taxes
Transient Room Taxes
Timber Harvest
Unrestricted Grants and Contributions
Unrestricted Investment Earnings
Miscellaneous

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

Governmental Activities	Business-Type Activities	Total
\$ 504,756	\$ -	\$ 504,756
(5,291,769)	-	(5,291,769)
(2,382,545)	-	(2,382,545)
478,558	-	478,558
(460,744)	-	(460,744)
(7,151,744)	-	(7,151,744)
-	49,592	49,592
-	825,605	825,605
-	(174,689)	(174,689)
-	700,508	700,508
(7,151,744)	700,508	(6,451,236)
3,276,147	-	3,276,147
1,743,618	-	1,743,618
154,558	-	154,558
1,398,722	-	1,398,722
833,596	-	833,596
932,341	222,380	1,154,721
154,066	315,929	469,995
168,000	(168,000)	-
8,661,048	370,309	9,031,357
1,509,304	1,070,817	2,580,121
29,045,854	32,861,276	61,907,130
\$ 30,555,158	\$ 33,932,093	\$ 64,487,251

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

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023**

	GENERAL FUND	VISITOR AND TOURISM FUND	STREET FUND	COMMUNITY ENHANCEMENT FUND
ASSETS				
Cash and Investments	\$ 2,509,108	\$ 101,785	\$ 812,383	\$ 392,026
Accounts Receivable	275,773	-	106,236	-
Notes Receivable	-	-	-	-
Leases Receivable	-	-	-	-
Property Taxes Receivable	88,785	-	-	-
Inventories	-	-	25,236	-
Total Assets	<u>\$ 2,873,666</u>	<u>\$ 101,785</u>	<u>\$ 943,855</u>	<u>\$ 392,026</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 645,344	\$ 3,605	\$ 3,480	\$ 1,050
Unearned Revenue	893,228	-	-	-
Total Liabilities	<u>1,538,572</u>	<u>3,605</u>	<u>3,480</u>	<u>1,050</u>
Deferred Inflows:				
Unavailable Revenue - Notes Receivable	-	-	-	-
Unavailable Revenue - Leases Receivable	-	-	-	-
Unavailable Revenue - Property Taxes	88,785	-	-	-
Total Deferred Inflows	<u>88,785</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Inventory	-	-	25,236	-
Restricted For:				
Community Enhancement	-	-	-	390,976
Highways and Streets	-	-	915,139	-
Parks Capital	-	-	-	-
Public Safety Facility	-	-	-	-
Urban Renewal Agency	-	-	-	-
Committed For:				
Economic Development	-	98,180	-	-
Unassigned	1,246,309	-	-	-
Total Fund Balances	<u>1,246,309</u>	<u>98,180</u>	<u>940,375</u>	<u>390,976</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 2,873,666</u>	<u>\$ 101,785</u>	<u>\$ 943,855</u>	<u>\$ 392,026</u>

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

COMMUNITY DEVELOPMENT FUND	STREET SDC FUND	PARKS SDC FUND	PUBLIC SAFETY FUND	URBAN RENEWAL AGENCY	TOTAL
\$ 4,214,776	\$ 2,202,252	\$ 1,094,034	\$ 13,366,949	\$ 1,866,506	\$ 26,559,819
-	-	-	67,628	7,448	457,085
1,365,536	-	-	-	-	1,365,536
367,399	-	-	-	-	367,399
-	-	-	-	32,107	120,892
-	-	-	-	-	25,236
<u>\$ 5,947,711</u>	<u>\$ 2,202,252</u>	<u>\$ 1,094,034</u>	<u>\$ 13,434,577</u>	<u>\$ 1,906,061</u>	<u>\$ 28,895,967</u>
\$ 670,305	\$ -	\$ -	\$ 113,337	\$ -	\$ 1,437,121
742,699	-	-	-	-	1,635,927
<u>1,413,004</u>	<u>-</u>	<u>-</u>	<u>113,337</u>	<u>-</u>	<u>3,073,048</u>
1,365,536	-	-	-	-	1,365,536
363,374	-	-	-	-	363,374
-	-	-	-	32,107	120,892
<u>1,728,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,107</u>	<u>1,849,802</u>
-	-	-	-	-	25,236
-	-	-	-	-	390,976
-	2,202,252	-	-	-	3,117,391
-	-	1,094,034	-	-	1,094,034
-	-	-	13,321,240	-	13,321,240
-	-	-	-	1,873,954	1,873,954
2,805,797	-	-	-	-	2,903,977
-	-	-	-	-	1,246,309
<u>2,805,797</u>	<u>2,202,252</u>	<u>1,094,034</u>	<u>13,321,240</u>	<u>1,873,954</u>	<u>23,973,117</u>
<u>\$ 5,947,711</u>	<u>\$ 2,202,252</u>	<u>\$ 1,094,034</u>	<u>\$ 13,434,577</u>	<u>1,906,061</u>	<u>\$ 28,895,967</u>

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

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
June 30, 2023**

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

Fund Balances		\$	23,973,117
<p>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.</p>			
Net Capital Assets			34,160,999
<p>The statement of net position reports the value of right-to-use assets as well as related liabilities for leased property that is valued in accordance with GASB 87 and GASB 96.</p>			
Lease Assets	\$	141,953	
Leases Payable		(142,194)	
Subscription Assets		34,173	
Subscriptions Payable		(24,130)	9,802
<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>			
<p>Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.</p>			
Accrued Vacation and Comp Time			(528,333)
<p>Long term debt proceeds are reported as revenue in the governmental funds, but are increases to liabilities on the Statement of Net Position</p>			
			(22,501,784)
<p>Accrued interest on long term debt is reported on the Statement of Net Position but is not recorded in the funds until actually paid.</p>			
			(211,911)
<p>Internal balances result from transactions between the governmental activities, business-type activities, and internal service funds.</p>			
			201,393
<p>Interfund loans that are not due within one year are not reported in the funds</p>			
			(300,000)
<p>Estimated pension obligations and other postemployment benefits are reported on the Statement of Net Position. These items are not reported in the governmental funds</p>			
Proportionate Share of the Net Pension Liability	\$	(7,345,392)	
OPEB Liability - Retiree Healthcare Subsidy		(264,273)	
OPEB Asset - RHIA		97,275	
Deferred Outflows - GASB 68		4,043,149	
Deferred Outflows - GASB 75 Retiree Healthcare Subsidy		47,228	
Deferred Outflows - GASB 75 RHIA		1,974	
Deferred Inflows - GASB 68		(2,190,526)	
Deferred Inflows - GASB 75 RHIA		(16,577)	
Deferred Inflows - GASB 75 Retiree Healthcare Subsidy		(107,411)	(5,734,553)
<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>			
<p>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.</p>			
			1,486,428
Total Net Position	\$		<u>30,555,158</u>

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

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023**

	GENERAL FUND	VISITOR AND TOURISM FUND	STREET FUND	COMMUNITY ENHANCEMENT FUND
REVENUES				
Property Taxes	\$ 2,093,763	\$ -	\$ -	\$ -
Grants	602,859	-	176,894	277,498
Charges for Services	5,537,703	210,151	2,988	-
Transient Room Taxes	-	154,558	-	-
Licenses, Permits and Fees	1,201,985	-	-	33,678
Intergovernmental Revenues	712,336	-	1,138,225	-
Fines and Forfeitures	163,639	-	-	-
Miscellaneous	483,478	4,026	14,965	111,215
Total Revenues	10,795,763	368,735	1,333,072	422,391
EXPENDITURES				
General Government	4,203,369	-	-	-
Public Safety	5,231,922	-	-	-
Culture and Recreation	1,633,159	523,774	-	220,077
Highways and Streets	-	-	1,133,753	-
Debt Service	192,935	-	60,850	-
Capital Outlay	37,130	-	405,577	-
Total Expenditures	11,298,515	523,774	1,600,180	220,077
Excess, (Deficit) of Revenues Over, (Under) Expenditures	(502,752)	(155,039)	(267,108)	202,314
Other Financing Sources, -Uses				
Debt Proceeds	-	-	-	-
Subscription Proceeds	35,130	-	-	-
Timber Harvest	-	-	-	-
Transfers In	168,000	-	-	-
Total Other Financing Sources, (Uses)	203,130	-	-	-
Net Change in Fund Balance	(299,622)	(155,039)	(267,108)	202,314
Beginning Fund Balance	1,545,931	253,219	1,207,483	188,662
Ending Fund Balance	<u>\$ 1,246,309</u>	<u>\$ 98,180</u>	<u>\$ 940,375</u>	<u>\$ 390,976</u>

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

COMMUNITY DEVELOPMENT FUND	STREET SDC FUND	PARKS SDC FUND	PUBLIC SAFETY FUND	URBAN RENEWAL AGENCY	TOTAL
\$ 107,643	\$ -	\$ -	\$ -	\$ 1,058,137	\$ 3,259,543
315,406	-	-	-	-	1,372,657
-	155,595	33,966	255,745	-	6,196,148
-	-	-	-	-	154,558
-	-	-	-	-	1,235,663
-	-	-	-	-	1,850,561
-	-	-	-	-	163,639
398,121	57,768	29,463	383,522	46,710	1,529,268
<u>821,170</u>	<u>213,363</u>	<u>63,429</u>	<u>639,267</u>	<u>1,104,847</u>	<u>15,762,037</u>
-	-	-	-	-	4,203,369
-	-	-	-	-	5,231,922
1,296,940	-	32,303	-	-	3,706,253
-	32,178	-	-	-	1,165,931
530,520	-	-	698,642	-	1,482,947
3,733,143	47,050	198	1,177,853	-	5,400,951
<u>5,560,603</u>	<u>79,228</u>	<u>32,501</u>	<u>1,876,495</u>	<u>-</u>	<u>21,191,373</u>
(4,739,433)	134,135	30,928	(1,237,228)	1,104,847	(5,429,336)
4,904,932	-	-	-	-	4,904,932
-	-	-	-	-	35,130
1,398,722	-	-	-	-	1,398,722
-	-	-	-	-	168,000
<u>6,303,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,506,784</u>
1,564,221	134,135	30,928	(1,237,228)	1,104,847	1,077,448
1,241,576	2,068,117	1,063,106	14,558,468	769,107	22,895,669
<u>\$ 2,805,797</u>	<u>2,202,252</u>	<u>1,094,034</u>	<u>13,321,240</u>	<u>1,873,954</u>	<u>\$ 23,973,117</u>

**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, 2023**

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		\$	1,077,448
<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. Some expenditures however, are made on behalf of business-type activities and recorded as capital contributions on the Statement of Activities. Furthermore, the disposal of old capital assets creates a gain or loss that is allocated to the Statement of Activities. This is the total change in capital asset balances during the year:</p>			
Capitalized Expenditures		\$ 5,363,821	
Depreciation Expense		<u>(671,616)</u>	<u>4,692,205</u>
<p>Debt Proceeds are recorded as revenue in the governmental funds, but are liabilities in the government-wide statements. Sometimes debt proceeds are received on behalf of the business-type activities and are recorded as capital contributions on the Statement of Activities</p>			
Loan Proceeds			(4,904,932)
<p>Governmental funds record expenses for payments on long term loans. On the government wide statements, however, the principal portion of these payments are reported as a reduction in the carrying balance of the loans on the statement of net position.</p>			
			639,974
<p>Governmental funds record expenses for lease and sbita payments at the time the payments are due. The government wide statements, however, record expenses in the amount of interest incurred during the period on the leases and sbitas payable, plus amortization that has been realized on the right-to-use assets. This is the difference between lease and sbita expense reported in the governmental funds and the government wide statements.</p>			
Leases - GASB 87		\$ (396)	
SBITAs - GASB 96		<u>10,043</u>	<u>9,647</u>
<p>Governmental funds record interest expense when paid. The statement of activities, however, records interest expense as it comes due.</p>			
			192,377
<p>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</p>			
			(128,783)
<p>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 unavailable revenue.</p>			
			(56,041)
<p>The change in estimated pension obligations is reflected in the Statement of Activities. The governmental funds, however, only record pension expenses as they are paid</p>			
Pensions - GASB 68		\$ (30,434)	
OPEB - GASB 75 RHIA		14,520	
OPEB - GASB 75 Retiree Healthcare Subsidy		<u>(12,466)</u>	<u>(28,380)</u>
<p>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</p>			
			<u>15,789</u>
Change in Net Position			<u>\$ 1,509,304</u>

