



CITY OF JUNCTION CITY, OREGON

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

WITH

INDEPENDENT AUDITOR'S REPORT

CITY OF JUNCTION CITY, OREGON
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
WITH INDEPENDENT AUDITOR'S REPORT

Prepared by:
Finance Department

CITY OF JUNCTION CITY, OREGON
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 For the fiscal year ended June 30, 2014
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INTRODUCTORY SECTION



CITY OF JUNCTION CITY

680 GREENWOOD • P. O. BOX 250
JUNCTION CITY, OREGON 97448-0250
TELEPHONE 998-2153 • FAX 998-3140

October 17, 2014

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Junction City:

The management of the City of Junction City is pleased to provide this annual financial report to its citizens, taxpayers, and other interested parties to demonstrate its accountability and communicate the government's financial position and resource flows as of and for the year ended June 30, 2014. The Management staff of the City of Junction City is responsible for the presentation of this annual financial report, for maintaining appropriate internal control over financial reporting, and for complying with applicable finance-related laws, regulations, and provisions of grants and contracts. The government reports its financial statements and schedule on a modified cash basis, which management has determined is an acceptable financial reporting framework that differs from generally accepted accounting principles (GAAP). All of the financial analyses in this report should take into consideration the limitations inherent in the modified cash basis of accounting.

Management is responsible for preparing the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Isler CPA, Certified Public Accountants, have issued their independent auditor's report on these financial statements and schedules which includes an unqualified ("clean") opinion for the City of Junction City's financial statements for the year ended June 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

Profile of the Government

The City of Junction City, incorporated in 1872, is located on Highway 99, 14 miles north of Eugene, 38 miles south of Corvallis and centrally located between the Pacific Ocean to the West and the Cascade Mountains to the East. The City occupies 2.45 square miles and serves a population of 5,550.



The City of Junction City is a home rule charter city. The charter is the basic law under which the City operates and may be amended only by a vote of the people. A proposed amendment to the charter may be placed on the ballot by the City Council or by an initiative process by the voters.

The City Council is composed of seven members; six Councilors elected to four-year terms and one Mayor elected to a two-year term. Three Council positions and the Mayor's position are voted upon every two years during the General Election. Should a vacancy occur prior to an election, the Council may appoint a citizen to either complete the term remaining for the vacant position, or until the position is filled by a vote at the next General Election, whichever comes first. The Council meets on the 2nd and 4th Tuesday each month. All meetings are open to the public, except in the case of an executive meeting (closed meeting) where the Council is allowed to consider certain matters as allowed by Oregon Revised Statutes. Any official action by the Council, however, is taken at an open public meeting. The Mayor may call a special meeting of the Council, provided that the public is given a 48-hour notice. The Mayor may call an emergency meeting upon less than 24 hours notice with conditions for justifying that an actual emergency exists.

Neither the Mayor nor the Councilors receive any compensation for serving on the Council. Travel and training expenses incurred by the Mayor or Councilors in their official capacity are reimbursed and budgeted accordingly.

Junction City operates under a Council-City Administrator form of government. The Council sets policies, and the City Administrator is responsible for the implementation and compliance of those policies. The City Administrator is also responsible for the day-to-day business, financial and property transactions, preparation of the annual budget, appointment and supervision of personnel, provision of City ordinances administered to the Council's satisfaction, and the general management of the City departments. The City Administrator has no vote in the Council, but may take part in all Council discussions.

The Council is required to adopt an initial budget by June 30th of each year for the following fiscal year which begins July 1st. The annual budget serves as the foundation for the City of Junction City's financial planning and control. Annual budgets are adopted on the modified cash basis. The budget is prepared by fund, and department.

Budgets are prepared and adopted, and expenditures are appropriated, in accordance with Oregon Local Budget Law. Except for the agency funds, the City is required by law to budget all funds. The budgetary level of control is appropriated by fund and object (i.e. personnel services, materials and services, capital outlay, debt service, inter-fund transfers, and contingency). Appropriations lapse as of the year end.

The City Council may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets as authorized by Oregon

Revised Statutes. Unexpected additional resources may be added to the budget through the use of a supplemental budget. Some supplemental budgets require hearings before the public, publication in newspapers, and adoption by the City Council. Expenditure appropriations may not be legally over-expended, although appropriations may be increased or decreased, transferred from one appropriation category to another, or new appropriation categories created by action of the City Council. Management may transfer budget amounts between individual line items within the object group, but cannot make changes to the object groups themselves, which is the legal level of control.

Local Economy

Junction City is a blend of rural agricultural and urban lifestyles that are central to living in the southern Willamette Valley. In many ways, Junction City is a focus for Lane County's breadbasket region. Junction City is home to the Scandinavian Festival each summer, along with wineries, nurseries, dairies, fruit and vegetable markets, sheep, cattle and alpaca ranches and much more.

The Scandinavian Festival is held in August and draws thousands of visitors annually. There are nearby lakes and rivers for swimming, boating, water-skiing, and fishing. The City operates a Community Services Department that includes the Junction City Community Center, the Max Strauss Seasonal Pool, the Junction City Public Library, and the Viking Sal Senior Center. The Parks Department maintains numerous park facilities, which include a skate park, playgrounds, tennis courts, basketball courts, baseball/softball fields, picnic facilities and open space, for the enjoyment of the citizens. The City of Junction City provides a full range of services, including police protection, municipal court services, building permits, planning services, licenses and permits, streets maintenance, and operates utility services for water, sewer, and sanitation.

The City has recently completed important projects including the expansion of the urban growth boundary for the City, installation of the waterline to connect a new elevated storage tank, upgrade and or expansion of a number of pump stations, installation of a bypass pumping system for all sewer pump stations, the completion of the City's skate park, construction of a new neighborhood park and enhancements to financial systems with the adoption of the City's broad range fiscal policies. The City was the recipient of the Governmental Finance Officers Association's Small Government Cash Basis Reporting Award.

Recently completed, the City's Public Works Department installed a water treatment plant, completed a water pipe replacement project, a TV inspection of the sewer mainlines a phased sewer mainline replacement project, development of an update to the wastewater treatment facility and other projects to enhance the City's water and sewer infrastructure and services provided to the City. During the fiscal year Council and staff prepared a Long Range Financial Plan which includes a Five Year Financial Forecast.

The business community in Junction City, while challenged by the recent economy, has begun to expand over the last two years with new investment in light manufacturing, sales and service businesses and with the continued construction of the State's mental hospital scheduled to open in March 2015.

Although employment levels are reported at the County level, Junction City has experienced some growth with additions to operations of several businesses and the State mental hospital's recruiting process begun in FY12/13. Unemployment rates for the County are currently at 6.9% as of August 2014, down from a high of 13.5% for the county in 2009.

While building permits were at a low in calendar year 2008 with 48 total permits, and 66 for calendar year 2009, total building permits were 231 in 2013. For calendar year 2014, total permits are at 220 through the 3rd quarter. Various builders working within the City have steadily utilized the available residential building lots over the last few years.

The City of Junction City's population estimate at July 1, 2013 was 5,550, which represents a 2.2% increase since 2010 compared to a 1.3% increase for Lane County. The population estimate was 5,430 for July 1, 2010.

Financial Analysis

The government-wide financial statements are reported using the modified cash basis of accounting. Under this basis of accounting, only cash (and cash equivalents) and items that involve the receipt or disbursement of cash (or cash equivalents) during the period are recognized, except as follows:

- (1) Interfund receivables and payables that arise from transactions and events involving cash or cash equivalents are recognized;
- (2) Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit, marketable investments, and receivables resulting from loans) that arise from transactions and events involving cash or cash equivalents are recognized; and
- (3) Liabilities for cash (or cash equivalents) held on behalf of others, held in escrow, or received in advance of being earned or meeting eligibility requirements are recognized.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in the financial statements. For example, accounts receivable and revenue for billed or provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets such as property, equipment, and infrastructure are not reported and long-term liabilities such as debt and compensated absences also are not

reported on the face of the financial statements. However, the government's long-term debt obligations are disclosed in the notes to the financial statements.

Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Total assets	\$ 5,327,762	\$ 5,188,578	\$ 4,463,849	\$ 6,808,356	\$ 9,791,611	\$ 11,996,934
Total liabilities	21,793	171,532	25	25	21,818	171,557
Net position:						
Restricted	2,670,868	2,432,554	2,832,661	2,531,562	5,503,529	4,964,116
Unrestricted	2,635,101	2,584,492	1,631,163	4,276,769	4,266,264	6,861,261
Total net position	\$ 5,305,969	\$ 5,017,046	\$ 4,463,824	\$ 6,808,331	\$ 9,769,793	\$ 11,825,377

For the year ended June 30, 2014, the overall modified cash basis net position of the City decreased by \$2,055,584. Of the total decrease, the governmental activities' net position increased by \$288,923 mostly due to increased transfers to reserves, and less capital projects in process as compared to the prior year.

The business-type activities overall modified cash basis net position decreased by \$2,344,507. The Water and Sewer Funds had several large capital projects in progress, some of which were started during FY12/13 and completed in FY13/14.

Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	\$ 761,546	\$ 666,291	\$ 3,352,290	\$ 3,459,294	\$ 4,113,836	\$ 4,125,585
Operating grants and contribution	315,814	397,109	-	-	315,814	397,109
Capital grants and contributions	76,063	245,596	-	300,000	76,063	545,596
General revenues:						
Property taxes	2,084,931	2,029,597	-	-	2,084,931	2,029,597
Franchise taxes	391,305	365,198	-	-	391,305	365,198
Other taxes	376,219	356,116	-	-	376,219	356,116
Investment income	27,924	28,764	27,361	41,431	55,285	70,195
Total revenues	4,033,802	4,088,671	3,379,651	3,800,725	7,413,453	7,889,396
Expenses						
General government	1,207,777	1,320,285	-	-	1,207,777	1,320,285
Public safety	1,874,793	1,796,822	-	-	1,874,793	1,796,822
Highways and streets	289,004	281,717	-	-	289,004	281,717
Economic development	21,756	5,810	-	-	21,756	5,810
Culture and recreation	553,649	776,554	-	-	553,649	776,554
Water	-	-	1,223,828	1,157,378	1,223,828	1,157,378
Sewer	-	-	3,648,023	2,178,043	3,648,023	2,178,043
Sanitation	-	-	650,207	822,304	650,207	822,304
Total expenses	3,946,979	4,181,188	5,522,058	4,157,725	9,469,037	8,338,913
Excess before special item and transfers	86,823	(92,517)	(2,142,407)	(357,000)	(2,055,584)	(449,517)
Transfers - internal activity	202,100	5,800	(202,100)	(5,800)	-	-
Increase in net assets	288,923	(86,717)	(2,344,507)	(362,800)	(2,055,584)	(449,517)
Net position, beginning of year	5,017,046	5,103,763	6,808,331	7,171,131	11,825,377	12,274,894
Net position, end of year	\$ 5,305,969	\$ 5,017,046	\$ 4,463,824	\$ 6,808,331	\$ 9,769,793	\$ 11,825,377

Governmental Funds

For the fiscal year ended June 30, 2014, the governmental funds reported a combined fund balance of \$5,305,969. The General Fund balance increased by \$31,981 and revenues increased \$173,487. The excess of revenues over expenditures, before transfers, in the General Fund was \$265,681 for fiscal year ended June 30, 2014. The Street Fund expended \$286,432 in capital projects which were offset by the fund's revenue for the year. The Business Development Loan Fund did not expend any funds for new loans during the year.

General Fund Budget

Original budget compared to final budget. During the year, budget transfer resolutions and one Interfund capital loan were adopted by Council.

- On November 12, 2013 Council approved resolution 1091 which transferred \$14,000 from the General Fund to the Police Vehicle and Equipment fund for the purpose of purchasing police vehicles.
- On December 10, 2013 Council adopted resolution 1094 to make an Interfund capital loan from the General Fund to the DOC Fund for \$96,000.
- On June 10, 2014 Council adopted a supplemental budget to recognize additional building permits and planning revenue of \$125,000, and the related building official contract appropriations in the same amount.

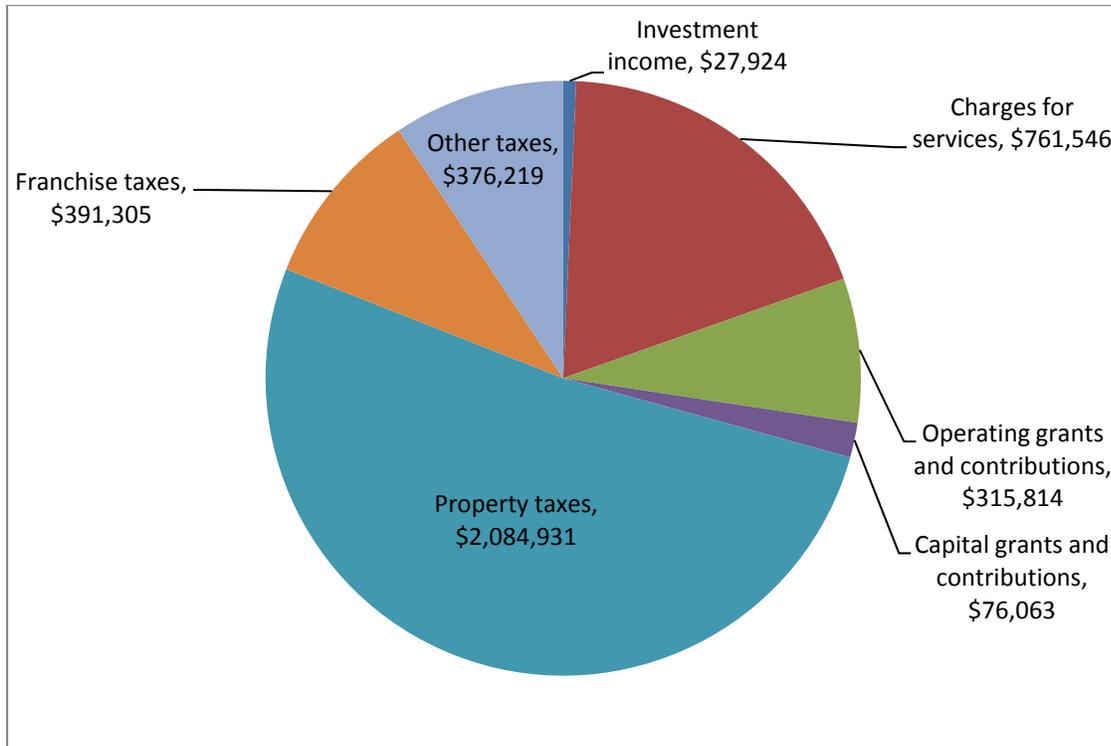
Final budget compared to actual results. Significant differences between estimated revenues and actual revenues were as follows:

Revenue Source	Budgeted revenue	Actual revenue	Difference
Current Year Taxes	\$ 2,039,700	\$ 2,023,746	\$ (15,954)
Pacific Power Franchise	175,000	210,110	35,110
Muni Court Fines	226,500	239,058	12,558
Admin on SDC Fees	44,800	19,883	(24,917)
Grant - Local Law Enforcement	25,000	4,202	(20,798)
Licenses & Permits	363,000	337,570	(25,430)

Franchise revenue for Pacific Power franchise fees received were \$35,110 over the estimates for budget while other estimates for franchise fees were close to budgeted amounts. Actual Muni Court Fines increased over the prior year due to increased court activity and collections efforts. Admin on SDC Fees were estimated higher for budget than actual results by \$24,917. Local Law Enforcement grant reimbursements were lower than budget due to a lower amount of costs incurred eligible for reimbursement. Licenses and Building Permits received were

under the adjusted budget by 25,430, though a budget resolution which increased the budgeted revenue lines by \$125,000 should be noted.

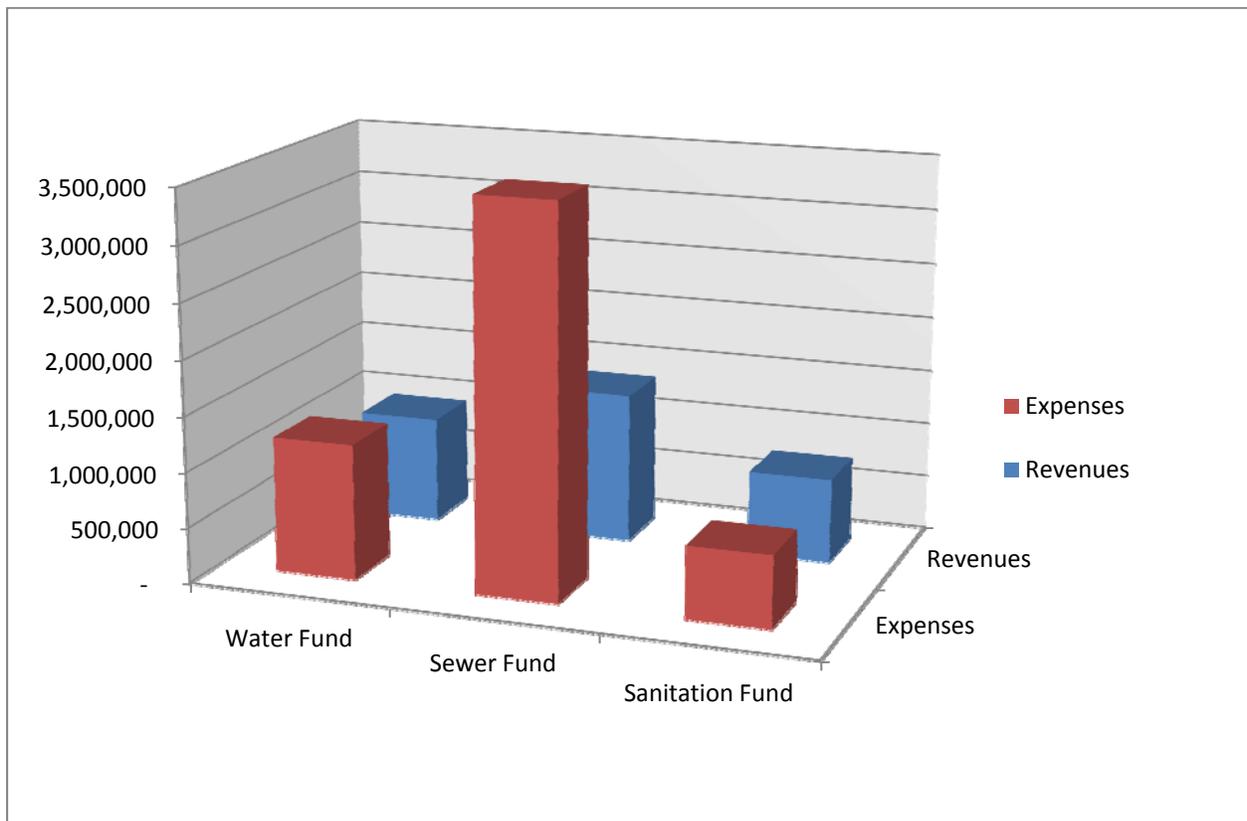
Governmental Activities Funding



Enterprise Funds

For the fiscal year ended June 30, 2014 the enterprise funds reported a modified cash basis net position of \$4,463,824. This is a decrease of \$2,344,507 for the enterprise funds. A number of large projects were begun in the prior year and completed during the current year. The capital expenditures in the Water Funds were \$512,038 and in the Sewer Funds the capital expenditures were \$2,924,461.

Enterprise Funds Revenue and Expenses



Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated service of the Finance Department and City staff who contributed to the annual report and are dedicated to the long-term fiscal condition of the City of Junction City. We wish to thank all the departments for their assistance in providing the data necessary to compile this report. Credit also must be given to the Mayor and the Council for their unfailing support for maintaining the highest standards of professionalism in the management of Junction City's finances.

Respectfully,



Melissa Bowers
City Administrator



Mike Crocker
Finance Director



Government Finance Officers Association

Award for Small Government Cash Basis Reports

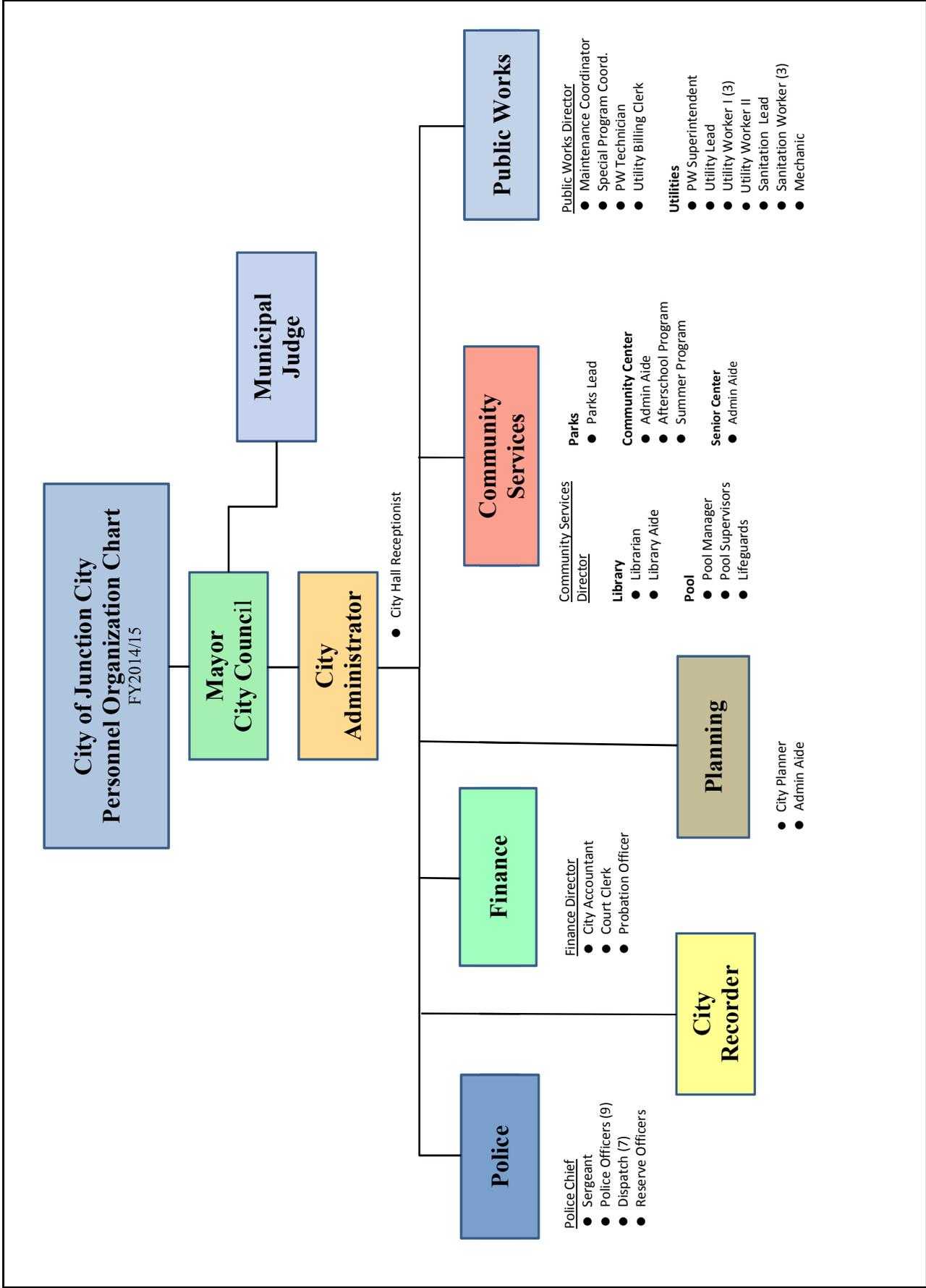
Presented to

**City of Junction City
Oregon**

For its Annual Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO



CITY OF JUNCTION CITY, OREGON

List of Elected Officials

June 30, 2014

<u>NAME</u>	<u>POSITION</u>	<u>TERM EXPIRES</u>
David S. Brunscheon 420 Timothy Junction City, OR 97448	Mayor	January 31, 2015
Karen Leach 385 Timothy Junction City, OR 97448	Councilor	January 31, 2017
Randy Nelson 1389 United Drive Junction City, OR 97448	Council President	January 31, 2017
Bill DiMarco P.O. Box 702 Junction City, OR 97448	Councilor	January 31, 2015
Steven Hitchcock 635 West 14th Junction City, OR 97448	Councilor	January 31, 2015
Herb Christensen 815 Alder Street Junction City, OR 97448	Councilor	January 31, 2015
Jim Leach 385 Timothy Junction City, OR 97448	Councilor	January 31, 2015

FINANCIAL SECTION



Independent Auditor's Report



To the Mayor and Members of the City Council
City of Junction City
Junction City, Oregon

An Independently Owned Member
MCGladREY ALLIANCE |  McGladrey

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Junction City, Oregon, ("City") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note I. A.; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2014, the respective changes in modified cash basis financial position, cash flows, where applicable, and the budgetary comparison statements for the General Fund, Street Fund, and Business Development Loan Fund thereof for the year then ended in accordance with the basis of accounting described in Note I. A.

Basis of Accounting

We draw attention to Note I.A. of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the modified cash basis financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information including the combining and individual fund financial statements and schedules - modified cash basis, and the other information including the letter of transmittal narrative discussion, and trend information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

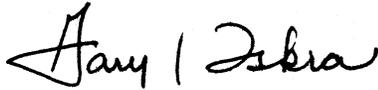
The combining and individual nonmajor fund financial statements, budgetary comparisons and other financial schedules on page 23 - 77 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole on the basis of accounting described in note I. A.

The letter of transmittal narrative discussion presented on pages i - ix, the other introductory information on pages (x - xii), and the trend information presented on page 77 - 84 of the report have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on such information.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated October 17, 2014 on our consideration of the City's 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 on pages 85 - 86 is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Isler CPA



For Isler CPA
Eugene, Oregon
October 17, 2014

BASIC FINANCIAL STATEMENTS



CITY OF JUNCTION CITY, OREGON

Government-wide Statement of Net Position - Modified Cash Basis

June 30, 2014

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 5,305,157	\$ 4,463,849	\$ 9,769,006
Developer advances	22,605	-	22,605
Total assets	<u>\$ 5,327,762</u>	<u>\$ 4,463,849</u>	<u>\$ 9,791,611</u>
LIABILITIES			
Due to others	\$ 21,793	\$ 25	\$ 21,818
Total liabilities	<u>21,793</u>	<u>25</u>	<u>21,818</u>
NET POSITION			
Restricted for:			
DOC-IGA	66,948	-	66,948
Streets and bicycle paths	1,178,538	-	1,178,538
Business development	1,102,043	-	1,102,043
System development	237,497	2,832,661	3,070,158
State revenue sharing	85,842	-	85,842
Unrestricted	<u>2,635,101</u>	<u>1,631,163</u>	<u>4,266,264</u>
Total net position	<u>5,305,969</u>	<u>4,463,824</u>	<u>9,769,793</u>
Total liabilities and net position	<u>\$ 5,327,762</u>	<u>\$ 4,463,849</u>	<u>\$ 9,791,611</u>

CITY OF JUNCTION CITY, OREGON

Government-wide Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2014

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions / Programs						
Governmental Activities:						
General Government	\$ 1,207,777	\$ 239,573	\$ 39,235	\$ (214,786)	\$ -	\$ (214,786)
Public Safety	1,874,793	-	-	(1,874,771)	-	(1,874,771)
Highways and Streets	289,004	-	36,828	(249,870)	-	(249,870)
Economic Development	21,756	8,789	-	31,418	-	31,418
Culture and Recreation	553,649	67,452	-	(485,547)	-	(485,547)
Total governmental activities	3,946,979	315,814	76,063	(2,793,556)	-	(2,793,556)
Business-type Activities:						
Water	1,223,828	-	-	-	(233,044)	(233,044)
Sewer	3,648,023	-	-	-	(2,050,135)	(2,050,135)
Sanitation	650,207	-	-	-	113,411	113,411
Total business - type activities	5,522,058	3,352,290	-	(2,793,556)	(2,169,768)	(4,963,324)
Total government	\$ 9,469,037	\$ 4,113,836	\$ 76,063	(2,793,556)	(2,169,768)	(4,963,324)
General revenues:						
Property taxes				2,084,931	-	2,084,931
Franchise taxes				391,305	-	391,305
Other taxes and receipts				376,219	-	376,219
Unrestricted investment earnings				27,924	27,361	55,285
Transfers - internal activity				202,100	(202,100)	-
Total general revenues and transfers				3,082,479	(174,739)	2,907,740
Change in net position				288,923	(2,344,507)	(2,055,584)
Net position- beginning				5,017,046	6,808,331	11,825,377
Net position- ending				\$ 5,305,969	\$ 4,463,824	\$ 9,769,793

CITY OF JUNCTION CITY, OREGON

Balance Sheet - Modified Cash Basis

Governmental Funds

June 30, 2014

	General Fund Programs	Street Fund	Business Development Loan Fund	Street System Development Fund	Building Replacement Reserve Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 2,068,245	\$ 286,988	\$ 1,102,043	\$ 863,283	\$ 155,479	\$ 827,550	\$ 5,303,588
Developer advances	22,605	-	-	-	-	-	22,605
Total assets	<u>\$ 2,090,850</u>	<u>\$ 286,988</u>	<u>\$ 1,102,043</u>	<u>\$ 863,283</u>	<u>\$ 155,479</u>	<u>\$ 827,550</u>	<u>\$ 5,326,193</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Due to others	\$ 15,293	\$ 6,500	\$ -	\$ -	\$ -	\$ -	\$ 21,793
Total liabilities	<u>15,293</u>	<u>6,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,793</u>
Fund balances:							
Restricted:							
DOC-IGA	-	-	-	-	-	66,948	66,948
Streets and bicycle paths	-	280,488	-	863,283	-	34,767	1,178,538
Business development	-	-	1,102,043	-	-	-	1,102,043
System development	-	-	-	-	-	237,497	237,497
State revenue sharing	-	-	-	-	-	85,842	85,842
Committed:							
Viking Sal Senior Center	6,011	-	-	-	-	-	6,011
Health insurance	49,606	-	-	-	-	-	49,606
Community services	3,945	-	-	-	-	-	3,945
Building/equipment reserves	-	-	-	-	155,479	402,496	557,975
Unassigned	2,015,995	-	-	-	-	-	2,015,995
Total fund balances	<u>2,075,557</u>	<u>280,488</u>	<u>1,102,043</u>	<u>863,283</u>	<u>155,479</u>	<u>827,550</u>	<u>5,304,400</u>
Total liabilities and fund balances	<u>\$ 2,090,850</u>	<u>\$ 286,988</u>	<u>\$ 1,102,043</u>	<u>\$ 863,283</u>	<u>\$ 155,479</u>	<u>\$ 827,550</u>	<u>\$ 5,305,969</u>

Reconciliation to the Statement of Net Position:

The Internal Service fund is a proprietary fund and not reported with governmental funds. However, because the Internal Service fund primarily benefits governmental activities, its assets, liabilities, and net position are reported along with governmental activities in the Statement of Net Position.

Net position of governmental activities

1,569
\$ 5,305,969

CITY OF JUNCTION CITY, OREGON

Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis

Governmental Funds

For the Year Ended June 30, 2014

	General Fund Programs	Street Fund	Business Development Loan Fund	Street System Development Fund	Building Replacement Reserve Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes:							
Property	\$ 2,084,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,084,931
Franchise	391,305	-	-	-	-	-	391,305
Other	10,121	-	-	-	-	-	10,121
Licenses and permits	337,570	1,620	-	-	-	-	339,190
Intergovernmental	191,618	312,579	8,789	-	-	92,753	605,739
Charges for services	75,318	-	-	-	-	-	75,318
System development charges	19,883	-	-	36,828	-	67,452	124,163
Fines and penalties	239,058	-	-	-	-	-	239,058
Interest	11,805	1,398	5,714	4,447	854	3,620	27,838
Principal received - loan program	-	-	36,989	-	-	-	36,989
Interest received - loan program	-	-	7,296	-	-	-	7,296
Donations and special events	28,072	-	-	-	-	-	28,072
Other	62,237	686	100	-	-	672	63,695
Total Revenues	<u>3,451,918</u>	<u>316,283</u>	<u>58,888</u>	<u>41,275</u>	<u>854</u>	<u>164,497</u>	<u>4,033,715</u>
EXPENDITURES							
Current :							
General Government	884,342	-	-	-	15,204	116,213	1,015,759
Public Safety	1,792,777	-	-	-	-	82,016	1,874,793
Highways and Streets	-	286,432	-	-	-	2,572	289,004
Economic Development	-	-	21,756	-	-	-	21,756
Culture and Recreation	529,920	-	-	-	-	23,729	553,649
Total expenditures	<u>3,207,039</u>	<u>286,432</u>	<u>21,756</u>	<u>-</u>	<u>15,204</u>	<u>224,530</u>	<u>3,754,961</u>
Excess (deficiency) of revenues over (under) expenditures	244,879	29,851	37,132	41,275	(14,350)	(60,033)	278,754
OTHER FINANCING SOURCES (USES)							
Transfers in	10,000	-	-	-	-	283,300	293,300
Transfers out	(240,500)	(34,200)	-	-	-	(10,000)	(284,700)
Total other financing source (uses)	<u>(230,500)</u>	<u>(34,200)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>273,300</u>	<u>8,600</u>
Net change in fund balances	14,379	(4,349)	37,132	41,275	(14,350)	213,267	287,354
Fund balances - beginning	2,061,178	284,837	1,064,911	822,008	169,829	614,283	4,017,036
Fund balances - ending	<u>\$ 2,075,557</u>	<u>\$ 280,488</u>	<u>\$ 1,102,043</u>	<u>\$ 863,283</u>	<u>\$ 155,479</u>	<u>\$ 827,550</u>	<u>\$ 4,017,036</u>

The Internal Service fund is used by management to charge the costs of certain activities to other benefiting funds. The net revenue of the Internal Service fund is reported with governmental activities.