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, 2023**

	ENTERPRISE FUNDS				INTERNAL SERVICE
	WATER	SEWER	STORM	TOTAL	
ASSETS					
Current Assets					
Cash and Investments	\$ 5,072,674	\$ 5,895,704	\$ 1,898,108	\$ 12,866,486	\$ 435,814
Accounts Receivable	538,892	561,627	159,560	1,260,079	-
Inventory	105,192	17,624	770	123,586	12,798
Total Current Assets	<u>5,716,758</u>	<u>6,474,955</u>	<u>2,058,438</u>	<u>14,250,151</u>	<u>448,612</u>
Noncurrent Assets					
Interfund Loan	150,000	150,000	-	300,000	-
OPEB Asset - GASB 75 RHIA	13,896	19,455	8,338	41,689	-
Capital Assets, net	11,870,216	10,511,330	5,831,494	28,213,040	129,800
Total Noncurrent Assets	<u>12,034,112</u>	<u>10,680,785</u>	<u>5,839,832</u>	<u>28,554,729</u>	<u>129,800</u>
Total Assets	<u>17,750,870</u>	<u>17,155,740</u>	<u>7,898,270</u>	<u>42,804,880</u>	<u>578,412</u>
DEFERRED OUTFLOWS					
Pensions - GASB 68	464,188	462,166	255,354	1,181,708	-
OPEB - GASB 75 RHIA	282	395	169	846	-
OPEB - GASB 75 Implicit Health Subsidy	8,096	8,770	3,373	20,239	-
Total Deferred Outflows	<u>472,566</u>	<u>471,331</u>	<u>258,896</u>	<u>1,202,793</u>	<u>-</u>
LIABILITIES					
Current Liabilities					
Accounts Payable and Accrued Liabilities	11,533	40,511	2,670	54,714	149,416
Accrued Interest Payable	6,222	7,604	-	13,826	-
Deposits Payable	3,550	-	-	3,550	151,026
Compensated Absences Payable	75,954	108,505	32,551	217,010	-
Current Portion of Long-Term Liabilities	431,037	625,852	-	1,056,889	-
Total Current Liabilities	<u>528,296</u>	<u>782,472</u>	<u>35,221</u>	<u>1,345,989</u>	<u>300,442</u>
Long-term Liabilities					
Proportionate Share of the Net Pension Liability	843,314	839,641	463,915	2,146,870	-
Other Post-Employment Benefits Obligation	45,305	49,077	18,877	113,259	-
Loans Payable, Net of Current Portion	2,298,552	3,554,115	-	5,852,667	-
Total Long-term Liabilities	<u>3,187,171</u>	<u>4,442,833</u>	<u>482,792</u>	<u>8,112,796</u>	<u>-</u>
Total Liabilities	<u>3,715,467</u>	<u>5,225,305</u>	<u>518,013</u>	<u>9,458,785</u>	<u>300,442</u>
DEFERRED INFLOWS					
Pensions - GASB 68	251,491	250,396	138,348	640,235	-
OPEB - GASB 75 RHIA	2,368	3,315	1,421	7,104	-
OPEB - GASB 75 Implicit Health Subsidy	18,414	19,947	7,672	46,033	-
Total Deferred Inflows	<u>272,273</u>	<u>273,658</u>	<u>147,441</u>	<u>693,372</u>	<u>-</u>
NET POSITION					
Net Investment in Capital Assets	9,140,627	6,331,363	5,831,494	21,303,484	129,800
Restricted for Loan Reserve	-	50,000	-	50,000	-
Restricted for SDCs	1,445,331	1,961,750	510,713	3,917,794	-
Unrestricted	3,649,738	3,784,995	1,149,505	8,584,238	148,170
Total Net Position	<u>\$ 14,235,696</u>	<u>\$ 12,128,108</u>	<u>\$ 7,491,712</u>	<u>33,855,516</u>	<u>\$ 277,970</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				277,970	
Internal balances result from transactions between the governmental activities, business-type activities, and internal service funds				(201,393)	
NET POSITION OF BUSINESS-TYPE ACTIVITIES				<u>\$ 33,932,093</u>	

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, 2023**

	ENTERPRISE FUNDS				INTERNAL SERVICE
	WATER	SEWER	STORM	TOTAL	
OPERATING REVENUES					
Utility Service Charges	\$ 4,078,701	\$ 4,623,463	1,399,978	\$ 10,102,142	\$ -
Other Service Charges	55,511	92,738	67,014	215,263	34,005
Internal Charges	-	-	-	-	3,587,000
Grants	-	-	-	-	5,350
Total Operating Revenues	4,134,212	4,716,201	1,466,992	10,317,405	3,626,355
OPERATING EXPENSES					
Cost of Sales and Services	3,151,447	3,211,861	1,448,146	7,811,454	3,559,043
Depreciation	889,677	542,677	193,535	1,625,889	23,259
Total Operating Expenses	4,041,124	3,754,538	1,641,681	9,437,343	3,582,302
Operating Income -Loss	93,088	961,663	(174,689)	880,062	44,053
NONOPERATING REVENUES, (EXPENSES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(168,000)
Interest	38,686	143,709	39,985	222,380	-
Miscellaneous	97,325	9,611	-	106,936	102,357
Capital Contributions	-	-	-	-	-
Interest Expense	(43,496)	(57,686)	-	(101,182)	-
Total Nonoperating Revenues -Expenses	92,515	95,634	39,985	228,134	(65,643)
Change in Net Position	185,603	1,057,297	(134,704)	1,108,196	(21,590)
NET POSITION, Beginning of Year	14,050,093	11,070,811	7,626,416	32,747,320	299,560
NET POSITION, End of Year	<u>\$ 14,235,696</u>	<u>\$ 12,128,108</u>	<u>7,491,712</u>	<u>\$ 33,855,516</u>	<u>\$ 277,970</u>

Reconciliation to the Statement of Activities:

Change in Net Position (from above)	1,108,196
Net revenue/(expense) of internal service funds	(21,590)
Change in internal balances between governmental and business-type activities	<u>(15,789)</u>

CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITIES \$ 1,070,817

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, 2023

	ENTERPRISE FUNDS				INTERNAL SERVICE
	WATER	SEWER	STORM	TOTAL	
Cash Flows from Operating Activities:					
Cash Received from Customers	\$ 3,903,039	\$ 4,658,205	1,439,085	\$ 10,000,329	\$ 3,626,355
Cash Paid to Suppliers	(2,145,900)	(2,131,807)	(895,185)	(5,172,892)	(552,968)
Cash Paid to Employees	(1,095,822)	(1,081,380)	(564,103)	(2,741,305)	(3,000,606)
Net Cash Provided -Used by Operating Activities	661,317	1,445,018	(20,203)	2,086,132	72,781
Cash Flows from Noncapital Financing Activities:					
Miscellaneous Receipts	97,325	9,611	-	106,936	102,357
Interfund Loan Receipts	150,000	150,000	-	300,000	(168,000)
Net Cash Provided -Used by Noncapital Financing Activities	247,325	159,611	-	406,936	(65,643)
Cash Flows from Capital and Related Financing Activities:					
Payment of Principal on Long Term Debt	(418,927)	(611,062)	-	(1,029,989)	-
Payment of Interest on Long Term Debt	(44,443)	(58,843)	-	(103,286)	-
Intergovernmental Revenues	-	-	-	-	(83,070)
Net Cash Provided -Used by Capital and Related Financing Activities	(463,370)	(669,905)	-	(1,133,275)	(83,070)
Cash Flows from Investing Activities:					
Capital Purchases	(233,102)	(547,887)		(780,989)	-
Interest on Investments	38,686	143,709	39,985	222,380	-
Net Cash Provided -Used by Investing Activities	(194,416)	(404,178)	39,985	(558,609)	-
Net Increase -Decrease in Cash and Cash Equivalents	250,856	530,546	19,782	801,184	(75,932)
Cash and Investments at Beginning of Year	4,821,818	5,365,158	1,878,326	12,065,302	511,746
Cash and Investments at End of Year	<u>\$ 5,072,674</u>	<u>\$ 5,895,704</u>	<u>1,898,108</u>	<u>\$ 12,866,486</u>	<u>\$ 435,814</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating Income, -Loss	\$ 93,088	\$ 961,663	(174,689)	\$ 880,062	\$ 44,053
Noncash Items Included in Income:					
Depreciation	889,677	542,677	193,535	1,625,889	23,259
Pension Estimate	3,557	2,891	1,568	8,016	-
Decrease -Increase in Accounts Receivable	(234,723)	(57,996)	(27,907)	(320,626)	-
Decrease -Increase in Inventory	(30,439)	937	291	(29,211)	(1,406)
Increase -Decrease in Accounts Payable and Accrued Liabilities	(36,015)	24,117	2,670	(9,228)	6,875
Increase -Decrease in Accrued Vacation Payable	(27,378)	(29,271)	(15,671)	(72,320)	-
Increase -Decrease in Customer Deposits	3,550	-	-	3,550	-
Net Cash Provided -Used by Operating Activities	<u>\$ 661,317</u>	<u>\$ 1,445,018</u>	<u>(20,203)</u>	<u>\$ 2,086,132</u>	<u>\$ 72,781</u>

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

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

NOTES TO BASIC FINANCIAL STATEMENTS

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 Council serves as the governing board of the City of St. Helens Urban Renewal Agency, an entity that was established for the direct benefit of development within the City. Therefore, the accounts of the Agency are included in the financial statements of the City as a fund. The Agency also issues their financial statements individually.

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.

VISITOR AND TOURISM FUND

This fund is dedicated to tourism activities within the City. The principal revenue sources are hotel occupancy taxes and event receipts.

STREET FUND

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

COMMUNITY ENHANCEMENT FUND

The purpose of this fund is to encourage opportunities for art and culture. Principal revenue sources are donations and transfers which are used to fund a number of community projects.

COMMUNITY DEVELOPMENT FUND

This fund encompasses tourism related activities and four major areas of development including economic planning, the Boise White Paper property, the Boise Veneer Property and Forestry. Principal revenue sources are hotel occupancy taxes, tourism related events, lease payments and property tax reimbursements.

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

NOTES TO BASIC FINANCIAL STATEMENTS

B. BASIS OF PRESENTATION – FUND ACCOUNTING (continued)

STREET SDC FUND

The Street SDC Fund receives revenue from systems development charges that are paid on development projects that happen throughout the City. The funds are used for increasing capacity needs based on the specific projects outlined by the City.

PARKS SDC FUND

The Parks SDC Fund receives revenue from systems development charges in which an assessment is provided under Oregon law which is paid at the time a connection permit is issued to recognize the cost of growth. The amount of the charge is proportional to the impact of the service. All monies are budgeted to be spent as general capital outlay for any projects that come up throughout the fiscal year.

PUBLIC SAFETY FUND (CAPITAL PROJECTS)

The Public Safety Fund was created to receive and expend resources necessary for the construction of the City's new public safety facility. Principal revenue sources are debt proceeds and public safety charges.

URBAN RENEWAL AGENCY

The City of St. Helens Urban Renewal Agency was established to provide improved infrastructure and amenities to support new development in the City. The Agency receives property taxes from Columbia County that will accumulate until projects are authorized as part of the urban renewal plan.

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.

STORM FUND

This proprietary fund accounts for all projects and maintenance related to the City's stormwater system. The fund is predominantly self-supported through user charges to customers.

COMBINED INTERNAL SERVICE FUNDS

These proprietary funds, which include the Information Technology, Equipment, Public Works Operations and Facility Major Maintenance 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.

C. GOVERNMENT WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the statement of net position and the statement of changes in net position) 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS

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

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.

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.

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 administrated 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS

F. PROPERTY TAXES RECEIVABLE (continued)

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.

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, 2023, except for the following items which were overspent:

- Visitor and Tourism: Operations \$61,774
- Streets: Debt Service \$850

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 the funds as they are consumed.

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 \$10,000 and an estimated useful life extending beyond a single financial reporting period. 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS

I. CAPITAL ASSETS (continued)

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

J. LEASES RECEIVABLE, LEASE ASSETS & LEASES PAYABLE

For City property rented out for a term of more than one year with the City as lessor, a lease receivable and related deferred inflow of resources is reported in the funds. The value of leases receivable and the related deferred inflows are determined by the net present value of the leases at a determined rate, amortized over the term of the agreements.

Lease assets are assets which the City leases for a term of more than one year. The value of leases is determined by the net present value of the leases at the City's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

K. SUBSCRIPTION ASSETS & SUBSCRIPTIONS PAYABLE

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. Amortization of the discount on the subscription liability is recognized as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

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

NOTES TO BASIC FINANCIAL STATEMENTS

L. 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 position. Bond premiums and discounts 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.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents 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.

N. 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 150 days or 1200 hours. 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. Amounts currently due to employees who have terminated employment are reported in the governmental funds. In business type/enterprise funds, both the current and long-term liabilities are recorded.

O. RETIREMENT PLANS

Substantially all of the City's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

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

NOTES TO BASIC FINANCIAL STATEMENTS

P. 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).
- 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.
- 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.

Q. 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:

Net investment in capital assets – 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.

If both restricted and unrestricted net position are available for use, restricted net position is assumed to be utilized first.

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

NOTES TO BASIC FINANCIAL STATEMENTS

R. 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.

S. CASH AND CASH EQUIVALENTS

For financial reporting purposes, the City considers all highly liquid investments with a maturity of three months or less when purchased to be 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.

T. 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.

U. FAIR VALUE INPUTS, METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access.

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund’s own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

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

NOTES TO BASIC FINANCIAL STATEMENTS

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:

Demand Deposits	\$ 108,694
Investments	<u>39,753,425</u>
	<u><u>\$ 39,862,119</u></u>

Investments

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and 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. The fund appears to be in compliance with all portfolio guidelines at June 30, 2023. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. The investments are reported at fair value.

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2023, the fair value of the position in the LGIP is 99.63% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial statements can be found at:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

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

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (continued)

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 in excess of 18 months.

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:

<u>Investment</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Maturity Date</u>	<u>Fair Value Activity Level</u>
State Treasurer's Investment Pool	N/A	39,753,425	N/A	Quoted Market Price, Level 1
Total		<u>\$ 39,753,425</u>		

Concentration of Credit/Deposit Risk

At year-end, the City's net carrying amount of deposits was \$108,694 and the bank balance was \$496,950. Of these deposits, \$250,000 was covered by federal depository insurance. Any deposits not covered by federal depository insurance are collateralized by the State of Oregon.

3. RECEIVABLES

The details for the City's short-term receivables at June 30, 2023 were as follows:

	<u>Governmental Activities/Funds</u>				<u>Proprietary Funds</u>			<u>Totals</u>
	<u>General</u>	<u>Street</u>	<u>Public Safety</u>	<u>URA</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm</u>	
Accounts	\$ 14,230	\$ -	\$ -	\$ -	\$ 538,892	\$ 534,010	\$ 159,560	\$ 1,246,692
Liens/LIDs	-	-	-	-	-	27,617	-	27,617
Public Safety Fees	-	-	67,628	-	-	-	-	67,628
Property Taxes - June Turnover	19,196	-	-	7,448	-	-	-	26,644
Property Taxes - Uncollected	88,785	-	-	32,107	-	-	-	120,892
Franchise Taxes	124,833	-	-	-	-	-	-	124,833
Cigarette Taxes	923	-	-	-	-	-	-	923
Alcohol Taxes	32,672	-	-	-	-	-	-	32,672
Motor Vehicle Taxes	-	106,236	-	-	-	-	-	106,236
Cannabis Taxes	42,267	-	-	-	-	-	-	42,267
State Revenue Sharing	41,652	-	-	-	-	-	-	41,652
Total	<u>\$ 364,558</u>	<u>\$ 106,236</u>	<u>\$ 67,628</u>	<u>\$ 39,555</u>	<u>\$ 538,892</u>	<u>\$ 561,627</u>	<u>\$ 159,560</u>	<u>\$ 1,838,056</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

3. RECEIVABLES (continued)

Notes Receivable: In 2022, the City sold land to ACSP LLC for \$1,550,000 in exchange for a promissory note. The note bears interest at 6% annually and is scheduled to be paid off in 2035. During fiscal year 2022-2023, the City received payments on the note totaling \$72,645 and \$84,315 for principal and interest respectively. The outstanding balance as of June 30, 2023 was \$1,365,536.

4. CAPITAL ASSETS

Changes in capital assets of the governmental activities for the year ended June 30, 2023 are as follows:

	June 30, 2022	Additions	Retirements	June 30, 2023
Capital Assets Not Being Depreciated:				
Land	\$ 6,781,238	\$ -	\$ -	\$ 6,781,238
Right-Of-Way	5,259,111	-	-	5,259,111
Library Collection	1,043,893	-	-	1,043,893
Construction in Progress	2,528,675	4,940,065	-	7,468,740
Total	<u>15,612,917</u>	<u>4,940,065</u>	<u>-</u>	<u>20,552,982</u>
Depreciable Assets:				
Buildings and Improvements	7,048,974	-	-	7,048,974
Land Improvements	2,721,229	-	-	2,721,229
Equipment	1,927,191	-	-	1,927,191
Infrastructure	8,655,099	423,756	-	9,078,855
Total	<u>20,352,493</u>	<u>423,756</u>	<u>-</u>	<u>20,776,249</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(2,129,677)	(236,568)	-	(2,366,245)
Land Improvements	(54,425)	(54,425)	-	(108,850)
Equipment	(1,049,019)	(85,785)	-	(1,134,804)
Infrastructure	(3,263,495)	(294,838)	-	(3,558,333)
Total	<u>(6,496,616)</u>	<u>(671,616)</u>	<u>-</u>	<u>(7,168,232)</u>
Total Capital Assets Being Depreciated (Net)	<u>13,855,877</u>	<u>(247,860)</u>	<u>-</u>	<u>13,608,017</u>
Total Capital Assets, Governmental Activities (Net)	<u>\$ 29,468,794</u>			<u>\$ 34,160,999</u>

Governmental depreciation was allocated to the functions as follows:

General Government	\$ 197,312
Public Safety	245,595
Culture and Recreation	173,978
Highways and Streets	<u>54,731</u>
Total Governmental Activities	<u>\$ 671,616</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, 2023 are as follows:

	June 30, 2022	Additions	Retirements	June 30, 2023
Capital Assets Not Being Depreciated:				
Land	\$ 1,296,624	\$ -	\$ -	\$ 1,296,624
Construction In Progress	-	506,927	-	506,927
Total	<u>1,296,624</u>	<u>506,927</u>	<u>-</u>	<u>1,803,551</u>
Depreciable Assets:				
Buildings and Improvements	29,151,281	40,960	-	29,192,241
Equipment	5,386,791	143,362	-	5,530,153
Infrastructure	17,438,429	172,810	-	17,611,239
Total	<u>51,976,501</u>	<u>357,132</u>	<u>-</u>	<u>52,333,633</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(15,567,765)	(909,687)	-	(16,477,452)
Equipment	(2,370,855)	(280,327)	-	(2,651,182)
Infrastructure	(6,206,576)	(459,134)	-	(6,665,710)
Total	<u>(24,145,196)</u>	<u>\$ (1,649,148)</u>	<u>\$ -</u>	<u>(25,794,344)</u>
Total Capital Assets Being Depreciated (Net)	<u>27,831,305</u>			<u>26,539,289</u>
Total Net Capital Assets				
Business-Type Activities	<u>\$ 29,127,929</u>			<u>\$ 28,342,840</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
 - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (continued)

- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were \$1,743,695, excluding amounts to fund employer specific liabilities. In addition approximately \$397,519 in employee contributions were paid or picked up by the City in fiscal 2023. At June 30, 2023, the City reported a net pension liability of \$9,492,262 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2022 and 2021, the City's proportion was .062 percent and .056 percent, respectively. Pension expense for the year ended June 30, 2023 was \$39,329.

The rates in effect for the year ended June 30, 2023 were:

- (1) Tier 1/Tier 2 – 28.88%
- (2) OPSRP general services – 24.08%
- (3) OPSRP police and fire – 28.44%

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (continued)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 460,773	\$ 59,195
Changes in assumptions	1,489,387	13,607
Net difference between projected and actual earnings on pension plan investments	-	1,697,033
Net changes in proportionate share	1,413,900	345,991
Differences between contributions and proportionate share of contributions	117,103	714,935
Subtotal - Amortized Deferrals (below)	3,481,163	2,830,761
Contributions subsequent to measuring date	1,743,695	-
Deferred outflow (inflow) of resources	<u>\$ 5,224,858</u>	<u>\$ 2,830,761</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2024.

Amounts reported as deferred outflows or inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ 315,998
2025	(66,613)
2026	(544,812)
2027	911,019
2028	34,809
Thereafter	-
Total	<u>\$ 650,401</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities,

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Methods and Assumptions:

Valuation date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2020 Experience Study which is reviewed for the four-year period ending December 31, 2020.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0%	35.0%	30.0%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Risk Parity	0.0%	3.5%	2.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2022 PERS ACFR; p. 104)

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (continued)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
<i>Assumed Inflation - Mean</i>		<i>2.40%</i>

(Source: June 30, 2022 PERS ACFR; p. 74)

Discount Rate – The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (continued)

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate – the following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ 16,833,705	\$ 9,492,262	\$ 3,347,813

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer’s reporting date that are expected to have a significant effect on the employer’s share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the City for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of resignation, death, disability, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than \$5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the City.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the City are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (continued)

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

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

Contributions:

Employees of the City pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The City made approximately \$397,519 in contributions to member IAP accounts for the year ended June 30, 2023.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

6. OTHER POSTEMPLOYMENT BENEFIT PLAN – RHIA

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

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

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POSTEMPLOYMENT BENEFIT PLAN – RHIA (continued)

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2023. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The City's contributions to RHIA for the years ended June 30, 2021, 2022 and 2023 were \$964, \$0 and \$0, respectively, which equaled the required contributions each year.

At June 30, 2023, the City reported a net OPEB liability/(asset) of \$(138,964) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2022, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the City's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2022 and 2021, the City's proportion was .04 percent and .03 percent, respectively. OPEB expense for the year ended June 30, 2023 was (\$19,781).

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (20,806)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	1,025
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ (19,781)</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POSTEMPLOYMENT BENEFIT PLAN – RHIA (continued)

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15%
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2020 Experience Study which is reviewed for the four-year period ending December 31, 2020.

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2022 was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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

NOTES TO BASIC FINANCIAL STATEMENTS

6. OTHER POSTEMPLOYMENT BENEFIT PLAN – RHIA (continued)

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
<i>Assumed Inflation - Mean</i>		2.40%

(Source: June 30, 2022 PERS ACFR; p. 74)

Sensitivity of the City’s proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the City’s proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.90 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net OPEB liability (asset)	\$ (125,246)	\$ (138,964)	\$ (150,724)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

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

NOTES TO BASIC FINANCIAL STATEMENTS

7. OTHER POST EMPLOYMENT BENEFIT PLAN – HEALTHCARE SUBSIDY

Post-employment Health Insurance Subsidy

Plan Description

The City administers a single-employer defined benefit healthcare plan that covers both active and retired participants. The plan provides post-retirement healthcare benefits for eligible retirees and their dependents through the City's group health insurance plans. The City's post-retirement plan was established in accordance with Oregon Revised Statutes (ORS) 243.303 which states, in part, that for the purposes of establishing healthcare premiums, the calculated rate must be based on the cost of all plan members, including both active employees and retirees. Because claim costs are generally higher for retiree groups than for active members, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective. The valuation date was July 1, 2022 and the measurement date was June 30, 2022.

Funding Policy

The City has not established a trust fund to finance the cost of post-employment health care benefits related to implicit rate subsidies. Premiums are paid by retirees based on the rates established for active employees. Additional costs related to an implicit subsidy are paid by the City on a pay-as-you-go basis. There is no obligation on the part of the City to fund these benefits in advance. The City considered the liability to be solely the responsibility of the City as a whole and it is allocated to the governmental statements.