Change in net position of governmental activities

See accompanying notes to financial statements

1,569
\$ 288,923

CITY OF JUNCTION CITY, OREGON

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Taxes:				
Property	\$ 2,099,700	\$ 2,099,700	\$ 2,084,931	\$ (14,769)
Franchise	356,900	356,900	391,305	34,405
Other	13,200	13,200	10,121	(3,079)
Licenses and permits	238,000	363,000	337,570	(25,430)
Intergovernmental	197,500	197,500	176,648	(20,852)
Charges for services	76,800	76,800	71,846	(4,954)
Fines and penalties	226,500	226,500	239,058	12,558
Investment earnings	15,700	15,700	11,459	(4,241)
Donations and special events	200	200	-	(200)
Other	19,900	19,900	15,699	(4,201)
System development charges	44,800	44,800	19,883	(24,917)
Total revenues	<u>3,289,200</u>	<u>3,414,200</u>	<u>3,358,520</u>	<u>(55,680)</u>
Expenditures:				
Personal services	2,530,600	2,516,600	2,245,049	271,551
Materials and services	834,700	946,300	847,790	98,510
Contingency	82,600	-	-	-
Total expenditures	<u>3,447,900</u>	<u>3,462,900</u>	<u>3,092,839</u>	<u>370,061</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(158,700)</u>	<u>(48,700)</u>	<u>265,681</u>	<u>314,381</u>
Other financing sources (uses):				
Transfers in	6,800	6,800	6,800	-
Transfers out	<u>(130,500)</u>	<u>(240,500)</u>	<u>(240,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(123,700)</u>	<u>(233,700)</u>	<u>(233,700)</u>	<u>-</u>
Net change in fund balances	(282,400)	(282,400)	31,981	314,381
Fund balance:				
Beginning of year	<u>1,979,300</u>	<u>1,979,300</u>	<u>1,984,014</u>	<u>4,714</u>
End of year	<u>\$ 1,696,900</u>	<u>\$ 1,696,900</u>	\$ 2,015,995	<u>\$ 319,095</u>
Other funds included in General Fund Programs:				
Viking Sal Senior Center Fund			6,011	
Health Insurance Fund			49,606	
Community Center Fund			<u>3,945</u>	
Total General Fund Programs			<u>\$ 2,075,557</u>	

CITY OF JUNCTION CITY, OREGON

STREET FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Licenses and permits	\$ 2,200	\$ 2,200	\$ 1,620	\$ (580)
Intergovernmental	305,900	305,900	312,579	6,679
Investment earnings	1,700	1,700	1,398	(302)
Other	<u>280,000</u>	<u>280,000</u>	<u>686</u>	<u>(279,314)</u>
Total revenues	<u>589,800</u>	<u>589,800</u>	<u>316,283</u>	<u>(273,517)</u>
Expenditures:				
Personal services	78,900	78,900	71,684	7,216
Materials and services	164,200	164,200	131,437	32,763
Capital outlay	290,000	290,000	83,311	206,689
Contingency	<u>22,500</u>	<u>22,500</u>	<u>-</u>	<u>22,500</u>
Total expenditures	<u>555,600</u>	<u>555,600</u>	<u>286,432</u>	<u>269,168</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,200</u>	<u>34,200</u>	<u>29,851</u>	<u>(4,349)</u>
Other financing sources (uses):				
Transfers out	<u>(34,200)</u>	<u>(34,200)</u>	<u>(34,200)</u>	<u>-</u>
Total other financing sources (uses)	<u>(34,200)</u>	<u>(34,200)</u>	<u>(34,200)</u>	<u>-</u>
Net change in fund balances	-	-	(4,349)	(4,349)
Fund balance:				
Beginning of year	<u>335,600</u>	<u>335,600</u>	<u>284,837</u>	<u>(50,763)</u>
End of year	<u>\$ 335,600</u>	<u>\$ 335,600</u>	<u>\$ 280,488</u>	<u>\$ (55,112)</u>

CITY OF JUNCTION CITY, OREGON

BUSINESS DEVELOPMENT LOAN FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 8,600	\$ 8,600	\$ 8,789	\$ 189
Investment earnings	45,200	45,200	49,999	4,799
Other	<u>400</u>	<u>400</u>	<u>100</u>	<u>(300)</u>
Total revenues	<u>54,200</u>	<u>54,200</u>	<u>58,888</u>	<u>4,688</u>
Expenditures:				
Materials and services	<u>860,900</u>	<u>860,900</u>	<u>21,756</u>	<u>839,144</u>
Total expenditures	<u>860,900</u>	<u>860,900</u>	<u>21,756</u>	<u>839,144</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(806,700)</u>	<u>(806,700)</u>	<u>37,132</u>	<u>843,832</u>
Other financing sources (uses):				
Net change in fund balances	(806,700)	(806,700)	37,132	843,832
Fund balance:				
Beginning of year	<u>1,070,100</u>	<u>1,070,100</u>	<u>1,064,911</u>	<u>(5,189)</u>
End of year	<u>\$ 263,400</u>	<u>\$ 263,400</u>	<u>\$ 1,102,043</u>	<u>\$ 838,643</u>

CITY OF JUNCTION CITY, OREGON

Statement of Net Position - Modified Cash Basis

Proprietary Funds

June 30, 2014

	Business-Type Activities			Total Enterprise Funds	Governmental Activities
	Water Funds	Sewer Funds	Sanitation Funds		Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 520,510	\$ 3,531,139	\$ 412,200	\$ 4,463,849	\$ 1,569
Total assets	<u>\$ 520,510</u>	<u>\$ 3,531,139</u>	<u>\$ 412,200</u>	<u>\$ 4,463,849</u>	<u>\$ 1,569</u>
LIABILITIES					
Current liabilities:					
Deposits and withholdings payable	\$ 25	\$ -	\$ -	\$ 25	\$ -
Total current liabilities	<u>25</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>-</u>
NET POSITION					
Restricted for system development	104,932	2,727,729	-	2,832,661	-
Unrestricted	<u>415,553</u>	<u>803,410</u>	<u>412,200</u>	<u>1,631,163</u>	<u>1,569</u>
Total net position	<u>520,485</u>	<u>3,531,139</u>	<u>412,200</u>	<u>4,463,824</u>	<u>1,569</u>
Total liabilities and net position	<u>\$ 520,510</u>	<u>\$ 3,531,139</u>	<u>\$ 412,200</u>	<u>\$ 4,463,849</u>	<u>\$ 1,569</u>

CITY OF JUNCTION CITY, OREGON

Statement of Revenues, Expenses, and Changes in Net Position - Modified Cash Basis
 Proprietary Funds
 For the Year Ended June 30, 2014

	Business-Type Activities			Total	Governmental
	Water Funds	Sewer Funds	Sanitation Funds		Internal Service Fund
Operating revenues:					
Charges for services	\$ 955,105	\$ 1,334,750	\$ 748,619	\$ 3,038,474	\$ 172,838
Miscellaneous	<u>5,783</u>	<u>6,055</u>	<u>14,999</u>	<u>26,837</u>	<u>-</u>
Total operating revenues	<u>960,888</u>	<u>1,340,805</u>	<u>763,618</u>	<u>3,065,311</u>	<u>172,838</u>
Operating expenses:					
Personal services	453,873	483,909	352,758	1,290,540	172,960
Materials and services	<u>257,917</u>	<u>239,653</u>	<u>278,758</u>	<u>776,328</u>	<u>191,895</u>
Total operating expenses	<u>711,790</u>	<u>723,562</u>	<u>631,516</u>	<u>2,066,868</u>	<u>364,855</u>
Operating income (loss)	<u>249,098</u>	<u>617,243</u>	<u>132,102</u>	<u>998,443</u>	<u>(192,017)</u>
Nonoperating revenues (expenses):					
Investment earnings	1,437	23,903	2,021	27,361	86
Capital outlay	<u>(512,038)</u>	<u>(2,924,461)</u>	<u>(18,691)</u>	<u>(3,455,190)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>(510,601)</u>	<u>(2,900,558)</u>	<u>(16,670)</u>	<u>(3,427,829)</u>	<u>86</u>
Income (loss) before capital contributions and transfers	(261,503)	(2,283,315)	115,432	(2,429,386)	(191,931)
Capital contributions:					
System development charges	<u>29,896</u>	<u>257,083</u>	<u>-</u>	<u>286,979</u>	<u>-</u>
Transfers in	677,000	22,300	-	699,300	193,500
Transfers out	<u>(113,400)</u>	<u>(775,200)</u>	<u>(12,800)</u>	<u>(901,400)</u>	<u>-</u>
Total transfers	<u>563,600</u>	<u>(752,900)</u>	<u>(12,800)</u>	<u>(202,100)</u>	<u>193,500</u>
Change in net position	331,993	(2,779,132)	102,632	(2,344,507)	1,569
Total net position- beginning	<u>188,492</u>	<u>6,310,271</u>	<u>309,568</u>	<u>6,808,331</u>	<u>-</u>
Total net position- ending	<u>\$ 520,485</u>	<u>\$ 3,531,139</u>	<u>\$ 412,200</u>	<u>\$ 4,463,824</u>	<u>\$ 1,569</u>

CITY OF JUNCTION CITY, OREGON

Statement of Cash Flows - Modified Cash Basis

Proprietary Funds

For the Year Ended June 30, 2014

	Business - Type Activities			Total Enterprise Funds	Governmental Activities
	Water Funds	Sewer Funds	Sanitation Funds		Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 960,888	\$ 1,340,805	\$ 763,618	\$ 3,065,311	\$ -
Receipts from interfund services provided	-	-	-	-	172,838
Payments to suppliers	(257,917)	(239,653)	(278,758)	(776,328)	(191,895)
Payments to employees	(453,873)	(483,908)	(352,758)	(1,290,539)	(172,960)
Net cash provided (used) by operating activities	<u>249,098</u>	<u>617,244</u>	<u>132,102</u>	<u>998,444</u>	<u>(192,017)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	677,000	22,300	-	699,300	193,500
Transfers out	(113,400)	(775,200)	(12,800)	(901,400)	-
Net cash provided (used) by noncapital financing activities	<u>563,600</u>	<u>(752,900)</u>	<u>(12,800)</u>	<u>(202,100)</u>	<u>193,500</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(512,038)	(2,924,461)	(18,691)	(3,455,190)	-
System development charges	29,896	257,083	-	286,979	-
Net cash provided (used) by capital and related financing activities	<u>(482,142)</u>	<u>(2,667,378)</u>	<u>(18,691)</u>	<u>(3,168,211)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	1,437	23,902	2,021	27,360	86
Net change in cash and cash equivalents	331,993	(2,779,132)	102,632	(2,344,507)	1,569
Cash and cash equivalents - beginning	<u>188,517</u>	<u>6,310,271</u>	<u>309,568</u>	<u>6,808,356</u>	<u>-</u>
Cash and cash equivalents - ending	<u>\$ 520,510</u>	<u>\$ 3,531,139</u>	<u>\$ 412,200</u>	<u>\$ 4,463,849</u>	<u>\$ 1,569</u>

CITY OF JUNCTION CITY, OREGON

Statement of Fiduciary Net Position - Modified Cash Basis

Fiduciary Funds

June 30, 2014

	Private Purpose Trust Fund - Special Police Programs Fund	Municipal Court Agency Fund
ASSETS		
Cash and cash equivalents	\$ <u>12,109</u>	\$ <u>32,316</u>
LIABILITIES		
Fines and bails	\$ <u>-</u>	\$ <u>32,316</u>
NET POSITION		
Held in trust	<u>12,109</u>	<u>-</u>
Total liabilities and net position	\$ <u>12,109</u>	\$ <u>32,316</u>

CITY OF JUNCTION CITY, OREGON

Statement of Changes in Fiduciary Net Position - Modified Cash Basis
Fiduciary Funds
For the Year Ended June 30, 2014

	<u>Private Purpose Trust Fund - Special Police Programs Fund</u>
ADDITIONS	
Investment earnings	\$ 58
Donations and special events	<u>3,850</u>
Total additions	<u>3,908</u>
DEDUCTIONS	
Benefits	<u>1,456</u>
Change in net position	2,452
Net position - beginning	<u>9,657</u>
Net position - ending	<u>\$ 12,109</u>

NOTES TO THE FINANCIAL STATEMENTS



CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note I - Summary of significant accounting policies

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on activities of the primary government and its component units, if any. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and other nonexchange transactions are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

The government-wide financial statements are reported on a modified cash basis of accounting. The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles.

Only cash (and cash equivalents) and items that involve the receipt or disbursement of cash (or cash equivalents) during the period are recognized, except for the following modifications:

- (1) Interfund receivables and payables that arise from transactions and events involving cash or cash equivalents are recognized;
- (2) Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit, marketable investments, and receivables resulting from loans) that arise from transactions and events involving cash or cash equivalents are recognized; and
- (3) Liabilities for cash (or cash equivalents) held on behalf of others, held in escrow, or received in advance of being earned or meeting eligibility requirements are recognized.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in the financial statements. For example, accounts receivable and revenue for billed or provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets such as property, equipment, and infrastructure are not reported and long-term liabilities such as debt and compensated absences are also not reported.

B. Reporting entity

The City of Junction City ("City") was incorporated in 1872 pursuant to state laws and to the municipal home rule provisions of the state constitution. The City has a population of approximately 5,550, includes a geographical area of approximately two square miles, and operates under a council / administrator form of government. Major services provided by the City include police protection, planning/land use, building permitting, community services, street maintenance, garbage collection, sewer services, and water services.

The accompanying financial statements present the City as the primary government. The City has no component units, which are legally separate organizations fiscally dependent on the City or for which the City is financially accountable. The City is a municipal corporation governed by a council comprised of six members and a Mayor, who are elected at large.

C. Basis of presentation - government-wide financial statements

While separate government-wide and fund financial statements are presented they are interrelated. The governmental activities column incorporates data from governmental funds and the internal service fund, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though fiduciary funds are excluded from the government-wide financial statements.

The government-wide financial statements are presented on the modified cash basis of accounting. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are any payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's enterprise funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation - fund financial statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category, governmental and proprietary, are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds. The fund financial statements are presented on the modified cash basis of accounting.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note I - Summary of significant accounting policies, continued

D. Basis of presentation - fund financial statements, continued

The City reports the following major governmental funds:

General Fund - is the general operating fund of the City. It accounts for all the financial operations of the City that are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, licenses and permits, intergovernmental revenues, various fees for services provided, and interest income. The General Fund accounts for the general operating expenditures of the City not recorded elsewhere. The general fund includes four budgetary funds that have been consolidated for financial reporting purposes.

Street Fund - accounts for revenues received from state gasoline taxes which are to be expended for the purpose of construction, reconstruction, maintenance and use of public highways, streets and roadside rest areas.

Business Development Loan Fund - accounts for the administration and granting of loans. Revenue is generated from the repayment of the loans.

Street System Development Fund - accounts for system development charges received for street development.

Building Replacement Reserve Fund - capital project fund that accounts for the accumulation of cash reserves to make needed building improvements and acquisitions.

Additionally, the City reports the following fund types (as nonmajor funds):

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The City reports each of its three enterprise funds as major funds. Each of the funds includes two or more budgetary funds that have been consolidated for financial reporting purposes. These funds are used to account for the acquisition, operation, maintenance and improvement of water, sewer, and sanitation facilities. These funds are entirely or predominantly self-supported through user charges to customers.

Additionally, the City reports an Internal Service fund. The Internal Service fund accounts for those activities and services furnished internally to other organizational units within the City on a cost reimbursement basis. The activities and services include IT services, vehicle maintenance and building maintenance. Charges are made to the various departments and funds to support these activities.

Fiduciary Funds account for the assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and / or other funds. Fiduciary funds include the following funds:

Private-Purpose Trust Fund - Special Police Programs Fund - accounts for donations received for the specific purpose of providing Christmas shopping excursions for children with members of the police department.

Agency Fund - Municipal Court Fund - accounts for fines and bail monies collected by the Junction City Municipal Court.

During the course of operations the City has activity between funds for various purposes involving cash or cash equivalents. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities, i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds involving cash or cash equivalents. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note I - Summary of significant accounting policies, continued

E. Assets, liabilities, and net position/fund balance

1. Cash and investment

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and the City's investment in the State of Oregon Local Government Investment Pool ("LGIP"). The LGIP is reported at cost which approximates fair value.

2. Property taxes

Property taxes are levied and become a lien on July 1. Property taxes are assessed in October and tax payments are due November 15th of the same year. Under the partial payment schedule, the first one third of taxes are due November 15th, the second one-third on February 15th. A two percent discount is allowed if two thirds of the taxes are paid by November 15th. Taxes become delinquent if not paid fully by May 15 and interest accrues after each trimester at a rate of one percent per month. If, after three years from the tax due date, taxes are still unpaid, counties initiate tax foreclosure proceedings.

3. Junction City Police Department lost/found funds

In 2009, the City set up a bank account to deposit money that was held in the Junction City Police Department Evidence Room. The purpose of this account is to handle evidential money and found money turned into the Police Department. Evidential money is held until either a court order is received to release the money or until the State's process for forfeitures is completed. Unclaimed found money, if requested, can be given to the finder after 90 days have passed and after complying with Oregon law including, but not limited to, publishing notices in the local paper. The account balance at year end was \$1,251. This amount, reported as "Due to others" in the general fund financial statements, represents the unclaimed and non-forfeited money at year end that might be claimed, ordered returned, or released in the future.

4. Fund balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council passes an ordinance that places specific constraints on how the resources may be used. The City Council can modify or rescind the ordinance at any time through passage of an additional ordinance.

Resources that are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. The City does not have any assigned fund balances at June 30, 2014.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. The classification is also used to report any negative fund balance amounts in other governmental funds.

5. Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

6. Fund balance flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note I - Summary of significant accounting policies, continued

E. Assets, liabilities, and net position/fund balance, continued

7. Minimum fund balance policy

The following fund balance policies were adopted by the City Council on March 26, 2013:

General Fund - Measurement of the General Fund ending balance will occur annually on June 30th. The minimum targeted unassigned General Fund balance shall be no less than 35% of next year's budgeted expenditures (exclusive of transfers and contingency). For purposes of this calculation, the expenditures shall be the budget as originally adopted for the subsequent year. The unassigned fund balance amount shall be in addition to restricted, committed, or assigned fund balance amounts.

Enterprise Funds - Measurement of the fund ending balances will occur annually on June 30th. The minimum targeted unrestricted fund balance shall be no less than 25% of next year's budgeted expenditures (exclusive of transfers and contingency). For purposes of this calculation, the expenditures shall be the budget as originally adopted for the subsequent year. The unrestricted fund balance amount shall be in addition to restricted, or committed fund balance amounts.

F. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as 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 (e.g., licenses and permits), 2) fines and forfeitures, and 3) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All other taxes and fees, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are water, sewer, and sanitation charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

G. Budgetary information

Budgets are prepared and adopted, and expenditures are appropriated, in accordance with Oregon Local Budget Law. Except for the agency funds, the City is required by law to budget all funds. The budgetary level of control is appropriated by fund, and object (i.e. personal services, materials and services, capital outlay, debt service, interfund transfers, and contingency). Appropriations lapse as of the year end. The City does not use encumbrance accounting.

The City Council may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets as authorized by Oregon Revised Statutes. Unexpected additional resources may be added to the budget through the use of a supplemental budget. Some supplemental budgets require hearings before the public, publication in newspapers, and adoption by the City Council. Expenditure appropriations may not be legally over-expended except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted, and for debt service on new debt issued during the budget year. Management may transfer budget amounts between individual line items within the object group, but cannot make changes to the object groups themselves, which is the legal level of control. During the year, the City modified its adopted budget with a number of transfer resolutions and supplemental budgets.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note II - Detailed notes on all funds

A. Deposits and investments

The City combines virtually all financial resources for investment purposes. Interest earned on investments is allocated to funds based on the amounts contributed by each fund. Each fund's portion is displayed in the basic financial statements as "Cash and cash equivalents."

Oregon Revised Statutes, Chapter 294, authorizes the City to invest in obligations of the U.S. Treasury, U.S. Government agencies and instrumentalities, bankers' acceptances guaranteed by a qualified financial institution, commercial paper, corporate bonds, repurchase agreements, State of Oregon Local Government Investment Pool ("LGIP"), and various interest-bearing bonds of Oregon Municipalities.

The City is authorized to invest in the LGIP, an external investment pool, within prescribed limits. The LGIP is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. The LGIP is not rated by a national rating service. Additional information about the OSTF can be obtained at www.ost.state.or.us and www.oregon.gov/treasury.

At year end, the City's cash and cash equivalents include the following:

Cash on hand	\$ 1,450		
Cash in banks	339,918		
LGIP	<u>9,472,063</u>		
Total	<u>\$ 9,813,431</u>		
		Government- wide	
		<u>Statements</u>	<u>Fiduciary Funds</u>
			<u>Total</u>
Cash and cash equivalents	<u>\$ 9,769,006</u>	<u>\$ 44,425</u>	<u>\$ 9,813,431</u>

Custodial credit risk - deposits. This is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal policy for custodial credit risk, but follows the requirements of ORS 295. Insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Where interest-bearing balances exceed the Federal Deposit Insurance amount of \$250,000, the balances are covered by collateral held in a multiple financial institution collateral pool (ORS 295.015) administered by the Oregon Office of the State Treasurer in the Public Funds Collateralization Program (PFCP).

At June 30, 2014, the City's deposits were insured by federal depository insurance or collateralized under the PFCP.

Interest rate risk - While the City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, it has historically invested only in the LGIP. The weighted-average maturity of LGIP is less than one year.

Credit risk - The City has no investment policy for credit risk but follows State law. In practice, the City limits investments to the LGIP, which is not rated by any national rating service.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note II - Detailed notes on all funds, continued

B. Notes receivables

The City has a program in which qualifying businesses receive financing from the City to provide for business expansion and job creation within the City. These loans are managed by the City and the repayments must be used to finance additional loans to the qualifying businesses in the future. During the year ended June 30, 2014, activity in the Business Development Loan Fund was as follows:

	<u>Balance at beginning of year</u>	<u>Additions</u>	<u>Principal received</u>	<u>Balance at end of year</u>
Business development loan receivables	\$ 158,893	\$ 1,322	\$ 36,989	\$ 123,226

C. Interfund transfers

<u>Transfers out of:</u>	<u>Transfers in to:</u>					<u>Total</u>
	<u>General fund programs</u>	<u>Nonmajor governmental funds</u>	<u>Internal service fund</u>	<u>Water</u>	<u>Sewer</u>	
General fund programs	\$ -	\$ 240,500	\$ -	\$ -	\$ -	\$ 240,500
Street fund	-	20,000	14,200	-	-	34,200
Nonmajor governmental funds	10,000					10,000
Water fund	-	6,000	85,100	-	22,300	113,400
Sewer fund	-	11,000	87,200	677,000	-	775,200
Sanitation fund	-	5,800	7,000	-	-	12,800
Total	<u>\$ 10,000</u>	<u>\$ 283,300</u>	<u>\$ 193,500</u>	<u>\$ 677,000</u>	<u>\$ 22,300</u>	<u>\$ 1,186,100</u>

During the year, transfers were made to move unrestricted revenues in the General fund, Street fund, Water fund, Sewer fund, and Sanitation fund to various nonmajor governmental "reserve" funds.

The General fund transferred \$96,000 to nonmajor governmental fund which is expected to be transferred back in future periods.

The Sewer fund transferred \$677,000 to the Water fund which is expected to be transferred back in future periods.

The transfers made to the Internal service fund from the Street fund, the Water fund, the Sewer fund, and the Sanitation fund were the reimbursements of the payroll cost.

D. Leases

Capital Leases

On November 9, 2009, the City entered into a lease agreement with Auto Leasing Specialists, LLC as lessee for the acquisition of three 2009 Chevy Tahoe vehicles. The lease agreement requires annual payments of \$36,373 with final payment due November 13, 2013.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note III - Other information

A. Pension Plans - Oregon Public employees Retirement System

Plan Description - The City contributes to two pension plans administered by the Oregon Employees Retirement System (PERS). The Oregon Public employees Retirement Fund (OPERF) applies to the City's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portions of the plan applies to qualifying City employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. As of January 1, 2014, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post-employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, Oregon 97281-3700 or by calling (503)598-7377.

Funding Policy - Members of PERS are required to contribute 6% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The employer is allowed to pay any or all of the employees' contribution in addition to the required employer's contribution. For the fiscal year ended June 30, 2014, the City contributed all of the 6% contribution on behalf of the employees. The City is required by ORS 235.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF and the OPSRP rates in effect for the year ended June 30, 2014 were 15.02% and 9.95% respectively. The City participates in the state and local government rate pool.

Annual Pension Cost - The City's contributions to PERS for the fiscal years ending June 30, 2012, 2013, and 2014 were \$293,077, \$295,061, and \$302,622 respectively, which equaled the required contribution for the year.

The required contribution was determined as part of the actuarial valuation at December 31, 2011, using the projected unit credit actuarial cost method. The fair market value method is used to determine the actuarial value of the plan's assets. Significant actuarial assumptions used in the valuation include: (i) consumer price inflation of 2.75% per year, (ii) healthcare cost inflation assumed at 6.9% in 2012, then decreasing to 4.5% in 2029; (iii) a rate of return on the future investment earnings of the assets of the members' regular accounts are assumed to accrue at an annual rate of 8 percent compounded annually; (iv) a rate of return on the future investment earnings of the members' variable accounts are assumed to accrue at an annual rate of 8.25%, compounded annually; (v) projected annual rate of wage inflation of 3.75%, compounded annually, excluding merit or longevity increases; (vi) unfunded actuarial liability is amortized on a level percentage of combined annual payroll on a closed group fixed term basis over twenty years.

B. Deferred Compensation Plans

The City has two deferred compensation trust plans created in accordance with Internal Revenue Code Section 457. The trusts hold assets for the exclusive benefit of plan participants and their beneficiaries.

C. Other Post - Employment Benefits(OPEB) - Retirement Health Insurance Account Plan

Plan Description - The City contribute to the Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible PERS retirees. RHIA post-employment benefits are set by state statute. A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700 or by accessing the PERS web site at www.oregon.gov/PERS/.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2014

Note III - Other information, continued

C. Other Post - Employment Benefit (OPEB) - Retirement Health Insurance Account Plan, continued

Funding Policy - Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.59% of annual covered payroll for Tier1/Tier 2, and 0.49% for OPSRP. The OPERB sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not exceed thirty years. The City's contributions to PERS' RHIA for the year ended June 30, 2014 was \$12,562, which equaled the required contributions for that year.

D. 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; employee injuries; and natural disasters for which the City carries commercial insurance. Settled claims have not exceeded coverage in any of the last three years.

E. Recently issued accounting guidance

GASB Statement No. 68 "Accounting and Reporting for Pension Plans - an amendment of GASB Statement No. 27" establishes accounting and financial reporting requirements related to pensions provided by governments. The statement is effective for fiscal years beginning after June 15, 2014. The new guidance requires cost-sharing employers to present in required supplementary information 10-year schedules containing (1) the net pension liability and certain related ratios and (2) if applicable, information about statutorily or contractually required contributions, contributions to the pension plan, and related ratios.

The City will implement GASB 68 no later than the required fiscal year. Management has not determined the effect on the financial statements from implementing the pronouncement.

SUPPLEMENTARY AND OTHER INFORMATION ACCOMPANYING THE BASIC FINANCIAL STATEMENTS



General Fund Programs

- General Fund
- Viking Sal Senior Center Fund
- Health Insurance Fund
- Community Center Fund



CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

General Fund Programs

June 30, 2014

	<u>General Fund</u>	<u>Viking Sal Senior Center Fund</u>	<u>Health Insurance Fund</u>	<u>Community Center Fund</u>	<u>Total General Fund Programs</u>
\$ 2,008,683	\$ 6,011	\$ 49,606	\$ 3,945	\$ 2,068,245	
<u>22,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,605</u>	
<u>\$ 2,031,288</u>	<u>\$ 6,011</u>	<u>\$ 49,606</u>	<u>\$ 3,945</u>	<u>\$ 2,090,850</u>	

ASSETS

Cash and cash equivalents
Developer advances
Total assets

LIABILITIES AND FUND BALANCES:

Liabilities:

Due to others

\$ 15,293	\$ -	\$ -	\$ -	\$ 15,293
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Fund balances:

Committed
Unassigned

Total fund balances

Total liabilities and fund balances

-	6,011	49,606	3,945	59,562
<u>2,015,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,015,995</u>
<u>2,015,995</u>	<u>6,011</u>	<u>49,606</u>	<u>3,945</u>	<u>2,075,557</u>
<u>\$ 2,031,288</u>	<u>\$ 6,011</u>	<u>\$ 49,606</u>	<u>\$ 3,945</u>	<u>\$ 2,090,850</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis

General Fund Programs

For the Year Ended June 30, 2014

	General Fund	Viking Sal Senior Center Fund	Health Insurance Fund	Community Center Fund	Total General Fund Programs
REVENUES					
Taxes	\$ 2,486,357	\$ -	\$ -	\$ -	\$ 2,486,357
Licenses and permits	337,570	-	-	-	337,570
Intergovernmental	176,648	14,470	-	500	191,618
Charges for services	71,846	3,472	-	-	75,318
System development charges	19,883	-	-	-	19,883
Fines and penalties	239,058	-	-	-	239,058
Investment earnings	11,459	48	261	37	11,805
Donations and special events	-	24,774	-	3,298	28,072
Other	15,699	17,624	-	28,914	62,237
Total revenues	<u>3,358,520</u>	<u>60,388</u>	<u>261</u>	<u>32,749</u>	<u>3,451,918</u>
EXPENDITURES					
Current					
General Government	832,994	-	-	51,348	884,342
Public Safety	1,792,777	-	-	-	1,792,777
Culture and Recreation	467,068	62,852	-	-	529,920
Total expenditures	<u>3,092,839</u>	<u>62,852</u>	<u>-</u>	<u>51,348</u>	<u>3,207,039</u>
Excess (deficiency) of revenues over (under) expenditures	265,681	(2,464)	261	(18,599)	244,879
OTHER FINANCING SOURCES (USES)					
Transfers in	6,800	-	-	10,000	16,800
Transfers out	(240,500)	(6,800)	-	-	(247,300)
Total other financing sources (uses)	<u>(233,700)</u>	<u>(6,800)</u>	<u>-</u>	<u>10,000</u>	<u>(230,500)</u>
Net change in fund balances	31,981	(9,264)	261	(8,599)	14,379
Fund balances - beginning	1,984,014	15,275	49,345	12,544	2,061,178
Fund balances - ending	<u>\$ 2,015,995</u>	<u>\$ 6,011</u>	<u>\$ 49,606</u>	<u>\$ 3,945</u>	<u>\$ 2,075,557</u>

CITY OF JUNCTION CITY, OREGON

VIKING SAL SENIOR CENTER FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 15,600	\$ 15,600	\$ 14,470	\$ (1,130)
Charges for services	9,100	9,100	3,472	(5,628)
Investment earnings	100	100	48	(52)
Donations and special events	25,500	25,500	24,774	(726)
Other	<u>14,600</u>	<u>14,600</u>	<u>17,624</u>	<u>3,024</u>
Total revenues	<u>64,900</u>	<u>64,900</u>	<u>60,388</u>	<u>(4,512)</u>
Expenditures:				
Personal services	25,800	25,800	20,790	5,010
Materials and services	<u>42,100</u>	<u>42,100</u>	<u>42,062</u>	<u>38</u>
Total expenditures	<u>67,900</u>	<u>67,900</u>	<u>62,852</u>	<u>5,048</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,000)</u>	<u>(3,000)</u>	<u>(2,464)</u>	<u>536</u>
Other financing sources (uses):				
Transfers out	<u>(6,800)</u>	<u>(6,800)</u>	<u>(6,800)</u>	<u>-</u>
Total other financing sources (uses)	<u>(6,800)</u>	<u>(6,800)</u>	<u>(6,800)</u>	<u>-</u>
Net change in fund balances	(9,800)	(9,800)	(9,264)	536
Fund balance:				
Beginning of year	<u>11,200</u>	<u>11,200</u>	<u>15,275</u>	<u>4,075</u>
End of year	<u>\$ 1,400</u>	<u>\$ 1,400</u>	<u>\$ 6,011</u>	<u>\$ 4,611</u>

CITY OF JUNCTION CITY, OREGON

HEALTH INSURANCE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 300	\$ 300	\$ 261	\$ (39)
Total revenues	<u>300</u>	<u>300</u>	<u>261</u>	<u>(39)</u>
Expenditures:				
Excess (deficiency) of revenues over (under) expenditures	<u>300</u>	<u>300</u>	<u>261</u>	<u>(39)</u>
Other financing sources (uses):				
Net change in fund balances	300	300	261	(39)
Fund balance:				
Beginning of year	<u>49,400</u>	<u>49,400</u>	<u>49,345</u>	<u>(55)</u>
End of year	<u>\$ 49,700</u>	<u>\$ 49,700</u>	<u>\$ 49,606</u>	<u>\$ (94)</u>