Actuarial Methods and Assumptions

The City engaged an actuary to perform a valuation as of July 1, 2022 using the Entry Age Actuarial Cost Method. Mortality rates were based on the Pub-2010 General and Safety Employee and Healthy retiree tables, sex distinct for members and dependents, with a one-year setback for male general service and female safety employees.

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

NOTES TO BASIC FINANCIAL STATEMENTS

7. OTHER POST EMPLOYMENT BENEFIT PLAN – HEALTHCARE SUBSIDY (continued)

Health Care Cost Trend Medical and vision:

Year	Pre-65 Trend
2022	4.25%
2023	6.75%
2024	6.50%
2025	6.00%
2026	5.25%
2027	5.00%
2028-2029	4.75%
2030	4.50%
2031 - 2065	4.25%
2066 - 2071	4.00%
2072+	3.75%

General Inflation	2.40% per year, used to develop other economic assumptions
Annual Pay Increases	3.40% per year, based on general inflation and the likelihood of raises throughout participants' careers
Mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service and female safety employees.
Disability	Not used
Withdrawal	Based on Oregon PERS assumptions. Annual rates are based on employment classification, gender, and duration from hire date.
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier/OPSRP, duration of service, and employment classification.
Excluded Employees	Temporary employees not eligible for PERS are excluded.
Past PERS Service	PERS service as of the valuation date was estimated based upon the elapsed time from date of hire.
Future PERS Service	Projected PERS service for retirement eligibility is generally assumed to accrue at a rate of 1% per year until retirement.
Future Retiree Coverage	35% of active members were assumed to elect coverage at retirement. 60% of male members and 35% of female members are also assumed to elect spouse coverage.
Lapse Rate	Retirees for whom the employer will never pay any portion of the healthcare premiums are assumed to have a 5% probability of lapsing (dropping) per year.

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

NOTES TO BASIC FINANCIAL STATEMENTS

7. OTHER POST EMPLOYMENT BENEFIT PLAN – HEALTHCARE SUBSIDY (continued)

Changes in the Net OPEB Liability

	Increase/ (Decrease)
Total OPEB Liability at June 30, 2022	\$ 371,414
Changes for the year:	
Service cost	34,740
Interest	8,677
Changes in benefit terms	-
Differences between expected and actual experience	43,482
Changes of assumptions or other input	(71,818)
Benefit payments	(8,963)
Balance as of June 30, 2023	\$ 377,532

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Trend Rates

The following analysis presents the net OPEB liability using a discount rate of 3.54%, as well as what the City’s net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate, a similar sensitivity analysis is presented for the changes in the healthcare trend assumption:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Total OPEB Liability	\$ 413,946	\$ 377,532	\$ 344,069

	1% Decrease Healthcare	Current Trend Rate Healthcare	1% Increase Healthcare
Total OPEB Liability	\$ 329,514	\$ 377,532	\$ 435,210

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits

The City reports information on deferred outflows and deferred inflows of resources at year end as well as a schedule of amounts of those deferred outflows of resources and deferred inflows of resources that will be recognized in other post-employment benefit expense for the following five years.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 48,000	\$ (40,159)
Changes in assumptions or other input	9,804	(113,285)
Benefit Payments	9,663	-
Deferred outflow (inflow) of resources	\$ 67,467	\$ (153,444)

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

NOTES TO BASIC FINANCIAL STATEMENTS

7. OTHER POST EMPLOYMENT BENEFIT PLAN – HEALTHCARE SUBSIDY (continued)

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (15,946)
2025	(15,946)
2026	(15,946)
2027	(13,800)
2028	(12,875)
Thereafter	(21,127)
Total	<u><u>\$ (95,640)</u></u>

8. DEBT

Long term obligations for governmental activities included compensated absences, direct borrowings, and full-faith and credit refunding obligations. Changes were as follows for the year ended June 30, 2023:

<u>Debt Item</u>	<u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2023</u>	<u>One Year</u>
Compensated Absences	\$ 399,550	\$ 528,333	\$ (399,550)	\$ 528,333	\$ 528,333
Boise White Paper Note	1,960,000	-	(150,000)	1,810,000	150,000
OBDD 2022	-	4,904,932	-	4,904,932	-
US Bank FF&C Obligations 2020	733,470	-	(96,870)	636,600	99,970
Unamortized Premium FF&C 2020	71,446	-	(10,207)	61,239	10,207
US Bank FF&C Obligations 2021	12,685,000	-	-	12,685,000	-
Unamortized Premium FF&C 2021	2,486,910	-	(82,897)	2,404,013	82,897
Total Long-Term Obligations	<u>\$18,336,376</u>	<u>\$ 528,333</u>	<u>\$ (656,627)</u>	<u>\$23,030,117</u>	<u>\$ 871,407</u>

Details of governmental direct borrowings are as follows:

Boise White Paper Note

The City financed \$3,000,000 of a purchase of real property from Boise White Paper, LLC through a promissory note. The note has no stated interest rate and principal payments are to be made in monthly installments equal to one half of all rent collected from current or future leases on the real estate secured by the deed of trust. The remaining principal balance if not paid in full by the end of the year 2035 shall be forgiven. Based on current rents, future principal payments are projected at \$150,000 per year through fiscal year 2035 and \$25,000 in fiscal year 2036. In the event of default, lender has the right to charge interest at an annual rate of 6%.

OBDD 2022

In 2022-2023, the City began drawing down on a \$14,667,678 loan through OBDD to finance a Riverfront Development Project. Through June 20, 2023, the City has total claims of \$4,904,932 on the loan which are classified as due in more than one year. When debt service payments commence, the loan will bear an interest rate of 0.06% annually. In the event of default, OBDD may pursue any remedies available at law or in equity to collect amounts due. Such remedies may include but are not limited to: terminating commitment and obligations to make any further disbursements; declaring all payments and all other amounts immediately due and payable; barring the City from applying for future awards; withholding amounts otherwise due to the City

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

NOTES TO BASIC FINANCIAL STATEMENTS

8. DEBT (continued)

for application to payments of amounts due; and foreclosing liens or security interests pursuant to the contract or any other financing document.

US Bank Full-Faith and Credit Refunding Obligations Series 2020

In 2020-2021, the City refunded \$9.6 million of debt obligations with the issuance of full-faith and credit refunding obligations. The new obligations were issued with an outstanding principal balance of \$8,775,000 and unamortized premium of \$918,593. The obligations bear interest at 3% annually and are scheduled to be paid off in 2029.

Future maturities of the 2020 Full-Faith and Credit Refunding Obligations, broken out by City activities, were as follows:

Fiscal Year	Governmental Activities		Business-Type Activities			
			Water		Sewer	
	Principal	Interest	Principal	Interest	Principal	Interest
2023-2024	99,970	19,100	389,700	74,440	475,330	90,810
2024-2025	102,560	16,100	399,800	62,760	487,640	76,540
2025-2026	105,670	13,020	411,910	50,760	502,420	61,920
2026-2027	108,780	9,840	424,030	38,400	517,190	46,860
2027-2028	112,400	6,600	438,160	25,680	534,440	31,320
2028-2029	107,220	3,220	417,970	12,540	509,810	15,290
Total	\$ 636,600	\$ 67,880	\$2,481,570	\$ 264,580	\$3,026,830	\$ 322,740

Fiscal Year	Totals	
	Principal	Interest
2023-2024	965,000	184,350
2024-2025	990,000	155,400
2025-2026	1,020,000	125,700
2026-2027	1,050,000	95,100
2027-2028	1,085,000	63,600
2028-2029	1,035,000	31,050
Total	\$ 6,145,000	\$ 655,200

US Bank Full-Faith and Credit Refunding Obligations Series 2021

In 2021-2022, the City issued Full Faith and Credit Obligations to finance a public safety and court facility. The new obligations were issued with an outstanding principal balance of \$12,685,000 and unamortized premium of \$2,486,910. The obligations bear interest a 3% annually through the August 1, 2024 maturity date and 4% annually afterwards, and are scheduled to be paid off in 2051.

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

NOTES TO BASIC FINANCIAL STATEMENTS

8. DEBT (continued)

Upon the occurrence and continuance of any event of default, the Escrow Agent may proceed, and upon written request of the Owners of not less than a majority in aggregate principal amount of Obligations then Outstanding, shall take whatever action may appear necessary or desirable to enforce the Financing Agreement or to protect any of the rights vested in the Escrow Agent or the Owners of Obligations by the Escrow Agreement or by the Obligations, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Escrow Agreement or in aid of the exercise of any power granted in the Escrow Agreement or for the enforcement of any other legal or equitable right vested in the Escrow Agent by the Escrow Agreement or by law. However, the Financing amount and the Financing Payments shall not be subject to acceleration.

Future maturities of the 2021 Full-Faith and Credit Obligations were as follows:

Fiscal Year	Governmental Activities	
	Principal	Interest
2023-2024	-	504,900
2024-2025	250,000	501,150
2025-2026	260,000	492,200
2026-2027	270,000	481,600
2027-2028	285,000	470,500
2028-2033	1,595,000	2,169,500
2033-2038	1,950,000	1,816,000
2038-2043	2,380,000	1,384,600
2043-2048	2,910,000	857,400
2048-2052	2,785,000	228,500
Total	<u>\$ 12,685,000</u>	<u>\$ 8,906,350</u>

Long term obligations for business-type activities consisted of compensated absences, direct borrowings and full-faith and credit refunding obligations. Long term obligations changed as follows for the year ended June 30, 2023:

Debt Item	Balance June 30, 2022	Issued	Matured and Redeemed	Balance June 30, 2023	Balance Due Within One Year
Direct Borrowings:					
DEQ Loan (R06801)	\$ 950,000	\$ -	\$ (100,000)	\$ 850,000	\$ 100,000
Total Direct Borrowings	<u>\$ 950,000</u>	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ 850,000</u>	<u>\$ 100,000</u>
Direct Placements:					
2020 Full-Faith and Credit Obligations	\$ 6,346,530	\$ -	\$ (838,130)	\$ 5,508,400	\$ 865,030
Unamortized Premium	643,015	-	(91,859)	551,156	91,859
Total Direct Placements	<u>\$ 6,989,545</u>	<u>\$ -</u>	<u>\$ (929,989)</u>	<u>\$ 6,059,556</u>	<u>\$ 956,889</u>
Compensated Absences	<u>\$ 289,330</u>	<u>\$ 217,010</u>	<u>\$ (289,330)</u>	<u>\$ 217,010</u>	<u>\$ 217,010</u>
Total Long-Term Obligations	<u>\$ 8,228,875</u>	<u>\$ 217,010</u>	<u>\$ (1,319,319)</u>	<u>\$ 7,126,566</u>	<u>\$ 1,273,899</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

8. DEBT (continued)

Details for business-type direct borrowings as of June 30, 2023 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.

In the event of default, the State of Oregon may:

- a) Declare the outstanding loan amount plus any unpaid accrued interest, fees and any other immediately due and payable.
- b) Cease making disbursement of loan proceeds.
- c) Appoint a receiver to operate the facility that produces pledged revenues and collect gross revenues.
- d) Set and collect utility rates and charges
- e) Pay or settle any liens on the facility of the project or pay other sums required to be paid by the borrower in connection with the project, at DEQs discretion, using the loan proceeds and such additional money as may be required.
- f) Direct the State Treasurer to withhold any amounts otherwise due to the City from the State.
- g) Pursue any other legal remedies available.

Details for business-type direct placements as of June 30, 2023 were as follows:

2020 Full-Faith and Credit Obligations

The total outstanding principal and unamortized premium on the obligations was \$6,757,395 at June 30, 2023. Of this amount, \$2,729,589 has been distributed to the Water Fund, \$3,329,967 has been distributed to the Sewer Fund and \$697,839 has been distributed to the Governmental Activities. Refer to previous paragraphs and tables for information on interest and future maturities.

In the event of default the Escrow agent may proceed, and upon written request the Owners of not less than a majority in aggregate principal amount of Obligations then Outstanding may take whatever action may appear necessary to enforce the Financing Agreement or to protect any of the rights vested in the Escrow Agent or the Owners of Obligations by the Escrow Agreement or by the Obligations, either at law or in equity or in bankruptcy or otherwise. The Escrow Agent will not have the right to declare the unpaid principal components immediately due and payable however.