CITY OF JUNCTION CITY, OREGON

COMMUNITY CENTER FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 2,000	\$ 2,000	\$ 500	\$ (1,500)
Investment earnings	100	100	37	(63)
Donations and special events	5,900	5,900	3,298	(2,602)
Other	<u>37,500</u>	<u>37,500</u>	<u>28,914</u>	<u>(8,586)</u>
Total revenues	<u>45,500</u>	<u>45,500</u>	<u>32,749</u>	<u>(12,751)</u>
Expenditures:				
Personal services	35,800	35,800	22,703	13,097
Materials and services	<u>36,900</u>	<u>36,900</u>	<u>28,645</u>	<u>8,255</u>
Total expenditures	<u>72,700</u>	<u>72,700</u>	<u>51,348</u>	<u>21,352</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,200)</u>	<u>(27,200)</u>	<u>(18,599)</u>	<u>8,601</u>
Other financing sources (uses):				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balances	(17,200)	(17,200)	(8,599)	8,601
Fund balance:				
Beginning of year	<u>17,700</u>	<u>17,700</u>	<u>12,544</u>	<u>(5,156)</u>
End of year	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 3,945</u>	<u>\$ 3,445</u>



**Nonmajor Governmental Funds
Combining Statements**



CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

Nonmajor Governmental Funds

June 30, 2014

	<u>Total Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Special Revenue Fund -State Revenue Sharing Fund</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 741,708	\$ 85,842	\$ 827,550
FUND BALANCES			
Restricted	339,212	85,842	425,054
Committed	<u>402,496</u>	<u>-</u>	<u>402,496</u>
Total fund balances	<u>\$ 741,708</u>	<u>\$ 85,842</u>	<u>\$ 827,550</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2014

	<u>Total Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Special Fund -State Revenue Sharing Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES			
Intergovernmental	\$ 42,392	\$ 50,361	\$ 92,753
System development charges	67,452	-	67,452
Investment earnings	3,264	356	3,620
Other	<u>672</u>	<u>-</u>	<u>672</u>
Total revenues	<u>113,780</u>	<u>50,717</u>	<u>164,497</u>
EXPENDITURES			
Current			
General Government	111,685	4,528	116,213
Public Safety	82,016	-	82,016
Highways and Streets	2,572	-	2,572
Economic Development	-	-	-
Culture and Recreation	<u>23,729</u>	<u>-</u>	<u>23,729</u>
Total expenditures	<u>220,002</u>	<u>4,528</u>	<u>224,530</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(106,222)</u>	<u>46,189</u>	<u>(60,033)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	283,300	-	283,300
Transfers out	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
Total other financing sources (uses)	<u>283,300</u>	<u>(10,000)</u>	<u>273,300</u>
Net change in fund balances	177,078	36,189	213,267
Fund balances - beginning	<u>564,630</u>	<u>49,653</u>	<u>614,283</u>
Fund balances - ending	<u>\$ 741,708</u>	<u>\$ 85,842</u>	<u>\$ 827,550</u>

Capital Projects Funds



CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

Nonmajor Capital Project Funds

June 30, 2014

	PW Building/Yard Reserve Fund	Police Vehicle & Equip Reserve Fund	Prairie Road Street Improvement Reserve Fund	Library Equip. & Build. Reserve Fund	Administration Vehicle Reserve
ASSETS					
Cash and cash equivalents	<u>\$ 25,161</u>	<u>\$ 22,934</u>	<u>\$ 244,317</u>	<u>\$ 4,189</u>	<u>\$ 7,119</u>
FUND BALANCES					
Restricted	-	-	-	-	-
Committed	<u>25,161</u>	<u>22,934</u>	<u>244,317</u>	<u>4,189</u>	<u>7,119</u>
Total fund balances	<u>\$ 25,161</u>	<u>\$ 22,934</u>	<u>\$ 244,317</u>	<u>\$ 4,189</u>	<u>\$ 7,119</u>

CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

Nonmajor Capital Project Funds

June 30, 2014

	<u>Park and Pool Equipment Reserve Fund</u>	<u>Bike Path Reserve Fund</u>	<u>Park System Development Fund</u>	<u>Computer Equipment Reserve Fund</u>	<u>DOC-IGA Infrastructure Capital Project</u>
ASSETS					
Cash and cash equivalents	\$ 41,669	\$ 34,767	\$ 237,497	\$ 14,683	\$ 66,948
FUND BALANCES					
Restricted	-	34,767	237,497	-	66,948
Committed	<u>41,669</u>	<u>-</u>	<u>-</u>	<u>14,683</u>	<u>-</u>
Total fund balances	<u>\$ 41,669</u>	<u>\$ 34,767</u>	<u>\$ 237,497</u>	<u>\$ 14,683</u>	<u>\$ 66,948</u>

CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

Nonmajor Capital Project Funds

June 30, 2014

	<u>Street Equipment Reserve Fund</u>	<u>Total Nonmajor Capital Project Funds</u>
ASSETS		
Cash and cash equivalents	<u>\$ 42,424</u>	<u>\$ 741,708</u>
FUND BALANCES		
Restricted	-	339,212
Committed	<u>42,424</u>	<u>402,496</u>
Total fund balances	<u>\$ 42,424</u>	<u>\$ 741,708</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
 Nonmajor Capital Project Funds
 For the Year Ended June 30, 2014

	<u>PW Building/Yard Reserve Fund</u>	<u>Police Vehicle & Equip Reserve Fund</u>	<u>Prairie Road Street Improvement Reserve Fund</u>	<u>Library Equip. & Build. Reserve Fund</u>	<u>Administration Vehicle Reserve</u>
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
System development charges	-	-	-	-	-
Investment earnings	104	115	1,289	20	38
Other	-	22	-	-	-
Total revenues	<u>104</u>	<u>137</u>	<u>1,289</u>	<u>20</u>	<u>38</u>
EXPENDITURES					
Current:					
General Government	28,581	-	-	-	-
Public Safety	-	82,016	-	-	-
Highways and Streets	-	-	-	-	-
Culture and Recreation	-	-	-	1,281	-
Total expenditures	<u>28,581</u>	<u>82,016</u>	<u>-</u>	<u>1,281</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,477)</u>	<u>(81,879)</u>	<u>1,289</u>	<u>(1,261)</u>	<u>38</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	25,000	89,000	-	2,000	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>25,000</u>	<u>89,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
Net change in fund balances	(3,477)	7,121	1,289	739	38
Fund balances - beginning	<u>28,638</u>	<u>15,813</u>	<u>243,028</u>	<u>3,450</u>	<u>7,081</u>
Fund balances - ending	<u>\$ 25,161</u>	<u>\$ 22,934</u>	<u>\$ 244,317</u>	<u>\$ 4,189</u>	<u>\$ 7,119</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
 Nonmajor Capital Project Funds
 For the Year Ended June 30, 2014

	<u>Park and Pool Equipment Reserve Fund</u>	<u>Bike Path Reserve Fund</u>	<u>Park System Development Fund</u>	<u>Computer Equipment Reserve Fund</u>	<u>DOC-IGA Infrastructure Capital Project</u>
REVENUES					
Intergovernmental	\$ -	\$ 3,157	\$ -	\$ -	\$ 39,235
System development charges	-	-	67,452	-	-
Investment earnings	174	176	1,093	41	-
Other	<u>650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>824</u>	<u>3,333</u>	<u>68,545</u>	<u>41</u>	<u>39,235</u>
EXPENDITURES					
Current					
General Government	-	-	-	13,915	69,189
Public Safety	-	-	-	-	-
Highways and Streets	-	-	-	-	-
Culture and Recreation	<u>12,591</u>	<u>-</u>	<u>9,857</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>12,591</u>	<u>-</u>	<u>9,857</u>	<u>13,915</u>	<u>69,189</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,767)</u>	<u>3,333</u>	<u>58,688</u>	<u>(13,874)</u>	<u>(29,954)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	36,000	-	-	20,300	96,000
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>36,000</u>	<u>-</u>	<u>-</u>	<u>20,300</u>	<u>96,000</u>
Net change in fund balances	24,233	3,333	58,688	6,426	66,046
Fund balances - beginning	<u>17,436</u>	<u>31,434</u>	<u>178,809</u>	<u>8,257</u>	<u>902</u>
Fund balances - ending	<u>\$ 41,669</u>	<u>\$ 34,767</u>	<u>\$ 237,497</u>	<u>\$ 14,683</u>	<u>\$ 66,948</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis
 Nonmajor Capital Project Funds
 For the Year Ended June 30, 2014

	<u>Street Equipment Reserve Fund</u>	<u>Total Nonmajor Capital Project Funds</u>
REVENUES		
Intergovernmental	\$ -	\$ 42,392
System development charges	-	67,452
Investment earnings	214	3,264
Other	-	672
Total revenues	<u>214</u>	<u>113,780</u>
EXPENDITURES		
Current		
General Government	-	111,685
Public Safety	-	82,016
Highways and Streets	2,572	2,572
Culture and Recreation	-	23,729
Total expenditures	<u>2,572</u>	<u>220,002</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,358)</u>	<u>(106,222)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	15,000	283,300
Transfers out	-	-
Total other financing sources (uses)	<u>15,000</u>	<u>283,300</u>
Net change in fund balances	12,642	177,078
Fund balances - beginning	<u>29,782</u>	<u>564,630</u>
Fund balances - ending	<u>\$ 42,424</u>	<u>\$ 741,708</u>

CITY OF JUNCTION CITY, OREGON

PW BUILDING/YARD RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 104	\$ (96)
Total revenues	<u>200</u>	<u>200</u>	<u>104</u>	<u>(96)</u>
Expenditures:				
Capital outlay	<u>57,000</u>	<u>57,000</u>	<u>28,581</u>	<u>28,419</u>
Total expenditures	<u>57,000</u>	<u>57,000</u>	<u>28,581</u>	<u>28,419</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(56,800)</u>	<u>(56,800)</u>	<u>(28,477)</u>	<u>28,323</u>
Other financing sources (uses):				
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total other financing sources (uses)	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balances	(31,800)	(31,800)	(3,477)	28,323
Fund balance:				
Beginning of year	<u>32,400</u>	<u>32,400</u>	<u>28,638</u>	<u>(3,762)</u>
End of year	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ 25,161</u>	<u>\$ 24,561</u>

CITY OF JUNCTION CITY, OREGON

POLICE VEHICLE & EQUIP RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 115	\$ 15
Other	<u>-</u>	<u>-</u>	<u>22</u>	<u>22</u>
Total revenues	<u>100</u>	<u>100</u>	<u>137</u>	<u>37</u>
Expenditures:				
Capital outlay	<u>82,900</u>	<u>82,900</u>	<u>82,016</u>	<u>884</u>
Total expenditures	<u>82,900</u>	<u>82,900</u>	<u>82,016</u>	<u>884</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(82,800)</u>	<u>(82,800)</u>	<u>(81,879)</u>	<u>921</u>
Other financing sources (uses):				
Transfers in	<u>75,000</u>	<u>89,000</u>	<u>89,000</u>	<u>-</u>
Total other financing sources (uses)	<u>75,000</u>	<u>89,000</u>	<u>89,000</u>	<u>-</u>
Net change in fund balances	(7,800)	6,200	7,121	921
Fund balance:				
Beginning of year	<u>16,700</u>	<u>16,700</u>	<u>15,813</u>	<u>(887)</u>
End of year	<u>\$ 8,900</u>	<u>\$ 22,900</u>	<u>\$ 22,934</u>	<u>\$ 34</u>

CITY OF JUNCTION CITY, OREGON

PRAIRIE ROAD STREET IMPROVEMENT RESERVE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 1,400	\$ 1,400	\$ 1,289	\$ (111)
Total revenues	<u>1,400</u>	<u>1,400</u>	<u>1,289</u>	<u>(111)</u>
Expenditures:				
Capital outlay	<u>218,000</u>	<u>218,000</u>	<u>-</u>	<u>218,000</u>
Total expenditures	<u>218,000</u>	<u>218,000</u>	<u>-</u>	<u>218,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(216,600)</u>	<u>(216,600)</u>	<u>1,289</u>	<u>217,889</u>
Other financing sources (uses):				
Net change in fund balances	(216,600)	(216,600)	1,289	217,889
Fund balance:				
Beginning of year	<u>243,100</u>	<u>243,100</u>	<u>243,028</u>	<u>(72)</u>
End of year	<u>\$ 26,500</u>	<u>\$ 26,500</u>	<u>\$ 244,317</u>	<u>\$ 217,817</u>

CITY OF JUNCTION CITY, OREGON

LIBRARY EQUIP. & BUILD. RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 20	\$ (80)
Total revenues	<u>100</u>	<u>100</u>	<u>20</u>	<u>(80)</u>
Expenditures:				
Materials and services	500	500	-	500
Capital outlay	<u>1,500</u>	<u>1,500</u>	<u>1,281</u>	<u>219</u>
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>1,281</u>	<u>719</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,900)</u>	<u>(1,900)</u>	<u>(1,261)</u>	<u>639</u>
Other financing sources (uses):				
Transfers in	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total other financing sources (uses)	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Net change in fund balances	100	100	739	639
Fund balance:				
Beginning of year	<u>3,500</u>	<u>3,500</u>	<u>3,450</u>	<u>(50)</u>
End of year	<u>\$ 3,600</u>	<u>\$ 3,600</u>	<u>\$ 4,189</u>	<u>\$ 589</u>

CITY OF JUNCTION CITY, OREGON

ADMINISTRATION VEHICLE RESERVE

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 38	\$ (62)
Total revenues	<u>100</u>	<u>100</u>	<u>38</u>	<u>(62)</u>
Expenditures:				
Excess (deficiency) of revenues over (under) expenditures	<u>100</u>	<u>100</u>	<u>38</u>	<u>(62)</u>
Other financing sources (uses):				
Net change in fund balances	100	100	38	(62)
Fund balance:				
Beginning of year	<u>7,100</u>	<u>7,100</u>	<u>7,081</u>	<u>(19)</u>
End of year	<u>\$ 7,200</u>	<u>\$ 7,200</u>	<u>\$ 7,119</u>	<u>\$ (81)</u>

CITY OF JUNCTION CITY, OREGON

PARK AND POOL EQUIPMENT RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 174	\$ 74
Other	<u>3,000</u>	<u>3,000</u>	<u>650</u>	<u>(2,350)</u>
Total revenues	<u>3,100</u>	<u>3,100</u>	<u>824</u>	<u>(2,276)</u>
Expenditures:				
Materials and services	3,000	3,000	-	3,000
Capital outlay	<u>18,500</u>	<u>18,500</u>	<u>12,591</u>	<u>5,909</u>
Total expenditures	<u>21,500</u>	<u>21,500</u>	<u>12,591</u>	<u>8,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,400)</u>	<u>(18,400)</u>	<u>(11,767)</u>	<u>6,633</u>
Other financing sources (uses):				
Transfers in	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Total other financing sources (uses)	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Net change in fund balances	17,600	17,600	24,233	6,633
Fund balance:				
Beginning of year	<u>6,600</u>	<u>6,600</u>	<u>17,436</u>	<u>10,836</u>
End of year	<u>\$ 24,200</u>	<u>\$ 24,200</u>	<u>\$ 41,669</u>	<u>\$ 17,469</u>

CITY OF JUNCTION CITY, OREGON

BIKE PATH RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 3,100	\$ 3,100	\$ 3,157	\$ 57
Investment earnings	200	200	176	(24)
Total revenues	<u>3,300</u>	<u>3,300</u>	<u>3,333</u>	<u>33</u>
Expenditures:				
Materials and services	100	100	-	100
Capital outlay	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total expenditures	<u>10,100</u>	<u>10,100</u>	<u>-</u>	<u>10,100</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,800)</u>	<u>(6,800)</u>	<u>3,333</u>	<u>10,133</u>
Other financing sources (uses):				
Net change in fund balances	(6,800)	(6,800)	3,333	10,133
Fund balance:				
Beginning of year	<u>31,600</u>	<u>31,600</u>	<u>31,434</u>	<u>(166)</u>
End of year	<u>\$ 24,800</u>	<u>\$ 24,800</u>	<u>\$ 34,767</u>	<u>\$ 9,967</u>

CITY OF JUNCTION CITY, OREGON

PARK SYSTEM DEVELOPMENT FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 1,200	\$ 1,200	\$ 1,093	\$ (107)
System development charges	<u>98,100</u>	<u>98,100</u>	<u>67,452</u>	<u>(30,648)</u>
Total revenues	<u>99,300</u>	<u>99,300</u>	<u>68,545</u>	<u>(30,755)</u>
Expenditures:				
Capital outlay	<u>135,000</u>	<u>135,000</u>	<u>9,857</u>	<u>125,143</u>
Total expenditures	<u>135,000</u>	<u>135,000</u>	<u>9,857</u>	<u>125,143</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,700)</u>	<u>(35,700)</u>	<u>58,688</u>	<u>94,388</u>
Other financing sources (uses):				
Net change in fund balances	(35,700)	(35,700)	58,688	94,388
Fund balance:				
Beginning of year	<u>135,900</u>	<u>135,900</u>	<u>178,809</u>	<u>42,909</u>
End of year	<u>\$ 100,200</u>	<u>\$ 100,200</u>	<u>\$ 237,497</u>	<u>\$ 137,297</u>

CITY OF JUNCTION CITY, OREGON

COMPUTER EQUIPMENT RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 40	\$ (60)
Total revenues	<u>100</u>	<u>100</u>	<u>40</u>	<u>(60)</u>
Expenditures:				
Materials and services	23,600	23,600	13,867	9,733
Capital outlay	<u>2,000</u>	<u>2,000</u>	<u>47</u>	<u>1,953</u>
Total expenditures	<u>25,600</u>	<u>25,600</u>	<u>13,914</u>	<u>11,686</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,500)</u>	<u>(25,500)</u>	<u>(13,874)</u>	<u>11,626</u>
Other financing sources (uses):				
Transfers in	<u>20,300</u>	<u>20,300</u>	<u>20,300</u>	<u>-</u>
Total other financing sources (uses)	<u>20,300</u>	<u>20,300</u>	<u>20,300</u>	<u>-</u>
Net change in fund balances	(5,200)	(5,200)	6,426	11,626
Fund balance:				
Beginning of year	<u>10,600</u>	<u>10,600</u>	<u>8,257</u>	<u>(2,343)</u>
End of year	<u>\$ 5,400</u>	<u>\$ 5,400</u>	<u>\$ 14,683</u>	<u>\$ 9,283</u>

CITY OF JUNCTION CITY, OREGON

DOC-IGA INFRASTRUCTURE CAPITAL PROJECT

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 39,235	\$ (160,765)
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>39,235</u>	<u>(160,765)</u>
Expenditures:				
Capital outlay	<u>222,000</u>	<u>318,000</u>	<u>69,189</u>	<u>248,811</u>
Total expenditures	<u>222,000</u>	<u>318,000</u>	<u>69,189</u>	<u>248,811</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,000)</u>	<u>(118,000)</u>	<u>(29,954)</u>	<u>88,046</u>
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>96,000</u>	<u>96,000</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>96,000</u>	<u>96,000</u>	<u>-</u>
Net change in fund balances	(22,000)	(22,000)	66,046	88,046
Fund balance:				
Beginning of year	<u>22,000</u>	<u>22,000</u>	<u>902</u>	<u>(21,098)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,948</u>	<u>\$ 66,948</u>

CITY OF JUNCTION CITY, OREGON

STREET EQUIPMENT RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 214	\$ 14
Total revenues	<u>200</u>	<u>200</u>	<u>214</u>	<u>14</u>
Expenditures:				
Capital outlay	<u>15,000</u>	<u>15,000</u>	<u>2,572</u>	<u>12,428</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>2,572</u>	<u>12,428</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,800)</u>	<u>(14,800)</u>	<u>(2,358)</u>	<u>12,442</u>
Other financing sources (uses):				
Transfers in	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total other financing sources (uses)	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Net change in fund balances	200	200	12,642	12,442
Fund balance:				
Beginning of year	<u>29,800</u>	<u>29,800</u>	<u>29,782</u>	<u>(18)</u>
End of year	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 42,424</u>	<u>\$ 12,424</u>



Major Capital Projects Funds

- Street System Development Fund
- Building Replacement Reserve Fund



CITY OF JUNCTION CITY, OREGON

Street System Development Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 3,800	\$ 3,800	\$ 4,447	\$ 647
System development charges	<u>53,600</u>	<u>53,600</u>	<u>36,828</u>	<u>(16,772)</u>
Total revenues	<u>57,400</u>	<u>57,400</u>	<u>41,275</u>	<u>(16,125)</u>
Expenditures:				
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>52,400</u>	<u>52,400</u>	<u>41,275</u>	<u>(11,125)</u>
Other financing sources (uses):				
Net change in fund balances	52,400	52,400	41,275	(11,125)
Fund balance:				
Beginning of year	<u>646,600</u>	<u>646,600</u>	<u>822,008</u>	<u>175,408</u>
End of year	<u>\$ 699,000</u>	<u>\$ 699,000</u>	<u>\$ 863,283</u>	<u>\$ 164,283</u>

CITY OF JUNCTION CITY, OREGON

Building Replacement Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 1,600	\$ 1,600	\$ 854	\$ (746)
Total revenues	<u>1,600</u>	<u>1,600</u>	<u>854</u>	<u>(746)</u>
Expenditures:				
Materials and services	20,000	20,000	8,067	11,933
Capital outlay	<u>116,500</u>	<u>116,500</u>	<u>7,137</u>	<u>109,363</u>
Total expenditures	<u>136,500</u>	<u>136,500</u>	<u>15,204</u>	<u>121,296</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(134,900)</u>	<u>(134,900)</u>	<u>(14,350)</u>	<u>120,550</u>
Other financing sources (uses):				
Net change in fund balances	(134,900)	(134,900)	(14,350)	120,550
Fund balance:				
Beginning of year	<u>184,500</u>	<u>184,500</u>	<u>169,829</u>	<u>(14,671)</u>
End of year	<u>\$ 49,600</u>	<u>\$ 49,600</u>	<u>\$ 155,479</u>	<u>\$ 105,879</u>

Special Revenue Funds



CITY OF JUNCTION CITY, OREGON

STATE REVENUE SHARING FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 45,000	\$ 45,000	\$ 50,361	\$ 5,361
Investment earnings	200	200	356	156
Total revenues	<u>45,200</u>	<u>45,200</u>	<u>50,717</u>	<u>5,517</u>
Expenditures:				
Materials and services	10,000	10,000	-	10,000
Capital outlay	<u>65,000</u>	<u>65,000</u>	<u>4,528</u>	<u>60,472</u>
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>4,528</u>	<u>70,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,800)</u>	<u>(29,800)</u>	<u>46,189</u>	<u>75,989</u>
Other financing sources (uses):				
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Net change in fund balances	(39,800)	(39,800)	36,189	75,989
Fund balance:				
Beginning of year	<u>48,800</u>	<u>48,800</u>	<u>49,653</u>	<u>853</u>
End of year	<u>\$ 9,000</u>	<u>\$ 9,000</u>	<u>\$ 85,842</u>	<u>\$ 76,842</u>



Enterprise Funds

- Water Fund
- Water Equipment Reserve Fund
- Water System Development Fund
- Water System Improvement Fund
- Sewer Fund
- Sewer Ratepayer Assistance Fund
- Sewer System Improvement Fund
- Sewer Equipment Reserve Fund
- Sewer System Development Fund
- Sanitation Fund
- Sanitation Equipment Reserve Fund
- Sanitation System Improvement Fund



CITY OF JUNCTION CITY, OREGON

Combining Schedule of Net Position - Modified Cash Basis

Water Enterprise Funds

June 30, 2014

	<u>Water Fund</u>	<u>Water Equipment Reserve Fund</u>	<u>Water System Development Fund</u>	<u>Water System Improvement Fund</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 137,964	\$ 42,693	\$ 104,932	\$ 234,921	\$ 520,510
Total assets	<u>\$ 137,964</u>	<u>\$ 42,693</u>	<u>\$ 104,932</u>	<u>\$ 234,921</u>	<u>\$ 520,510</u>
LIABILITIES AND NET POSITION:					
Liabilities:					
Due to others	\$ 25	\$ -	\$ -	\$ -	\$ 25
Net Position:					
Restricted	-	-	104,932	-	104,932
Unrestricted	<u>137,939</u>	<u>42,693</u>	<u>-</u>	<u>234,921</u>	<u>415,553</u>
Total net position	<u>137,939</u>	<u>42,693</u>	<u>104,932</u>	<u>234,921</u>	<u>520,485</u>
Total liabilities and net position	<u>\$ 137,964</u>	<u>\$ 42,693</u>	<u>\$ 104,932</u>	<u>\$ 234,921</u>	<u>\$ 520,510</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis

Water Enterprise Funds

For the Year Ended June 30, 2014

	<u>Water Fund</u>	<u>Water Equipment Reserve Fund</u>	<u>Water System Development Fund</u>	<u>Water System Improvement Fund</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$ 921,444	\$ 26,311	\$ -	\$ 7,350	\$ 955,105
Miscellaneous	<u>5,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,783</u>
Total operating revenues	<u>927,227</u>	<u>26,311</u>	<u>-</u>	<u>7,350</u>	<u>960,888</u>
Operating expenses:					
Personal services	453,873	-	-	-	453,873
Materials and services	<u>228,354</u>	<u>11,757</u>	<u>-</u>	<u>17,806</u>	<u>257,917</u>
Total operating expenses	<u>682,227</u>	<u>11,757</u>	<u>-</u>	<u>17,806</u>	<u>711,790</u>
Operating income (loss)	<u>245,000</u>	<u>14,554</u>	<u>-</u>	<u>(10,456)</u>	<u>249,098</u>
Nonoperating revenues (expenses):					
Investment earnings	615	144	474	204	1,437
Capital outlay	<u>-</u>	<u>(2,547)</u>	<u>-</u>	<u>(509,491)</u>	<u>(512,038)</u>
Total nonoperating revenues (expenses)	<u>615</u>	<u>(2,403)</u>	<u>474</u>	<u>(509,287)</u>	<u>(510,601)</u>
Income (loss) before capital contributions and transfers	245,615	12,151	474	(519,743)	(261,503)
Capital contributions:					
System development charges	<u>-</u>	<u>-</u>	<u>29,896</u>	<u>-</u>	<u>29,896</u>
Transfers in	-	10,000	-	767,000	777,000
Transfers out	<u>(191,100)</u>	<u>-</u>	<u>-</u>	<u>(22,300)</u>	<u>(213,400)</u>
Total transfers	<u>(191,100)</u>	<u>10,000</u>	<u>-</u>	<u>744,700</u>	<u>563,600</u>
Change in net assets	54,515	22,151	30,370	224,957	331,993
Total net position- beginning	<u>83,424</u>	<u>20,542</u>	<u>74,562</u>	<u>9,964</u>	<u>188,492</u>
Total net position- ending	<u>\$ 137,939</u>	<u>\$ 42,693</u>	<u>\$ 104,932</u>	<u>\$ 234,921</u>	<u>\$ 520,485</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Cash Flows - Modified Cash Basis

Water Enterprise Funds

For the Year Ended June 30, 2014

	<u>Water Fund</u>	<u>Water Equipment Reserve Fund</u>	<u>Water System Development Fund</u>	<u>Water System Improvement Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 927,227	\$ 26,311	\$ -	\$ 7,350	\$ 960,888
Payments to suppliers	(228,354)	(11,757)	-	(17,806)	(257,917)
Payments to employees	<u>(453,873)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(453,873)</u>
Net cash provided (used) by operating activities	<u>245,000</u>	<u>14,554</u>	<u>-</u>	<u>(10,456)</u>	<u>249,098</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	10,000	-	767,000	777,000
Transfers out	<u>(191,100)</u>	<u>-</u>	<u>-</u>	<u>(22,300)</u>	<u>(213,400)</u>
Net cash provided (used) by noncapital financing activities	<u>(191,100)</u>	<u>10,000</u>	<u>-</u>	<u>744,700</u>	<u>563,600</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	-	(2,547)	-	(509,491)	(512,038)
System development charges	<u>-</u>	<u>-</u>	<u>29,896</u>	<u>-</u>	<u>29,896</u>
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(2,547)</u>	<u>29,896</u>	<u>(509,491)</u>	<u>(482,142)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	<u>615</u>	<u>144</u>	<u>474</u>	<u>204</u>	<u>1,437</u>
Net change in cash and cash equivalents	54,515	22,151	30,370	224,957	331,993
Cash and cash equivalents - beginning	<u>83,449</u>	<u>20,542</u>	<u>74,562</u>	<u>9,964</u>	<u>188,517</u>
Cash and cash equivalents - ending	<u>\$ 137,964</u>	<u>\$ 42,693</u>	<u>\$ 104,932</u>	<u>\$ 234,921</u>	<u>\$ 520,510</u>

CITY OF JUNCTION CITY, OREGON

Water Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 905,600	\$ 905,600	\$ 921,444	\$ 15,844
Investment earnings	500	500	615	115
Other	<u>3,500</u>	<u>3,500</u>	<u>5,783</u>	<u>2,283</u>
Total revenues	<u>909,600</u>	<u>909,600</u>	<u>927,842</u>	<u>18,242</u>
Expenditures:				
Personal services	478,500	466,000	453,873	12,127
Materials and services	209,000	239,000	228,354	10,646
Capital outlay	600	600	-	600
Contingency	<u>17,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>705,600</u>	<u>705,600</u>	<u>682,227</u>	<u>23,373</u>
Excess (deficiency) of revenues over (under) expenditures	<u>204,000</u>	<u>204,000</u>	<u>245,615</u>	<u>41,615</u>
Other financing sources (uses):				
Transfers out	<u>(191,100)</u>	<u>(191,100)</u>	<u>(191,100)</u>	<u>-</u>
Total other financing sources (uses)	<u>(191,100)</u>	<u>(191,100)</u>	<u>(191,100)</u>	<u>-</u>
Net change in fund balances	12,900	12,900	54,515	41,615
Fund balance:				
Beginning of year	<u>88,700</u>	<u>88,700</u>	<u>83,424</u>	<u>(5,276)</u>
End of year	<u>\$ 101,600</u>	<u>\$ 101,600</u>	<u>\$ 137,939</u>	<u>\$ 36,339</u>

CITY OF JUNCTION CITY, OREGON

Water Equipment Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 15,000	\$ 15,000	\$ 26,311	\$ 11,311
Investment earnings	100	100	144	44
Total revenues	<u>15,100</u>	<u>15,100</u>	<u>26,455</u>	<u>11,355</u>
Expenditures:				
Materials and services	15,000	15,000	11,757	3,243
Capital outlay	<u>6,000</u>	<u>6,000</u>	<u>2,547</u>	<u>3,453</u>
Total expenditures	<u>21,000</u>	<u>21,000</u>	<u>14,304</u>	<u>6,696</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,900)</u>	<u>(5,900)</u>	<u>12,151</u>	<u>18,051</u>
Other financing sources (uses):				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balances	4,100	4,100	22,151	18,051
Fund balance:				
Beginning of year	<u>600</u>	<u>600</u>	<u>20,542</u>	<u>19,942</u>
End of year	<u>\$ 4,700</u>	<u>\$ 4,700</u>	<u>\$ 42,693</u>	<u>\$ 37,993</u>

CITY OF JUNCTION CITY, OREGON

Water System Development Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 500	\$ 500	\$ 474	\$ (26)
System development charges	<u>52,800</u>	<u>52,800</u>	<u>29,896</u>	<u>(22,904)</u>
Total revenues	<u>53,300</u>	<u>53,300</u>	<u>30,370</u>	<u>(22,930)</u>
Expenditures:				
Capital outlay	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>28,300</u>	<u>28,300</u>	<u>30,370</u>	<u>2,070</u>
 Net change in fund balances	 28,300	 28,300	 30,370	 2,070
Fund balance:				
Beginning of year	<u>54,700</u>	<u>54,700</u>	<u>74,562</u>	<u>19,862</u>
End of year	<u>\$ 83,000</u>	<u>\$ 83,000</u>	<u>\$ 104,932</u>	<u>\$ 21,932</u>

CITY OF JUNCTION CITY, OREGON

Water System Improvement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 7,500	\$ 7,500	\$ 7,350	\$ (150)
Investment earnings	100	100	204	104
Total revenues	<u>7,600</u>	<u>7,600</u>	<u>7,554</u>	<u>(46)</u>
Expenditures:				
Materials and services	41,000	41,000	17,806	23,194
Capital outlay	682,000	682,000	509,491	172,509
Debt service	22,100	22,100	-	22,100
Total expenditures	<u>745,100</u>	<u>745,100</u>	<u>527,297</u>	<u>217,803</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(737,500)</u>	<u>(737,500)</u>	<u>(519,743)</u>	<u>217,757</u>
Other financing sources (uses):				
Transfers in	767,000	767,000	767,000	-
Transfers out	<u>(22,300)</u>	<u>(22,300)</u>	<u>(22,300)</u>	<u>-</u>
Total other financing sources (uses)	<u>744,700</u>	<u>744,700</u>	<u>744,700</u>	<u>-</u>
Net change in fund balances	7,200	7,200	224,957	217,757
Fund balance:				
Beginning of year	<u>16,500</u>	<u>16,500</u>	<u>9,964</u>	<u>(6,536)</u>
End of year	<u>\$ 23,700</u>	<u>\$ 23,700</u>	<u>\$ 234,921</u>	<u>\$ 211,221</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Net Position - Modified Cash Basis