Future maturities of business-type debt are as follows:

Fiscal Year	DEQ R06801		2020 FF&C Obligations		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023-2024	100,000	-	865,030	165,250	965,030	165,250
2024-2025	100,000	-	887,440	139,300	987,440	139,300
2025-2026	100,000	-	914,330	112,680	1,014,330	112,680
2026-2027	100,000	-	941,220	85,260	1,041,220	85,260
2027-2028	100,000	-	972,600	57,000	1,072,600	57,000
2028-2032	350,000	-	927,780	27,830	1,277,780	27,830
Total	\$ 850,000	\$ -	\$5,508,400	\$ 587,320	\$6,358,400	\$ 559,490

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

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASES

Leases Payable

On 07/01/2021, City of St. Helens, OR entered into a 50 month lease as Lessee for the use of Ricoh Copier - Police Department. An initial lease liability was recorded in the amount of \$7,319.39. As of 06/30/2023, the value of the lease liability is \$3,839.58. City of St. Helens, OR is required to make monthly fixed payments of \$149.16. The lease has an interest rate of 0.8930%. The Equipment estimated useful life was 96 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$7,319.39 with accumulated amortization of \$3,448.98 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, City of St. Helens, OR entered into a 22 month lease as Lessee for the use of Vehicle - #22Z4H9. An initial lease liability was recorded in the amount of \$17,403.93. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$794.65. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,911.91.

On 07/01/2021, City of St. Helens, OR entered into a 22 month lease as Lessee for the use of Vehicle - #22Z5LJ. An initial lease liability was recorded in the amount of \$21,477.37. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$980.64. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,014.70.

On 07/01/2021, City of St. Helens, OR entered into a 22 month lease as Lessee for the use of Vehicle - #22Z5LQ. An initial lease liability was recorded in the amount of \$20,983.49. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$958.09. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,502.42.

On 07/01/2021, City of St. Helens, OR entered into a 22 month lease as Lessee for the use of Vehicle - #22Z5M8. An initial lease liability was recorded in the amount of \$22,646.03. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$1,034.00. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,304.50.

On 07/01/2021, City of St. Helens, OR entered into a 24 month lease as Lessee for the use of Vehicle - #22Z5MR. An initial lease liability was recorded in the amount of \$22,554.83. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$944.42. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,179.46.

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

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASES (continued)

On 07/01/2021, City of St. Helens, OR entered into a 23 month lease as Lessee for the use of Vehicle - #22Z5N5. An initial lease liability was recorded in the amount of \$21,740.14. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$948.11. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,254.05.

On 07/01/2021, City of St. Helens, OR entered into a 24 month lease as Lessee for the use of Vehicle - #22Z5N8. An initial lease liability was recorded in the amount of \$22,554.83. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$944.42. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,935.74.

On 07/01/2021, City of St. Helens, OR entered into a 24 month lease as Lessee for the use of Vehicle - #22Z5NP. An initial lease liability was recorded in the amount of \$22,554.83. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$944.42. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,179.46.

On 07/01/2021, City of St. Helens, OR entered into a 24 month lease as Lessee for the use of Vehicle - #22Z5P3. An initial lease liability was recorded in the amount of \$22,554.83. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$944.42. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,392.72.

On 07/01/2021, City of St. Helens, OR entered into a 31 month lease as Lessee for the use of Vehicle - #22Z5P4. An initial lease liability was recorded in the amount of \$18,934.95. As of 06/30/2023, the value of the lease liability is \$4,304.15. City of St. Helens, OR is required to make monthly fixed payments of \$669.57. The lease has an interest rate of 0.7270%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$18,934.95 with accumulated amortization of \$14,659.32 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$6,615.27.

On 07/01/2021, City of St. Helens, OR entered into a 23 month lease as Lessee for the use of Vehicle - #232NWW. An initial lease liability was recorded in the amount of \$18,674.61. As of 06/30/2023, the value of the lease liability is \$0. City of St. Helens, OR is required to make monthly fixed payments of \$815.77. The lease has an interest rate of 0.5140%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$0 with accumulated amortization of \$0 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,989.44.

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

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASES (continued)

On 07/01/2021, City of St. Helens, OR entered into a 40 month lease as Lessee for the use of Vehicle - #233VZB. An initial lease liability was recorded in the amount of \$18,916.54. As of 06/30/2023, the value of the lease liability is \$7,617.04. City of St. Helens, OR is required to make monthly fixed payments of \$522.55. The lease has an interest rate of 0.7270%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$18,916.54 with accumulated amortization of \$11,349.92 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$5,006.95.

On 07/01/2021, City of St. Helens, OR entered into a 37 month lease as Lessee for the use of Vehicle - #234CL3. An initial lease liability was recorded in the amount of \$17,755.93. As of 06/30/2023, the value of the lease liability is \$6,280.15. City of St. Helens, OR is required to make monthly fixed payments of \$532.97. The lease has an interest rate of 0.7270%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$17,755.93 with accumulated amortization of \$11,517.36 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$5,267.45.

On 07/01/2021, City of St. Helens, OR entered into a 53 month lease as Lessee for the use of Vehicle - #23K4FM. An initial lease liability was recorded in the amount of \$21,168.53. As of 06/30/2023, the value of the lease liability is \$11,677.42. City of St. Helens, OR is required to make monthly fixed payments of \$451.21. The lease has an interest rate of 0.8930%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$21,168.53 with accumulated amortization of \$9,585.75 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$4,313.50.

On 07/01/2021, City of St. Helens, OR entered into a 34 month lease as Lessee for the use of Vehicle - #23K6L4. An initial lease liability was recorded in the amount of \$21,890.06. As of 06/30/2023, the value of the lease liability is \$6,481.18. City of St. Helens, OR is required to make monthly fixed payments of \$650.28. The lease has an interest rate of 0.7270%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$21,890.06 with accumulated amortization of \$15,451.80 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,380.00.

On 07/01/2021, City of St. Helens, OR entered into a 38 month lease as Lessee for the use of Vehicle - #23KPND. An initial lease liability was recorded in the amount of \$14,589.44. As of 06/30/2023, the value of the lease liability is \$5,410.88. City of St. Helens, OR is required to make monthly fixed payments of \$433.21. The lease has an interest rate of 0.7270%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$14,589.44 with accumulated amortization of \$9,214.38 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,230.58.

On 07/01/2021, City of St. Helens, OR entered into a 47 month lease as Lessee for the use of Vehicle - #23LK4Q. An initial lease liability was recorded in the amount of \$33,955.17. As of 06/30/2023, the value of the lease liability is \$16,752.23. City of St. Helens, OR is required to make monthly fixed payments of \$734.88. The lease has an interest rate of 0.8930%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$33,955.17 with accumulated amortization of \$17,338.81 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,569.46.

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

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASES (continued)

On 07/01/2021, City of St. Helens, OR entered into a 47 month lease as Lessee for the use of Vehicle - #23LK6B. An initial lease liability was recorded in the amount of \$33,955.17. As of 06/30/2023, the value of the lease liability is \$16,752.23. City of St. Helens, OR is required to make monthly fixed payments of \$734.88. The lease has an interest rate of 0.8930%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$33,955.17 with accumulated amortization of \$17,338.81 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,569.46.

On 10/07/2021, City of St. Helens, OR entered into a 60 month lease as Lessee for the use of Vehicle - #23SKSJ. An initial lease liability was recorded in the amount of \$35,574.11. As of 06/30/2023, the value of the lease liability is \$23,672.09. City of St. Helens, OR is required to make monthly fixed payments of \$660.90. The lease has an interest rate of 1.0590%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$35,574.11 with accumulated amortization of \$11,786.15 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$3,281.95.

On 07/01/2021, City of St. Helens, OR entered into a 46 month lease as Lessee for the use of Vehicle - #23TCKB. An initial lease liability was recorded in the amount of \$24,715.25. As of 06/30/2023, the value of the lease liability is \$11,917.01. City of St. Helens, OR is required to make monthly fixed payments of \$591.08. The lease has an interest rate of 0.8930%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$24,715.25 with accumulated amortization of \$12,894.91 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$2,202.56.

On 08/23/2021, City of St. Helens, OR entered into a 60 month lease as Lessee for the use of Vehicle - #23TKSB. An initial lease liability was recorded in the amount of \$43,231.24. As of 06/30/2023, the value of the lease liability is \$27,489.59. City of St. Helens, OR is required to make monthly fixed payments of \$782.45. The lease has an interest rate of 0.9717%. The Vehicles estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of 06/30/2023 of \$43,231.24 with accumulated amortization of \$15,466.97 is included with Vehicles on the Lease Class activities table found below. The lease has a guaranteed residual value payment of \$8,375.22.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end		
	Lease Asset Value	Accumulated Amortization	Lease Assets (net)
Equipment	292,006	150,053	141,953
Total Leases	292,006	150,053	141,953

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

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASES (continued)

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	72,975	984	73,959
2025	47,094	438	47,532
2026	18,252	132	18,384
2027	3,873	7	3,880
Total	142,194	1,561	143,755

Leases Receivable

On 07/01/2021, City of St. Helens, OR entered into a 565 month lease as Lessor for the use of 245 N. 7th Street. An initial lease receivable was recorded in the amount of \$222,831.42. As of 06/30/2023, the value of the lease receivable is \$217,399.30. The lessee is required to make monthly fixed payments of \$680.00. The lease has an interest rate of 2.5833%. The Land estimated useful life was 565 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$213,373.82, and City of St. Helens, OR recognized lease revenue of \$4,728.80 during the fiscal year. The lessee has 2 extension option(s), each for 600 months.

On 07/01/2021, City of St. Helens, OR entered into a 204 month lease as Lessor for the use of First Floor - Columbia County. An initial lease receivable was recorded in the amount of \$4,277,703.23. In 2023, the parties agreed to terminate the lease. As of 06/30/2023, the value of the lease receivable and deferred inflow of resources is \$150,000. The monthly scheduled payments of \$25,000 will be received through 12/31/2023, the date that the contract is terminated.

Principal and Interest Expected to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	152,574	5,586	158,160
2025	2,642	5,518	8,160
2026	2,711	5,449	8,160
2027	2,781	5,379	8,160
2028	2,854	5,306	8,160
2029 - 2033	15,430	25,370	40,800
2034 - 2038	17,555	23,245	40,800
2039 - 2043	19,972	20,828	40,800
2044 - 2048	22,723	18,077	40,800
2049 - 2053	25,853	14,947	40,800
2054 - 2058	29,413	11,387	40,800
2059 - 2063	33,464	7,336	40,800
2064 - 2068	38,072	2,728	40,800
2069	1,356	4	1,360
Total	367,399	151,160	518,560

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

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASES (continued)

Activity for the Deferred Inflow of Resources related to the Lease receivables are as follows:

GOVERNMENTAL ACTIVITIES:	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Deferred Inflow of Resources				
Land				
245 N. 7th Street	218,103	-	4,729	213,374
Total Land Deferred Inflow of Resources	218,103	-	4,729	213,374
Deferred Inflow of Resources				
Building				
First Floor - Columbia County	4,026,074	-	3,876,074	150,000
Total Building Deferred Inflow of Resources	4,026,074	-	3,876,074	150,000
Total Deferred Inflow of Resources	4,244,176	-	3,880,802	363,374

10. SUBSCRIPTIONS

For the year ended 6/30/2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 04/05/2023, St. Helens, OR entered into a 36 month subscription for the use of DebtBook. An initial subscription liability was recorded in the amount of \$35,129.72. As of 06/30/2023, the value of the subscription liability is \$24,129.72. St. Helens, OR is required to make annual fixed payments of \$11,000.00. The subscription has an interest rate of 2.3630%. The value of the right to use asset as of 06/30/2023 of \$37,129.72 with accumulated amortization of \$2,956.63 is included with Software on the Subscription Class activities table found below.

Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end		
	Subscription Asset Value	Accumulated Amortization	Subscription Assets (net)
Software	37,130	2,957	34,173
Total Subscriptions	37,130	2,957	34,173

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

NOTES TO BASIC FINANCIAL STATEMENTS

10. SUBSCRIPTIONS (Continued)

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	11,430	570	12,000
2025	12,700	300	13,000
Total	24,130	870	25,000

11. INTERFUND BALANCES AND TRANSFERS

Interfund Loans (Long Term):

In August of 2017, the City Council approved a capital loan for \$600,000 (half paid by the Water Fund and half paid by the Sewer Fund) to the Community Development Fund. The purpose of the loan was to help the fund finance its expenditures during 2017-2018. In 2022-2023 the Community Development Fund paid off half of the loan \$150,000 to both the Water and Sewer Funds (as well as \$5,000 of interest to both funds). Therefore, at June 30, 2023 a total of \$300,000 in outstanding principal remains due and payable. The loan is scheduled to be fully paid off by the end of the 2023-2024 fiscal year.

Interfund transfers during the year ended June 30, 2023 were as follows:

Governmental Funds	Transfers	
	In	Out
General	\$ 168,000	\$ -
Community Enhancement	-	-
Proprietary Funds		
Water	-	-
Sewer	-	-
Internal Service	-	168,000
Total Transfers	\$ 168,000	\$ 168,000

Transfers were used to fund operations between funds.

12. 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS

13. 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. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

14. CONTINGENCIES

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. 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.

15. PROPERTY TAX ABATEMENTS

As of June 30, 2023, the City provides tax abatements through an Enterprise Zone (ORS 285C.175). The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor. The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction. For the fiscal year ended June 30, 2023, the City abated property taxes totaling \$9,739 under this program.

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

REQUIRED SUPPLEMENTARY INFORMATION

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

**REQUIRED SUPPLEMENTARY INFORMATION
PERS PENSION LIABILITY - GASB 68
For the fiscal year ended June 30, 2023**

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) City's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.06 %	\$ 9,492,262	\$ 6,455,520	147.0 %	84.5 %
2022	0.06	6,697,419	5,515,160	121.4	87.6
2021	0.05	11,469,158	5,218,565	219.8	75.8
2020	0.06	10,031,457	4,812,064	208.5	80.2
2019	0.05	7,560,929	4,518,396	167.3	82.1
2018	0.05	6,866,507	4,232,437	162.2	83.1
2017	0.06	8,459,661	4,069,867	207.9	80.5
2016	0.06	3,696,876	3,973,045	93.0	91.9
2015	0.07	(1,497,881)	3,874,533	(38.7)	103.6
2014	0.07	3,372,241	3,775,459	89.3	92.0

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 1,743,695	\$ 1,743,695	\$ -	\$ 6,625,320	26.3 %
2022	1,794,724	1,794,724	-	6,455,520	27.8
2021	1,445,019	1,445,019	-	5,515,160	26.2
2020	1,336,996	1,336,996	-	5,218,565	25.6
2019	1,058,654	1,058,654	-	4,812,064	22.0
2018	994,047	994,047	-	4,518,396	22.0
2017	776,489	776,489	-	4,232,437	18.3
2016	762,343	762,343	-	4,069,867	18.7
2015	693,888	693,888	-	3,973,045	17.5
2014	681,758	681,758	-	3,874,533	17.6

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

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

**REQUIRED SUPPLEMENTARY INFORMATION
PERS OTHER POST EMPLOYMENT BENEFITS - RETIREE HEALTH INSURANCE ACCOUNT - GASB 75
For the fiscal year ended June 30, 2023**

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET

Year Ended June 30,	(a) Employer's proportion of the net opeb asset (NOA)	(b) Employer's proportionate share of the net opeb asset (NOA)	(c) City's covered payroll	(b/c) NOA as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total opeb asset
2023	0.04 %	\$ (138,964)	\$ 6,455,520	(2.2) %	194.6 %
2022	0.04	(123,736)	5,515,160	(2.2)	183.9
2021	0.04	(80,413)	5,218,565	(1.5)	150.1

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ -	\$ -	\$ -	\$ 6,625,320	- %
2022	-	-	-	6,455,520	-
2021	964	964	-	5,515,560	0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

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

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

**SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2023**

	2023	2022	2021	2020	2019	2018
Total Other Post Employment Benefits Liability, Beginning of Year	\$ 371,414	\$ 363,532	\$ 419,663	\$ 400,468	\$ 463,479	\$ 520,494
Changes for the year:						
Service Cost	34,740	33,706	30,409	26,900	32,783	35,110
Interest	8,677	8,384	15,140	15,821	16,623	14,727
Changes in Benefit Terms	-	-	-	-	-	-
Effect of economic/demographic gains or losses	43,482	-	(58,693)	13,933	17,149	-
Changes in assumptions or other input	(71,818)	1,763	(7,700)	-	(65,157)	(28,564)
Employer Contributions	-	-	-	-	-	-
Benefit Payments	(8,963)	(35,971)	(35,287)	(37,459)	(64,409)	(78,288)
Net changes for the year	<u>6,118</u>	<u>7,882</u>	<u>(56,131)</u>	<u>19,195</u>	<u>(63,011)</u>	<u>(57,015)</u>
Total Other Post Employment Benefits Liability, End of Year	<u>\$ 377,532</u>	<u>\$ 371,414</u>	<u>363,532</u>	<u>\$ 419,663</u>	<u>\$ 400,468</u>	<u>\$ 463,479</u>
Fiduciary Net Position - Beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Employer	8,963	35,971	35,287	37,459	64,409	78,288
Contributions - Employee	-	-	-	-	-	-
Net Investment Income	(8,963)	(35,971)	(35,287)	(37,459)	(64,409)	(78,288)
Benefit Payments	-	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-
Net changes for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fiduciary Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Liability for Other Post Employment Benefits - End of Year	<u>\$ 377,532</u>	<u>\$ 371,414</u>	<u>\$ 363,532</u>	<u>\$ 419,663</u>	<u>\$ 400,468</u>	<u>\$ 463,479</u>
Fiduciary Net Position as a percentage of the total Single Employer Pension Liability	0%	0%	0%	0%	0%	0%
Covered Payroll	\$ 6,455,520	\$ 5,515,160	\$ 5,218,565	\$ 4,812,064	\$ 4,518,396	\$ 4,232,437
Net Single Employer Pension Plan as a Percentage of Covered Payroll	6%	7%	7%	9%	9%	11%

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

**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, 2023**

<u>GENERAL FUND</u>				VARIANCE
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	POSITIVE (NEGATIVE)
REVENUES				
Local Taxes	\$ 2,325,000	\$ 2,325,000	\$ 2,093,763	\$ (231,237)
Intergovernmental Revenue	640,000	672,000	712,336	40,336
Grants	832,000	1,238,650	602,859	(635,791)
Charges for Services	6,035,000	6,035,000	5,537,703	(497,297)
Licenses, Permits, Fees	1,081,000	1,081,000	1,201,985	120,985
Fines	200,000	200,000	163,639	(36,361)
Miscellaneous	305,000	305,000	483,478	178,478
Total Revenues	<u>11,418,000</u>	<u>11,856,650</u>	<u>10,795,763</u>	<u>(1,060,887)</u>
EXPENDITURES				
Administration	640,000	640,000	691,522	(51,522)
City Recorder	355,000	395,000	365,034	29,966
City Council	135,000	135,000	114,317	20,683
Court	425,000	425,000	427,576	(2,576)
Police	5,200,000	5,345,000	4,985,096	359,904
Library	830,000	860,100	761,485	98,615
Finance	995,000	1,048,000	1,230,373	(182,373)
Parks	472,000	472,000	482,381	(10,381)
Recreation	350,000	350,000	389,293	(39,293)
Planning	410,000	410,000	403,767	6,233
Building	525,000	525,000	504,648	20,352
Technology	600,000	724,100	680,948	43,152
Non-Departmental	245,000	245,000	226,945	18,055
Contingency	1,451,000	1,500,100	-	1,500,100
Total Expenditures	<u>12,633,000</u>	<u>13,074,300</u>	<u>11,263,385</u>	<u>1,810,915</u>
Excess, (Deficit) of Revenues Over, (Under)				
Expenditures	(1,215,000)	(1,217,650)	(467,622)	750,028
OTHER FINANCING SOURCES, (USES)				
Transfers In	100,000	102,650	168,000	65,350
Total Other Financing Sources, (Uses)	<u>100,000</u>	<u>102,650</u>	<u>168,000</u>	<u>65,350</u>
Net Change in Fund Balance	(1,115,000)	(1,115,000)	(299,622)	815,378
Beginning Fund Balance	2,115,000	2,115,000	1,545,931	(569,069)
Ending Fund Balance	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,246,309</u>	<u>\$ 246,309</u>

(1) Appropriation for total Operations was equal to \$11,574,200. Contingency was \$1,500,100 for a total spending authority of \$13,074,300

**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, 2023**

ST. HELENS VISITORS AND TOURISM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Transient Room Tax	\$ 120,000	\$ 160,000	\$ 154,558	\$ (5,442)
Charges for Services	-	-	210,151	210,151
Miscellaneous	370,000	200,000	4,026	(195,974)
Total Revenues	<u>490,000</u>	<u>360,000</u>	<u>368,735</u>	<u>8,735</u>
EXPENDITURES				
Materials and Services	210,000	462,000 (1)	523,774	(61,774)
Contingency	210,000	88,000 (1)	-	88,000
Total Expenditures	<u>420,000</u>	<u>550,000</u>	<u>523,774</u>	<u>26,226</u>
Excess, (Deficit) of Revenues Over (Under) Expenditures	70,000	(190,000)	(155,039)	34,961
OTHER FINANCING SOURCES, -USES				
Transfers Out	(70,000)	- (1)	-	-
Total Other Financing Sources, -Uses	<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(190,000)	(155,039)	34,961
Beginning Fund Balance	-	190,000	253,219	63,219
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,180</u>	<u>\$ 98,180</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, 2023**

<u>STREET FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 1,130,000	\$ 1,130,000	\$ 1,138,225	\$ 8,225
Grants	450,000	470,000	176,894	(293,106)
Charges for Services	30,000	30,000	2,988	(27,012)
Miscellaneous	5,000	205,000	14,965	(190,035)
Total Revenues	1,615,000	1,835,000	1,333,072	(501,928)
EXPENDITURES				
Personnel Services	570,000	570,000 (2)	570,000	-
Materials and Services	579,000	604,000 (2)	563,753	40,247
Debt Service	60,000	60,000 (1)	60,850	(850)
Total Streets	1,209,000	1,234,000	1,194,603	39,397
Capital Outlay	500,000	1,200,400 (2)	405,577	794,823
Contingency	906,000	400,600 (1)	-	400,600
Total Expenditures	2,615,000	2,835,000	1,600,180	1,234,820
Excess, (Deficit) of Revenues Over (Under) Expenditures	(1,000,000)	(1,000,000)	(267,108)	732,892
OTHER FINANCING SOURCES, (USES)				
Transfers Out	-	- (1)	-	-
Total Other Financing Sources, (Uses)	-	-	-	-
Net Change in Fund Balance	(1,000,000)	(1,000,000)	(267,108)	732,892
Beginning Fund Balance	1,000,000	1,000,000	1,207,483	207,483
Ending Fund Balance	\$ -	\$ -	\$ 940,375	\$ 940,375

(1) Appropriation Level
(2) Combined Appropriations

**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, 2023**

<u>COMMUNITY ENHANCEMENT FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Grants	\$ 20,000	\$ 358,200	\$ 277,498	\$ (80,702)
Charges for Services	-	-		-
Licenses, Permits, and Fees	20,000	20,000	33,678	13,678
Miscellaneous	-	-	111,215	111,215
Total Revenues	<u>40,000</u>	<u>378,200</u>	<u>422,391</u>	<u>44,191</u>
EXPENDITURES				
Materials and Services	267,000	580,800	220,077	360,723
Contingency	-	24,400	-	24,400
Total Expenditures	<u>267,000</u>	<u>605,200 (1)</u>	<u>220,077</u>	<u>385,123</u>
Excess, (Deficit) of Revenues Over, (Under) Expenditures	(227,000)	(227,000)	202,314	429,314
OTHER FINANCING SOURCES, (USES)				
Transfers In	130,000	130,000	-	(130,000)
Total Other Financing Sources, -Uses	<u>130,000</u>	<u>130,000</u>	<u>-</u>	<u>(130,000)</u>
Net Change in Fund Balance	(97,000)	(97,000)	202,314	299,314
Beginning Fund Balance	97,000	97,000	188,662	91,662
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 390,976</u>	<u>\$ 390,976</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, 2023**