Sewer Enterprise Funds

June 30, 2014

	<u>Sewer Fund</u>	<u>Sewer Ratepayer Assistance Fund</u>	<u>Sewer System Improvement Fund</u>	<u>Sewer Equipment Reserve Fund</u>	<u>Sewer System Development Fund</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 314,354	\$ 23,310	\$ 423,726	\$ 42,020	\$ 2,727,729	\$ 3,531,139
Total assets	<u>\$ 314,354</u>	<u>\$ 23,310</u>	<u>\$ 423,726</u>	<u>\$ 42,020</u>	<u>\$ 2,727,729</u>	<u>\$ 3,531,139</u>
LIABILITIES AND NET POSITION:						
Liabilities:						
Net Position:						
Restricted	-	-	-	-	2,727,729	2,727,729
Unrestricted	314,354	23,310	423,726	42,020	-	803,410
Total net position	<u>314,354</u>	<u>23,310</u>	<u>423,726</u>	<u>42,020</u>	<u>2,727,729</u>	<u>3,531,139</u>
Total liabilities and net position	<u>\$ 314,354</u>	<u>\$ 23,310</u>	<u>\$ 423,726</u>	<u>\$ 42,020</u>	<u>\$ 2,727,729</u>	<u>\$ 3,531,139</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis
Sewer Enterprise Funds
For the Year Ended June 30, 2014

	<u>Sewer Fund</u>	<u>Sewer Ratepayer Assistance Fund</u>	<u>Sewer System Improvement Fund</u>	<u>Sewer Equipment Reserve Fund</u>	<u>Sewer System Development Fund</u>	<u>Total</u>
Operating revenues:						
Charges for services	\$ 1,334,750	\$ -	\$ -	\$ -	\$ -	\$ 1,334,750
Miscellaneous	<u>4,040</u>	<u>-</u>	<u>2,015</u>	<u>-</u>	<u>-</u>	<u>6,055</u>
Total operating revenues	<u>1,338,790</u>	<u>-</u>	<u>2,015</u>	<u>-</u>	<u>-</u>	<u>1,340,805</u>
Operating expenses:						
Personal services	483,908	-	-	-	-	483,908
Materials and services	<u>209,186</u>	<u>17,624</u>	<u>12,843</u>	<u>-</u>	<u>-</u>	<u>239,653</u>
Total operating expenses	<u>693,094</u>	<u>17,624</u>	<u>12,843</u>	<u>-</u>	<u>-</u>	<u>723,561</u>
Operating income (loss)	<u>645,696</u>	<u>(17,624)</u>	<u>(10,828)</u>	<u>-</u>	<u>-</u>	<u>617,244</u>
Nonoperating revenues (expenses):						
Investment earnings	1,828	107	8,100	221	13,646	23,902
Capital outlay	<u>-</u>	<u>-</u>	<u>(2,919,621)</u>	<u>(4,840)</u>	<u>-</u>	<u>(2,924,461)</u>
Total nonoperating revenues (expenses)	<u>1,828</u>	<u>107</u>	<u>(2,911,521)</u>	<u>(4,619)</u>	<u>13,646</u>	<u>(2,900,559)</u>
Income (loss) before capital contributions and transfers	647,524	(17,517)	(2,922,349)	(4,619)	13,646	(2,283,315)
Capital contributions:						
System development charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>257,083</u>	<u>257,083</u>
Transfers in	-	30,000	502,300	15,000	-	547,300
Transfers out	<u>(623,200)</u>	<u>-</u>	<u>(677,000)</u>	<u>-</u>	<u>-</u>	<u>(1,300,200)</u>
Total transfers	<u>(623,200)</u>	<u>30,000</u>	<u>(174,700)</u>	<u>15,000</u>	<u>-</u>	<u>(752,900)</u>
Change in net assets	24,324	12,483	(3,097,049)	10,381	270,729	(2,779,132)
Total net position- beginning	<u>290,030</u>	<u>10,827</u>	<u>3,520,775</u>	<u>31,639</u>	<u>2,457,000</u>	<u>6,310,271</u>
Total net position- ending	<u>\$ 314,354</u>	<u>\$ 23,310</u>	<u>\$ 423,726</u>	<u>\$ 42,020</u>	<u>\$ 2,727,729</u>	<u>\$ 3,531,139</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Cash Flows - Modified Cash Basis

Sewer Enterprise Funds

For the Year Ended June 30, 2014

	<u>Sewer Fund</u>	<u>Sewer Ratepayer Assistance Fund</u>	<u>Sewer System Improvement Fund</u>	<u>Sewer Equipment Reserve Fund</u>	<u>Sewer System Development Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 1,338,790	\$ -	\$ 2,015	\$ -	\$ -	\$ 1,340,805
Payments to suppliers	(209,186)	(17,624)	(12,843)	-	-	(239,653)
Payments to employees	<u>(483,908)</u>	-	-	-	-	<u>(483,908)</u>
Net cash provided (used) by operating activities	<u>645,696</u>	<u>(17,624)</u>	<u>(10,828)</u>	-	-	<u>617,244</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	-	30,000	502,300	15,000	-	547,300
Transfers out	<u>(623,200)</u>	-	<u>(677,000)</u>	-	-	<u>(1,300,200)</u>
Net cash provided (used) by noncapital financing activities	<u>(623,200)</u>	<u>30,000</u>	<u>(174,700)</u>	<u>15,000</u>	-	<u>(752,900)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of capital assets	-	-	(2,919,621)	(4,840)	-	(2,924,461)
System development charges	-	-	-	-	257,083	257,083
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(2,919,621)</u>	<u>(4,840)</u>	<u>257,083</u>	<u>(2,667,378)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	<u>1,828</u>	<u>107</u>	<u>8,100</u>	<u>221</u>	<u>13,646</u>	<u>23,902</u>
Net change in cash and cash equivalents	24,324	12,483	(3,097,049)	10,381	270,729	(2,779,132)
Cash and cash equivalents - beginning	<u>290,030</u>	<u>10,827</u>	<u>3,520,775</u>	<u>31,639</u>	<u>2,457,000</u>	<u>6,310,271</u>
Cash and cash equivalents - ending	<u>\$ 314,354</u>	<u>\$ 23,310</u>	<u>\$ 423,726</u>	<u>\$ 42,020</u>	<u>\$ 2,727,729</u>	<u>\$ 3,531,139</u>

CITY OF JUNCTION CITY, OREGON

Sewer Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 1,354,900	\$ 1,354,900	\$ 1,334,750	\$ (20,150)
Investment earnings	1,500	1,500	1,828	328
Other	<u>1,000</u>	<u>1,000</u>	<u>4,040</u>	<u>3,040</u>
Total revenues	<u>1,357,400</u>	<u>1,357,400</u>	<u>1,340,618</u>	<u>(16,782)</u>
Expenditures:				
Personal services	509,500	509,500	483,908	25,592
Materials and services	195,800	223,300	209,186	14,114
Capital outlay	600	600	-	600
Contingency	<u>27,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>733,400</u>	<u>733,400</u>	<u>693,094</u>	<u>40,306</u>
Excess (deficiency) of revenues over (under) expenditures	<u>624,000</u>	<u>624,000</u>	<u>647,524</u>	<u>23,524</u>
Other financing sources (uses):				
Transfers out	<u>(623,200)</u>	<u>(623,200)</u>	<u>(623,200)</u>	<u>-</u>
Total other financing sources (uses)	<u>(623,200)</u>	<u>(623,200)</u>	<u>(623,200)</u>	<u>-</u>
Net change in fund balances	800	800	24,324	23,524
Fund balance:				
Beginning of year	<u>310,100</u>	<u>310,100</u>	<u>290,030</u>	<u>(20,070)</u>
End of year	<u>\$ 310,900</u>	<u>\$ 310,900</u>	<u>\$ 314,354</u>	<u>\$ 3,454</u>

CITY OF JUNCTION CITY, OREGON

Sewer Ratepayer Assistance Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 107	\$ (93)
Total revenues	<u>200</u>	<u>200</u>	<u>107</u>	<u>(93)</u>
Expenditures:				
Materials and services	<u>30,000</u>	<u>30,000</u>	<u>17,624</u>	<u>12,376</u>
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>17,624</u>	<u>12,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,800)</u>	<u>(29,800)</u>	<u>(17,517)</u>	<u>12,283</u>
Other financing sources (uses):				
Transfers in	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total other financing sources (uses)	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Net change in fund balances	200	200	12,483	12,283
Fund balance:				
Beginning of year	<u>5,300</u>	<u>5,300</u>	<u>10,827</u>	<u>5,527</u>
End of year	<u>\$ 5,500</u>	<u>\$ 5,500</u>	<u>\$ 23,310</u>	<u>\$ 17,810</u>

CITY OF JUNCTION CITY, OREGON

Sewer System Improvement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 24,400	\$ 24,400	\$ 8,100	\$ (16,300)
Other	<u>2,000</u>	<u>2,000</u>	<u>2,015</u>	<u>15</u>
Total revenues	<u>26,400</u>	<u>26,400</u>	<u>10,115</u>	<u>(16,285)</u>
Expenditures:				
Materials and services	30,000	30,000	12,843	17,157
Capital outlay	<u>3,400,300</u>	<u>3,400,300</u>	<u>2,919,621</u>	<u>480,679</u>
Total expenditures	<u>3,430,300</u>	<u>3,430,300</u>	<u>2,932,464</u>	<u>497,836</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,403,900)</u>	<u>(3,403,900)</u>	<u>(2,922,349)</u>	<u>481,551</u>
Other financing sources (uses):				
Transfers in	502,300	502,300	502,300	-
Transfers out	<u>(677,000)</u>	<u>(677,000)</u>	<u>(677,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(174,700)</u>	<u>(174,700)</u>	<u>(174,700)</u>	<u>-</u>
Net change in fund balances	(3,578,600)	(3,578,600)	(3,097,049)	481,551
Fund balance:				
Beginning of year	<u>3,635,400</u>	<u>3,635,400</u>	<u>3,520,775</u>	<u>(114,625)</u>
End of year	<u>\$ 56,800</u>	<u>\$ 56,800</u>	<u>\$ 423,726</u>	<u>\$ 366,926</u>

CITY OF JUNCTION CITY, OREGON

Sewer Equipment Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 221	\$ 21
Total revenues	<u>200</u>	<u>200</u>	<u>221</u>	<u>21</u>
Expenditures:				
Capital outlay	<u>14,300</u>	<u>14,300</u>	<u>4,840</u>	<u>9,460</u>
Total expenditures	<u>14,300</u>	<u>14,300</u>	<u>4,840</u>	<u>9,460</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,100)</u>	<u>(14,100)</u>	<u>(4,619)</u>	<u>9,481</u>
Other financing sources (uses):				
Transfers in	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total other financing sources (uses)	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Net change in fund balances	900	900	10,381	9,481
Fund balance:				
Beginning of year	<u>31,600</u>	<u>31,600</u>	<u>31,639</u>	<u>39</u>
End of year	<u>\$ 32,500</u>	<u>\$ 32,500</u>	<u>\$ 42,020</u>	<u>\$ 9,520</u>

CITY OF JUNCTION CITY, OREGON

Sewer System Development Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 13,500	\$ 13,500	\$ 13,646	\$ 146
System development charges	<u>368,000</u>	<u>368,000</u>	<u>257,083</u>	<u>(110,917)</u>
Total revenues	<u>381,500</u>	<u>381,500</u>	<u>270,729</u>	<u>(110,771)</u>
Expenditures:				
Capital outlay	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,618,500)</u>	<u>(1,618,500)</u>	<u>270,729</u>	<u>1,889,229</u>
Other financing sources (uses):				
Net change in fund balances	(1,618,500)	(1,618,500)	270,729	1,889,229
Fund balance:				
Beginning of year	<u>2,305,800</u>	<u>2,305,800</u>	<u>2,457,000</u>	<u>151,200</u>
End of year	<u>\$ 687,300</u>	<u>\$ 687,300</u>	<u>\$ 2,727,729</u>	<u>\$ 2,040,429</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Net Position - Modified Cash Basis

Sanitation Enterprise Funds

June 30, 2014

	<u>Sanitation Fund</u>	<u>Sanitation Equipment Reserve Fund</u>	<u>Sanitation System Improvement Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	<u>\$ 313,619</u>	<u>\$ 84,481</u>	<u>\$ 14,100</u>	<u>\$ 412,200</u>
Total assets	<u>\$ 313,619</u>	<u>\$ 84,481</u>	<u>\$ 14,100</u>	<u>\$ 412,200</u>
 LIABILITIES AND NET POSITION:				
Liabilities:				
Net Position:				
Unrestricted	<u>313,619</u>	<u>84,481</u>	<u>14,100</u>	<u>412,200</u>
Total net position	<u>313,619</u>	<u>84,481</u>	<u>14,100</u>	<u>412,200</u>
Total liabilities and net position	<u>\$ 313,619</u>	<u>\$ 84,481</u>	<u>\$ 14,100</u>	<u>\$ 412,200</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis

Sanitation Enterprise Funds

For the Year Ended June 30, 2014

	<u>Sanitation Fund</u>	<u>Sanitation Equipment Reserve Fund</u>	<u>Sanitation System Improvement Fund</u>	<u>Total</u>
Operating revenues:				
Charges for services	\$ 748,619	\$ -	\$ -	\$ 748,619
Miscellaneous	<u>14,999</u>	<u>-</u>	<u>-</u>	<u>14,999</u>
Total operating revenues	<u>763,618</u>	<u>-</u>	<u>-</u>	<u>763,618</u>
Operating expenses:				
Personal services	352,758	-	-	352,758
Materials and services	<u>277,758</u>	<u>-</u>	<u>1,000</u>	<u>278,758</u>
Total operating expenses	<u>630,516</u>	<u>-</u>	<u>1,000</u>	<u>631,516</u>
Operating income (loss)	<u>133,102</u>	<u>-</u>	<u>(1,000)</u>	<u>132,102</u>
Nonoperating revenues (expenses):				
Investment earnings	1,639	274	108	2,021
Capital outlay	<u>-</u>	<u>(1,870)</u>	<u>(16,821)</u>	<u>(18,691)</u>
Total nonoperating revenues (expenses)	<u>1,639</u>	<u>(1,596)</u>	<u>(16,713)</u>	<u>(16,670)</u>
Income (loss) before transfers	<u>134,741</u>	<u>(1,596)</u>	<u>(17,713)</u>	<u>115,432</u>
Transfers in	-	86,000	20,000	106,000
Transfers out	<u>(118,800)</u>	<u>-</u>	<u>-</u>	<u>(118,800)</u>
Total transfers	<u>(118,800)</u>	<u>86,000</u>	<u>20,000</u>	<u>(12,800)</u>
Change in net assets	15,941	84,404	2,287	102,632
Total net position- beginning	<u>297,678</u>	<u>77</u>	<u>11,813</u>	<u>309,568</u>
Total net position- ending	<u>\$ 313,619</u>	<u>\$ 84,481</u>	<u>\$ 14,100</u>	<u>\$ 412,200</u>

CITY OF JUNCTION CITY, OREGON

Combining Schedule of Cash Flows - Modified Cash Basis

Sanitation Enterprise Funds

For the Year Ended June 30, 2014

	<u>Sanitation Fund</u>	<u>Sanitation Equipment Reserve Fund</u>	<u>Sanitation System Improvement Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 763,618	\$ -	\$ -	\$ 763,618
Payments to suppliers	(277,758)	-	(1,000)	(278,758)
Payments to employees	<u>(352,758)</u>	<u>-</u>	<u>-</u>	<u>(352,758)</u>
Net cash provided (used) by operating activities	<u>133,102</u>	<u>-</u>	<u>(1,000)</u>	<u>132,102</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	-	86,000	20,000	106,000
Transfers out	<u>(118,800)</u>	<u>-</u>	<u>-</u>	<u>(118,800)</u>
Net cash provided (used) by noncapital financing activities	<u>(118,800)</u>	<u>86,000</u>	<u>20,000</u>	<u>(12,800)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	<u>-</u>	<u>(1,870)</u>	<u>(16,821)</u>	<u>(18,691)</u>
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(1,870)</u>	<u>(16,821)</u>	<u>(18,691)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	<u>1,639</u>	<u>274</u>	<u>108</u>	<u>2,021</u>
Net change in cash and cash equivalents	15,941	84,404	2,287	102,632
Cash and cash equivalents - beginning	<u>297,678</u>	<u>77</u>	<u>11,813</u>	<u>309,568</u>
Cash and cash equivalents - ending	<u>\$ 313,619</u>	<u>\$ 84,481</u>	<u>\$ 14,100</u>	<u>\$ 412,200</u>