<u>COMMUNITY DEVELOPMENT FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Property Tax Reimbursement	\$ 125,000	\$ 125,000	\$ 107,643	\$ (17,357)
Grants	2,251,000	3,005,000	315,406	(2,689,594)
Miscellaneous	7,465,000	465,000	398,121	(66,879)
Total Revenues	<u>9,841,000</u>	<u>3,595,000</u>	<u>821,170</u>	<u>(2,773,830)</u>
EXPENDITURES				
Materials and Services	<u>9,900,000</u>	<u>9,908,000</u>	<u>5,030,083</u>	<u>4,877,917</u>
Total Operations	<u>9,900,000</u>	<u>9,908,000</u>	<u>5,030,083</u> (1)	<u>4,877,917</u>
Debt Service	165,000	533,100	(1) 530,520	2,580
Contingency	<u>1,456,000</u>	<u>1,856,900</u>	<u>(1) -</u>	<u>1,856,900</u>
Total Expenditures	<u>11,521,000</u>	<u>12,298,000</u>	<u>5,560,603</u>	<u>6,737,397</u>
OTHER FINANCING SOURCES, -USES				
Timber Harvest	-	-	1,398,722	1,398,722
Loan Proceeds	-	7,000,000	4,904,932	(2,095,068)
Transfers In	<u>70,000</u>	<u>93,000</u>	<u>-</u>	<u>(93,000)</u>
Total Other Financing Sources, -Uses	<u>70,000</u>	<u>7,093,000</u>	<u>6,303,654</u>	<u>(789,346)</u>
Net Change in Fund Balance	(1,610,000)	(1,610,000)	1,564,221	3,174,221
Beginning Fund Balance	<u>1,610,000</u>	<u>1,610,000</u>	<u>1,241,576</u>	<u>(368,424)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,805,797</u>	<u>\$ 2,805,797</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, 2023**

<u>STREET SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 500,000	\$ 500,000	\$ 155,595	\$ (344,405)
Miscellaneous	-	-	57,768	57,768
Total Revenues	<u>500,000</u>	<u>500,000</u>	<u>213,363</u>	<u>(286,637)</u>
EXPENDITURES				
Materials and Services	525,000	525,000	32,178	492,822
Capital Outlay	2,085,000	2,043,100	47,050	1,996,050
Total Expenditures	<u>2,610,000</u>	<u>2,568,100</u>	<u>79,228</u> (1)	<u>2,488,872</u>
Net Change in Fund Balance	(2,110,000)	(2,068,100)	134,135	2,202,235
Beginning Fund Balance	<u>2,110,000</u>	<u>2,068,100</u>	<u>2,068,117</u>	<u>17</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,202,252</u>	<u>\$ 2,202,252</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, 2023**

<u>PARK SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 250,000	\$ 250,000	\$ 33,966	\$ (216,034)
Miscellaneous		-	29,463	29,463
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>63,429</u>	<u>(186,571)</u>
EXPENDITURES				
Materials and Services	150,000	150,000	32,303	117,697
Capital Outlay	1,089,000	1,089,000	198	1,088,802
Total Expenditures	<u>1,239,000</u>	<u>1,239,000</u>	<u>32,501</u> (1)	<u>1,206,499</u>
Net Change in Fund Balance	(989,000)	(989,000)	30,928	1,019,928
Beginning Fund Balance	<u>989,000</u>	<u>989,000</u>	<u>1,063,106</u>	<u>74,106</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,094,034</u>	<u>\$ 1,094,034</u>

(1) Appropriation Level

CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

**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, 2023**

<u>PUBLIC SAFETY FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 215,000	\$ 215,000	\$ 255,745	\$ 40,745
Interest	-	-	374,569	374,569
Miscellaneous	3,000,000	3,000,000	8,953	(2,991,047)
Total Revenue	<u>3,215,000</u>	<u>3,215,000</u>	<u>639,267</u>	<u>(2,575,733)</u>
EXPENDITURES				
Materials and Services	1,500,000	1,500,000 (1)	1,176,663	323,337
Capital Outlay	15,255,000	15,255,000 (1)	1,190	15,253,810
Debt Service	700,000	700,000 (1)	698,642	1,358
Total Expenditures	<u>17,455,000</u>	<u>17,455,000</u>	<u>1,876,495</u>	<u>15,578,505</u>
Excess of Revenues Over/(Under) Expenditures	<u>(14,240,000)</u>	<u>(14,240,000)</u>	<u>(1,237,228)</u>	<u>13,002,772</u>
Net Change in Fund Balance	(14,240,000)	(14,240,000)	(1,237,228)	13,002,772
Beginning Fund Balance	<u>14,240,000</u>	<u>14,240,000</u>	<u>14,558,468</u>	<u>318,468</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,321,240</u>	<u>\$ 13,321,240</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, 2023**

CITY OF ST. HELENS URBAN RENEWAL AGENCY

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes	\$ -	\$ -	\$ 1,058,137	\$ 1,058,137
Miscellaneous		-	46,710	46,710
Total Revenues	<u>-</u>	<u>-</u>	<u>1,104,847</u>	<u>1,104,847</u>
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>769,107</u>	<u>769,107</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,873,954</u>	<u>\$ 1,873,954</u>

**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, 2023**

<u>WATER FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 3,815,000	\$ 3,815,000	\$ 4,078,701	\$ 263,701
Miscellaneous	625,000	25,000	247,325	222,325
Total Revenues	<u>4,440,000</u>	<u>3,840,000</u>	<u>4,326,026</u>	<u>486,026</u>
EXPENDITURES				
Operations				
Distribution	2,899,000	2,899,000	2,633,095	265,905
Filtration	433,000	458,000	477,535	(19,535)
Capital Outlay	966,000	1,844,000	293,564	1,550,436
Total Operations	<u>4,298,000</u>	<u>5,201,000</u>	(1) <u>3,404,194</u>	<u>1,796,806</u>
Debt Service	500,000	500,000	(1) 463,370	36,630
Contingency	2,726,000	1,223,000	(1) -	1,223,000
Total Expenditures	<u>7,524,000</u>	<u>6,924,000</u>	<u>3,867,564</u>	<u>3,056,436</u>
Net Change in Fund Balance	(3,084,000)	(3,084,000)	458,462	3,542,462
Beginning Fund Balance	<u>3,919,000</u>	<u>3,919,000</u>	<u>3,797,882</u>	<u>(121,118)</u>
Ending Fund Balance	<u>\$ 835,000</u>	<u>\$ 835,000</u>	4,256,344	<u>\$ 3,421,344</u>
Reconciliation to GAAP Net Position:				
Water SDC Fund Balance			1,445,331	
Net Capital Assets			11,870,216	
Deferred Outflows			472,566	
Deferred Inflows			(272,273)	
Proportionate Share of the Net Pension Liability			(843,314)	
OPEB Liability - GASB 75 - Retiree Healthcare Subsidy			(45,305)	
OPEB Asset - GASB 75 RHIA			13,896	
Deferred Revenue			150,000	
Long-Term Debt			(2,729,589)	
Compensated Absences			(75,954)	
Net Position			<u>\$ 14,235,696</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, 2023**

<u>SEWER FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 4,054,000	\$ 4,054,000	\$ 4,623,463	\$ 569,463
Interest	10,000	10,000	83,951	73,951
Miscellaneous	10,410,000	-	159,186	159,186
Total Revenues	<u>14,474,000</u>	<u>4,064,000</u>	<u>4,866,600</u>	<u>802,600</u>
EXPENDITURES				
Operations				
Collections	2,415,000	2,440,000	2,212,565	227,435
Primary Treatment	310,000	310,000	312,575	(2,575)
Secondary Treatment	599,000	599,000	577,181	21,819
Pump Services	102,000	102,000	94,342	7,658
Capital Outlay	6,218,000	691,200	183,187	508,013
Total Operations	<u>9,644,000</u>	<u>4,142,200</u>	(1) 3,379,850	<u>762,350</u>
Debt Service	1,266,000	1,266,000	(1) 669,905	596,095
Contingency	6,189,000	1,280,800	(1) -	1,280,800
Total Expenditures	<u>17,099,000</u>	<u>6,689,000</u>	<u>4,049,755</u>	<u>2,639,245</u>
Net Change in Fund Balance	(2,625,000)	(2,625,000)	816,845	3,441,845
Beginning Fund Balance	3,475,000	3,475,000	3,628,232	153,232
Ending Fund Balance	<u>\$ 850,000</u>	<u>\$ 850,000</u>	<u>\$ 4,445,077</u>	<u>\$ 3,595,077</u>
Reconciliation to GAAP Net Position:				
Sewer SDC Fund Balance			1,961,750	
Net Capital Assets			10,511,330	
Deferred Outflows			471,331	
Deferred Inflows			(273,658)	
Proportionate Share of the Net Pension Liability			(839,641)	
OPEB Liability - GASB 75 Retiree Healthcare Subsidy			(49,077)	
OPEB Asset - GASB 75 RHIA			19,455	
Deferred Revenue			177,617	
Long-Term Debt			(4,179,967)	
Compensated Absences			(108,505)	
Net Position			<u>\$ 12,128,108</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, 2023**

	<u>STORM FUND</u>			VARIANCE POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
REVENUES				
Charges for Services	\$ 1,140,000	\$ 1,140,000	\$ 1,399,978	\$ 259,978
Interest	5,000	5,000	26,804	21,804
Total Revenues	<u>1,145,000</u>	<u>1,145,000</u>	<u>1,426,782</u>	<u>281,782</u>
EXPENDITURES				
Operations	1,514,000	1,539,000 (1)	1,453,219	85,781
Capital Outlay	160,000	260,000 (1)	5,000	255,000
Contingency	551,000	426,000 (1)	-	426,000
Total Expenditures	<u>2,225,000</u>	<u>2,225,000</u>	<u>1,458,219</u>	<u>766,781</u>
Net Change in Fund Balance	(1,080,000)	(1,080,000)	(31,437)	1,048,563
Beginning Fund Balance	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,576,492</u>	<u>176,492</u>
Ending Fund Balance	<u>\$ 320,000</u>	<u>\$ 320,000</u>	1,545,055	<u>\$ 1,225,055</u>

Reconciliation to GAAP Net Position:

Storm SDC Fund	510,713
Net Capital Assets	5,831,494
Deferred Outflows	258,896
Deferred Inflows	(147,441)
Proportionate Share of the Net Pension Liability	(463,915)
OPEB Liability - GASB 75 Retiree Healthcare Subsidy	(18,877)
OPEB Asset - GASB 75 RHIA	8,338
Compensated Absences	(32,551)
Net Position	<u>\$ 7,491,712</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, 2023**

<u>WATER SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 200,000	\$ 200,000	\$ 55,511	\$ (144,489)
Miscellaneous		-	38,686	38,686
Total Revenues	<u>200,000</u>	<u>200,000</u>	<u>94,197</u>	<u>(105,803)</u>
EXPENDITURES				
Materials and Services	560,000	560,000	4,176	555,824
Capital Outlay	1,155,000	995,300	-	995,300
Total Expenditures	<u>1,715,000</u>	<u>1,555,300</u>	<u>4,176</u> (1)	<u>1,551,124</u>
Net Change in Fund Balance	(1,515,000)	(1,355,300)	90,021	1,445,321
Beginning Fund Balance	<u>1,515,000</u>	<u>1,355,300</u>	<u>1,355,310</u>	<u>10</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,445,331</u>	<u>\$ 1,445,331</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, 2023**

<u>SEWER SDC</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 200,000	\$ 200,000	\$ 92,738	\$ (107,262)
Miscellaneous	-	-	59,758	59,758
Total Revenues	<u>200,000</u>	<u>200,000</u>	<u>152,496</u>	<u>(47,504)</u>
EXPENDITURES				
Materials and Services	560,000	560,000	4,637	555,363
Capital Outlay	1,830,000	1,830,000	401,641	1,428,359
Total Expenditures	<u>2,390,000</u>	<u>2,390,000</u>	<u>406,278</u> (1)	<u>1,983,722</u>
Net Change in Fund Balance	(2,190,000)	(2,190,000)	(253,782)	1,936,218
Beginning Fund Balance	<u>2,190,000</u>	<u>2,190,000</u>	<u>2,215,532</u>	<u>25,532</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,961,750</u>	<u>\$ 1,961,750</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, 2023**

<u>STORM SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 150,000	\$ 150,000	\$ 67,014	\$ (82,986)
Miscellaneous	-	-	13,181	13,181
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>80,195</u>	<u>(69,805)</u>
EXPENDITURES				
Materials and Services	115,000	115,000	4,030	110,970
Capital Outlay	375,000	375,000	-	375,000
Total Expenditures	<u>490,000</u>	<u>490,000</u>	<u>4,030</u> (1)	<u>485,970</u>
Net Change in Fund Balance	(340,000)	(340,000)	76,165	416,165
Beginning Fund Balance	<u>340,000</u>	<u>340,000</u>	<u>434,548</u>	<u>94,548</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 510,713</u>	<u>\$ 510,713</u>

(1) Appropriation Level

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

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2023**

	INFORMATION TECHNOLOGY	EQUIPMENT	PUBLIC WORKS OPERATIONS	FACILITY MAJOR MAINTENANCE	TOTAL
ASSETS					
Current:					
Cash and Investments	\$ 2,340	\$ -	\$ 293,957	139,517	\$ 435,814
Inventories	-	-	12,798	-	12,798
Total Current Assets	<u>2,340</u>	<u>-</u>	<u>306,755</u>	<u>139,517</u>	<u>448,612</u>
Capital Assets, (Net)	<u>-</u>	<u>9,462</u>	<u>120,338</u>	<u>-</u>	<u>129,800</u>
Total Assets	<u>\$ 2,340</u>	<u>\$ 9,462</u>	<u>\$ 427,093</u>	<u>139,517</u>	<u>\$ 578,412</u>
LIABILITIES AND NET POSITION					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 145	\$ -	\$ 149,271		\$ 149,416
Deposits Payable	-	-	151,026	-	151,026
Total Liabilities	<u>145</u>	<u>-</u>	<u>300,297</u>	<u>-</u>	<u>300,442</u>
Net Position:					
Net Investment in Capital Assets Unrestricted	-	9,462	120,338	-	129,800
	<u>2,195</u>	<u>-</u>	<u>6,458</u>	<u>139,517</u>	<u>148,170</u>
Total Net Position	<u>2,195</u>	<u>9,462</u>	<u>126,796</u>	<u>139,517</u>	<u>277,970</u>
Total Liabilities and Net Position	<u>\$ 2,340</u>	<u>\$ 9,462</u>	<u>\$ 427,093</u>	<u>139,517</u>	<u>\$ 578,412</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, 2023**

	INFORMATION TECHNOLOGY	EQUIPMENT	PUBLIC WORKS OPERATIONS	FACILITY MAJOR MAINTENANCE	TOTAL
OPERATING REVENUES					
Internal Charges	\$ -	\$ -	\$ 3,587,000	-	\$ 3,587,000
Charges for Services	-	-	34,005	-	34,005
Grants	-	-	-	5,350	5,350
Total Revenues	-	-	3,621,005	5,350	3,626,355
OPERATING EXPENDITURES					
Operations	-	-	3,559,043	-	3,559,043
Depreciation	-	-	23,259	-	23,259
Total Expenditures	-	-	3,582,302	-	3,582,302
Operating Income, (Loss)	-	-	38,703	5,350	44,053
NONOPERATING REVENUES, (EXPENDITURES)					
Miscellaneous	-	-	102,357	-	102,357
Total Nonoperating Revenues, (Expenditures)	-	-	102,357	-	102,357
Income Before Other Financing Items	-	-	141,060	5,350	146,410
OTHER FINANCING SOURCES, (USES)					
Transfers	-	-	-	(168,000)	(168,000)
Capital Contributions	-	-	-	-	-
Total Other Financing Sources, (Uses)	-	-	-	(168,000)	(168,000)
Change in Net Position	-	-	141,060	(162,650)	(21,590)
Beginning Net Position	2,195	9,462	(14,264)	302,167	299,560
Ending Net Position	<u>\$ 2,195</u>	<u>\$ 9,462</u>	<u>\$ 126,796</u>	<u>139,517</u>	<u>\$ 277,970</u>

**CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2023**

	INFORMATION TECHNOLOGY	EQUIPMENT	PUBLIC WORKS	FACILITY MAJOR MAINTENANCE	TOTAL
Cash Flows from Operating Activities:					
Cash Received from Customers	\$ -	\$ -	\$ 3,621,005	5,350	\$ 3,626,355
Cash Paid to Suppliers	-	-	(552,952)	(16)	(552,968)
Cash Paid to Employees	-	-	(3,000,606)	-	(3,000,606)
Net Cash Provided -Used by Operating Activities	-	-	67,447	5,334	72,781
Cash Flows from Noncapital Financing Activities:					
Transfers	-	-	-	(168,000)	(168,000)
Assets Purchased for Other Funds	-	-	-	-	-
Miscellaneous Revenues/Expenditures	-	-	102,357	-	102,357
Net Cash Provided -Used by Noncapital Financing Activities	-	-	102,357	(168,000)	(65,643)
Cash Flows from Capital and Related Financing Activities:					
Payment of Principal of Bonds Payable	-	-	-	-	-
Interest Expense	-	-	-	-	-
Grants	-	-	-	-	-
Grants	-	-	(83,070)	-	(83,070)
Purchase of Capital Assets	-	-	-	-	-
Net Cash Provided -Used by Capital and Related Financing Activities	-	-	(83,070)	-	(83,070)
Cash Flows from Investing Activities:					
Interest on Investments	-	-	-	-	-
Net Increase -Decrease in Cash and Cash Equivalents	-	-	86,734	(162,666)	(75,932)
Cash and Investments at Beginning of Year	2,340	-	207,223	302,183	511,746
Cash and Investments at End of Year	\$ 2,340	\$ -	\$ 293,957	139,517	\$ 435,814
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating Income, -Loss	\$ -	\$ -	\$ 38,703	5,350	\$ 44,053
Noncash Items Included in Income:					
Depreciation	-	-	23,259	-	23,259
Decrease -Increase in Accounts Receivable	-	-	-	-	-
Decrease -Increase in Inventory	-	-	(1,406)	-	(1,406)
Decrease -Increase in Prepaid Expenses	-	-	-	-	-
Increase -Decrease in Accounts Payable and Accrued Liabilities	-	-	6,891	(16)	6,875
Net Cash Provided -Used by Operating Activities	\$ -	\$ -	\$ 67,447	5,334	\$ 72,781

**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, 2023**

INFORMATION TECHNOLOGY FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Interfund Services	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Operations	-	- (1)	-	-
Contingency	-	- (1)	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES, -USES				
Transfers Out	<u>(70,000)</u>	<u>(102,600)</u>	(1) -	<u>102,600</u>
Total Other Financing Sources, -Uses	<u>(70,000)</u>	<u>(102,600)</u>	<u>-</u>	<u>102,600</u>
Net Change in Fund Balance	(70,000)	(102,600)	-	102,600
Beginning Fund Balance	<u>70,000</u>	<u>102,600</u>	<u>2,195</u>	<u>(100,405)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,195</u>	<u>\$ 2,195</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, 2023**

<u>EQUIPMENT FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Miscellaneous	\$	\$	\$	\$ -
Total Revenue	-	-	-	-
OTHER FINANCING SOURCES, -USES				
Transfers In	-	-	-	-
Transfers Out			(1)	-
Total Other Financing Sources, -Uses	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance		-	-	-
Ending Fund Balance	\$ -	\$ -	-	\$ -
Reconciling Items:				
Net Capital Assets			9,462	
Net Position			\$ 9,462	

(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, 2023**

<u>PUBLIC WORKS FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 102,357	\$ 102,357
Grants	-	-	-	-
Engineering Fees	75,000	75,000	34,005	(40,995)
Charges for Interfund Services	3,587,000	3,687,000	3,587,000	(100,000)
Total Revenues	<u>3,662,000</u>	<u>3,762,000</u>	<u>3,723,362</u>	<u>(38,638)</u>
EXPENDITURES				
Operations	3,891,000	3,903,000 (1)	3,559,043	343,957
Capital Outlay	-	85,000 (1)	83,070	1,930
Contingency	309,000	168,600 (1)	-	168,600
Total Expenditures	<u>4,200,000</u>	<u>4,156,600</u>	<u>3,642,113</u>	<u>514,487</u>
Excess, (Deficit) of Revenues Over, (Under) Expenditures	(538,000)	(394,600)	81,249	475,849
OTHER FINANCING SOURCES, (USES)				
Transfers In	-	197,000	-	(197,000)
Total Other Financing Sources, (Uses)	<u>-</u>	<u>197,000</u>	<u>-</u>	<u>(197,000)</u>
Net Change in Fund Balance	(538,000)	(197,600)	81,249	278,849
Beginning Fund Balance	<u>538,000</u>	<u>197,600</u>	<u>(74,791)</u>	<u>(272,391)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,458</u>	<u>\$ 6,458</u>
Reconciling Items:				
Net Capital Assets			<u>120,338</u>	
Net Position			<u>\$ 126,796</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, 2023**

FACILITY MAJOR MAINTENANCE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Internal Charges	\$ -	\$ -	\$ -	\$ -
Grants	-	-	5,350	5,350
Miscellaneous	-	-	-	-
Total Revenues	-	-	5,350	5,350
EXPENDITURES				
Capital Outlay	-	- (1)	-	-
Contingency	-	- (1)	-	-
Total Expenditures	-	-	-	-
Excess, (Deficit) of Revenues Over (Under) Expenditures	-	-	5,350	5,350
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(168,000)	(350,000) (1)	(168,000)	182,000
Total Other Financing Sources, (Uses)	(168,000)	(350,000)	(168,000)	182,000
Net Change in Fund Balance	(168,000)	(350,000)	(162,650)	187,350
Beginning Fund Balance	168,000	350,000	302,167	(47,833)
Ending Fund Balance	\$ -	\$ -	\$ 139,517	\$ 139,517

(1) Appropriation Level

CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON

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



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February 8, 2024

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, 2023, and have issued our report thereon dated February 8, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

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.**
- **Programs funded from outside sources.**
- **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, except for the following:

1. There were two instances where actual expenditures exceeded appropriations, as noted on page 16.
2. The City's resolution making appropriations for the fiscal year beginning July 1, 2022 provided appropriations for the General Fund's total operations but did not break out the allocation of operations among the General Fund's various departments or programs as required by ORS 294.456.

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.

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.

A handwritten signature in black ink, appearing to read "Ken Allen".

Kenneth Allen, CPA

Municipal Auditor

PAULY, ROGERS AND CO., P.C.

CITY OF ST. HELENS
COLUMBIA COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023**

Federal Department/Grant	Pass Through Organization	AL Number	Pass Through Entity Number	Grant Period	Expenditures	Pass Through Subrecipients
US DEPARTMENT OF THE TREASURY						
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Direct Program	21.027	N/A	3/9/2022 - 12/31/26	755,496	-
TOTAL FEDERAL FINANCIAL EXPENDITURES					<u>755,496</u>	<u>-</u>



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February 8, 2024

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

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS,

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of St. Helens as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated February 8, 2024.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Ken Allen". The signature is fluid and cursive, with a large initial "K" and "A".

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



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February 8, 2024

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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of St. Helens' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of St. Helens complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of St. Helens and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to its federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Ken Allen". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

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

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

SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(s) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Any GAGAS audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? yes no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(s) identified that are not considered to be material weaknesses? yes none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? yes no

IDENTIFICATION OF MAJOR PROGRAMS

<u>CFDA NUMBER</u>	<u>NAME OF FEDERAL PROGRAM CLUSTER</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

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

SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS:

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected to use the ten percent de minimus indirect cost rate as allowed under the Uniform Guidance.