CITY OF JUNCTION CITY, OREGON

Sanitation Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 730,200	\$ 730,200	\$ 748,619	\$ 18,419
Investment earnings	1,000	1,000	1,639	639
Other	<u>29,400</u>	<u>29,400</u>	<u>14,999</u>	<u>(14,401)</u>
Total revenues	<u>760,600</u>	<u>760,600</u>	<u>765,257</u>	<u>4,657</u>
Expenditures:				
Personal services	373,200	363,200	352,758	10,442
Materials and services	250,500	278,000	277,758	242
Capital outlay	200	200	-	200
Contingency	<u>17,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>641,400</u>	<u>641,400</u>	<u>630,516</u>	<u>10,884</u>
Excess (deficiency) of revenues over (under) expenditures	<u>119,200</u>	<u>119,200</u>	<u>134,741</u>	<u>15,541</u>
Other financing sources (uses):				
Transfers out	<u>(118,800)</u>	<u>(118,800)</u>	<u>(118,800)</u>	<u>-</u>
Total other financing sources (uses)	<u>(118,800)</u>	<u>(118,800)</u>	<u>(118,800)</u>	<u>-</u>
Net change in fund balances	400	400	15,941	15,541
Fund balance:				
Beginning of year	<u>261,100</u>	<u>261,100</u>	<u>297,678</u>	<u>36,578</u>
End of year	<u>\$ 261,500</u>	<u>\$ 261,500</u>	<u>\$ 313,619</u>	<u>\$ 52,119</u>

CITY OF JUNCTION CITY, OREGON

Sanitation Equipment Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 274	\$ 174
Total revenues	<u>100</u>	<u>100</u>	<u>274</u>	<u>174</u>
Expenditures:				
Capital outlay	<u>17,500</u>	<u>17,500</u>	<u>1,870</u>	<u>15,630</u>
Total expenditures	<u>17,500</u>	<u>17,500</u>	<u>1,870</u>	<u>15,630</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,400)</u>	<u>(17,400)</u>	<u>(1,596)</u>	<u>15,804</u>
Other financing sources (uses):				
Transfers in	<u>86,000</u>	<u>86,000</u>	<u>86,000</u>	<u>-</u>
Total other financing sources (uses)	<u>86,000</u>	<u>86,000</u>	<u>86,000</u>	<u>-</u>
Net change in fund balances	68,600	68,600	84,404	15,804
Fund balance:				
Beginning of year	<u>4,800</u>	<u>4,800</u>	<u>77</u>	<u>(4,723)</u>
End of year	<u>\$ 73,400</u>	<u>\$ 73,400</u>	<u>\$ 84,481</u>	<u>\$ 11,081</u>

CITY OF JUNCTION CITY, OREGON

Sanitation System Improvement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 108	\$ (92)
Total revenues	<u>200</u>	<u>200</u>	<u>108</u>	<u>(92)</u>
Expenditures:				
Materials and services	1,000	1,000	1,000	-
Capital outlay	<u>19,000</u>	<u>19,000</u>	<u>16,821</u>	<u>2,179</u>
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>17,821</u>	<u>2,179</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,800)</u>	<u>(19,800)</u>	<u>(17,713)</u>	<u>2,087</u>
Other financing sources (uses):				
Transfers in	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total other financing sources (uses)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balances	200	200	2,287	2,087
Fund balance:				
Beginning of year	<u>43,700</u>	<u>43,700</u>	<u>11,813</u>	<u>(31,887)</u>
End of year	<u>\$ 43,900</u>	<u>\$ 43,900</u>	<u>\$ 14,100</u>	<u>\$ (29,800)</u>



Internal Service Fund

- Internal Service Fund



CITY OF JUNCTION CITY, OREGON

Statement of Net Position - Modified Cash Basis

Internal Service Fund

June 30, 2014

	Internal Service Fund
ASSETS	
Cash and cash equivalents	\$ 1,569
Total assets	<u>\$ 1,569</u>
LIABILITIES AND NET POSITION:	
Liabilities:	
Net Position:	
Unrestricted	<u>1,569</u>
Total net position	<u>1,569</u>
Total liabilities and net position	<u>\$ 1,569</u>

CITY OF JUNCTION CITY, OREGON

Statement of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis

Internal Service Fund

For the Year Ended June 30, 2014

	Internal Service Fund
Operating revenues:	
Charges for services	\$ 172,838
Total operating revenues	<u>172,838</u>
Operating expenses:	
Personal services	172,960
Materials and services	<u>191,895</u>
Total operating expenses	<u>364,855</u>
Operating income (loss)	<u>(192,017)</u>
Nonoperating revenues (expenses):	
Investment earnings	<u>86</u>
Total nonoperating revenues (expenses)	<u>86</u>
Income (loss) before transfers	<u>(191,931)</u>
Transfers in	<u>193,500</u>
Total transfers	<u>193,500</u>
Change in net position	1,569
Total net position- beginning	<u>-</u>
Total net position- ending	<u>\$ 1,569</u>

CITY OF JUNCTION CITY, OREGON

Statement of Cash Flows - Modified Cash Basis

Internal Service Fund

For the Year Ended June 30, 2014

	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from interfund services provided	\$ 172,838
Payments to suppliers	(191,895)
Payments to employees	<u>(172,960)</u>
Net cash provided (used) by operating activities	<u>(192,017)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	<u>193,500</u>
Net cash provided (used) by noncapital financing activities	<u>193,500</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	<u>86</u>
Net change in cash and cash equivalents	1,569
Cash and cash equivalents - beginning	<u>-</u>
Cash and cash equivalents - ending	<u><u>\$ 1,569</u></u>

CITY OF JUNCTION CITY, OREGON

Internal Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 228,600	\$ 228,600	\$ 172,838	\$ (55,762)
Investment earnings	-	-	86	86
Total revenues	<u>228,600</u>	<u>228,600</u>	<u>172,924</u>	<u>(55,676)</u>
Expenditures:				
Personal services	183,500	183,500	172,960	10,540
Materials and services	228,600	228,600	191,895	36,705
Contingency	10,000	10,000	-	10,000
Total expenditures	<u>422,100</u>	<u>422,100</u>	<u>364,855</u>	<u>57,245</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(193,500)</u>	<u>(193,500)</u>	<u>(191,931)</u>	<u>1,569</u>
Other financing sources (uses):				
Transfers in	<u>193,500</u>	<u>193,500</u>	<u>193,500</u>	<u>-</u>
Total other financing sources (uses)	<u>193,500</u>	<u>193,500</u>	<u>193,500</u>	<u>-</u>
Net change in fund balances	-	-	1,569	1,569
Fund balance:				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,569</u>	<u>\$ 1,569</u>

Private-Purpose Trust Fund

- Special Police Programs Fund



CITY OF JUNCTION CITY, OREGON

Private-Purpose Trust Fund - Special Police Programs Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Modified Cash Basis)
 For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 58	\$ (42)
Donations and special events	<u>9,000</u>	<u>9,000</u>	<u>3,850</u>	<u>(5,150)</u>
Total revenues	<u>9,100</u>	<u>9,100</u>	<u>3,908</u>	<u>(5,192)</u>
Expenditures:				
Materials and services	<u>6,500</u>	<u>6,500</u>	<u>1,456</u>	<u>5,044</u>
Total expenditures	<u>6,500</u>	<u>6,500</u>	<u>1,456</u>	<u>5,044</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,600</u>	<u>2,600</u>	<u>2,452</u>	<u>(148)</u>
Other financing sources (uses):				
Net change in fund balances	2,600	2,600	2,452	(148)
Fund balance:				
Beginning of year	<u>7,700</u>	<u>7,700</u>	<u>9,657</u>	<u>1,957</u>
End of year	<u>\$ 10,300</u>	<u>\$ 10,300</u>	<u>\$ 12,109</u>	<u>\$ 1,809</u>



Agency Fund

- Municipal Court Fund



CITY OF JUNCTION CITY, OREGON

Agency Fund - Municipal Court
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2014

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
ASSETS				
Cash and cash equivalents	<u>\$ 32,635</u>	<u>\$ 322,713</u>	<u>\$ (323,032)</u>	<u>\$ 32,316</u>
LIABILITIES AND NET POSITION				
Fines and bails	<u>\$ 32,635</u>	<u>\$ 322,713</u>	<u>\$ (323,032)</u>	<u>\$ 32,316</u>

CITY OF JUNCTION CITY, OREGON

Schedule of Property Tax Transactions

For the Year Ended June 30, 2014

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2013</u>	<u>Add Current Levy 2013-2014</u>	<u>Less Collections</u>	<u>Discounts and Adjustments</u>	<u>Uncollected Balance June 30, 2014</u>
2013-2014	\$ -	\$ 2,149,968	\$ (2,025,561)	\$ (60,861)	\$ 63,546
2012-2013	66,718	-	(24,100)	(7,713)	34,905
2011-2012	38,786	-	(11,690)	(2,977)	24,119
2010-2011	25,551	-	(7,966)	(2,149)	15,436
2009-2010	16,755	-	(5,042)	(1,418)	10,295
2008-2009	2,915	-	(693)	(535)	1,687
2007-2008	1,641	-	(363)	(304)	974
Prior years	14,041	-	(252)	(2,103)	11,686
	<u>\$ 166,407</u>	<u>\$ 2,149,968</u>	<u>\$ (2,075,667)</u>	<u>\$ (78,060)</u>	<u>\$ 162,648</u>

TREND INFORMATION



CITY OF JUNCTION CITY, OREGON

Net Position by Component
Last Five Fiscal Years
(Modified Cash Basis)

	Fiscal Year Ended June 30,				
	2014	2013	2012	2011	2010
Governmental activities					
Restricted	\$ 2,670,868	\$ 2,432,554	\$ 2,622,944	\$ 6,302,631	\$ 2,645,141
Unrestricted	<u>2,635,101</u>	<u>2,584,492</u>	<u>2,480,819</u>	<u>4,160,606</u>	<u>2,513,978</u>
Total governmental activities net position	\$ 5,305,969	\$ 5,017,046	\$ 5,103,763	\$ 10,463,237	\$ 5,159,119
Business-type activities					
Restricted	\$ 2,832,661	\$ 2,531,562	\$ 2,116,921	\$ 2,099,648	\$ 1,936,760
Unrestricted	<u>1,631,163</u>	<u>4,276,769</u>	<u>5,054,210</u>	<u>3,988,741</u>	<u>3,395,727</u>
Total business-type activities net position	\$ 4,463,824	\$ 6,808,331	\$ 7,171,131	\$ 6,088,389	\$ 5,332,487
Primary government					
Restricted	\$ 5,503,529	\$ 4,964,116	\$ 4,739,865	\$ 8,402,279	\$ 4,581,901
Unrestricted	<u>4,266,264</u>	<u>6,861,261</u>	<u>7,535,029</u>	<u>8,149,347</u>	<u>5,909,705</u>
Total net position	\$ 9,769,793	\$ 11,825,377	\$ 12,274,894	\$ 16,551,626	\$ 10,491,606

CITY OF JUNCTION CITY, OREGON

Changes in Net Position
Last Five Fiscal Years
(Modified Cash Basis)

	Fiscal Year Ended June 30,				
	2014	2013	2012	2011	2010
Expenses					
Governmental Activities					
General Government	\$ 1,207,777	\$ 1,320,285	\$ 5,027,653	\$ 11,401,934	\$ 7,231,430
Public Safety	1,874,793	1,796,822	1,792,498	1,736,725	1,583,149
Highways and streets	289,004	281,717	469,102	251,439	386,719
Economic development	21,756	5,810	18,637	157,180	4,622
Culture and recreation	553,649	776,554	770,168	630,901	600,488
Total governmental activities	3,946,979	4,181,188	8,078,058	14,178,179	9,806,408
Business-type activities					
Water	1,223,828	1,157,378	1,217,276	1,331,066	820,075
Sewer	3,648,023	2,178,043	1,881,155	836,397	970,667
Sanitation	650,207	822,304	720,426	668,271	586,734
Total business-type activities	5,522,058	4,157,725	3,818,857	2,835,734	2,377,476
Total expenses	\$ 9,469,037	\$ 8,338,913	\$ 11,896,915	\$ 17,013,913	\$ 12,183,884

CITY OF JUNCTION CITY, OREGON

Changes in Net Position (continued)
 Last Five Fiscal Years
 (Modified Cash Basis)

	Fiscal Year Ended June 30,				
	2014	2013	2012	2011	2010
Program revenues					
Governmental activities					
Charges for services					
General Government	\$ 714,183	\$ 614,028	\$ 539,383	\$ 538,387	\$ 592,969
Public Safety	22	9,883	42	246	-
Highways and streets	2,306	4,191	4,178	1,921	6,428
Economic development	44,385	37,509	45,235	28,604	20,531
Culture and recreation	650	680	5,650	-	-
Operating grants and contributions	315,814	397,109	318,400	304,804	658,713
Capital grants and contributions	76,063	245,596	1,027,712	16,572,605	6,091,265
Total governmental activities	1,153,423	1,308,996	1,940,600	17,446,567	7,369,906
Business-type activities					
Charges for services					
Water	990,784	999,790	743,567	856,535	954,382
Sewer	1,597,888	1,712,062	1,464,164	1,448,120	1,772,776
Sanitation	763,618	747,442	721,176	715,038	704,654
Capital grants and contributions	-	300,000	-	-	-
Total business-type activities	3,352,290	3,759,294	2,928,907	3,019,693	3,431,812
Total program revenues	\$ 4,505,713	\$ 5,068,290	\$ 4,869,507	\$ 20,466,260	\$ 10,801,718
Net (expense)/revenue					
Governmental activities	\$ (2,793,556)	\$ (2,872,192)	\$ (6,137,458)	\$ 3,268,388	\$ (2,436,502)
Business-type activities	(2,169,768)	(398,431)	(889,950)	183,959	1,054,336
Total net (expense) revenue	\$ (4,963,324)	\$ (3,270,623)	\$ (7,027,408)	\$ 3,452,347	\$ (1,382,166)

CITY OF JUNCTION CITY, OREGON

Changes in Net Position (continued)
 Last Five Fiscal Years
 (Modified Cash Basis)

	Fiscal Year Ended June 30,				
	2014	2013	2012	2011	2010
General revenues and transfers					
Governmental activities					
Property taxes	\$ 2,084,931	\$ 2,029,597	\$ 1,952,801	\$ 1,896,883	\$ 1,829,917
Franchise taxes	391,305	365,198	376,285	314,161	287,396
Other taxes and receipts	376,219	356,116	350,074	314,784	271,458
Investment earnings	27,838	28,764	38,324	52,902	61,363
Transfers in (out)	8,600	5,800	(1,939,500)	(543,000)	9,500
Total governmental activities	2,888,893	2,785,475	777,984	2,035,730	2,459,634
Business-type activities					
Investment earnings	27,361	41,431	33,192	28,943	33,696
Transfers in (out)	(202,100)	(5,800)	1,939,500	543,000	(9,500)
Total business-type activities	(174,739)	35,631	1,972,692	571,943	24,196
Total primary government	\$ 2,714,154	\$ 2,821,106	\$ 2,750,676	\$ 2,607,673	\$ 2,483,830
Change in net position					
Governmental activities	\$ 95,337	\$ (86,717)	\$ (5,359,474)	\$ 5,304,118	\$ 23,132
Business-type activities	(2,344,507)	(362,800)	1,082,742	755,902	1,078,532
Total change in net position	\$ (2,249,170)	\$ (449,517)	\$ (4,276,732)	\$ 6,060,020	\$ 1,101,664

CITY OF JUNCTION CITY, OREGON

Fund Balances of Governmental Funds
Last Five Fiscal Years
(Modified Cash Basis)

	Fiscal Year Ended June 30,				
	2014	2013	2012	2011	2010
General Fund					
Restricted	\$ -	\$ -	\$ 1,685	\$ 1,685	\$ -
Committed	59,562	77,164	89,302	126,222	-
Unassigned	2,015,995	1,984,014	1,935,110	1,914,203	-
Unreserved (pre-GASB 54)	-	-	-	-	1,723,910
Total general fund	<u>2,075,557</u>	<u>2,061,178</u>	<u>2,026,097</u>	<u>2,042,110</u>	<u>1,723,910</u>
All other governmental funds					
Restricted	\$ 2,670,868	\$ 2,432,554	\$ 2,381,259	\$ 6,651,323	\$ -
Committed	557,975	523,314	696,407	1,769,804	-
Reserved (pre-GASB 54)	-	-	-	-	849,802
Unreserved (pre-GASB 54)	-	-	-	-	2,585,407
Total all other governmental funds	<u>3,228,843</u>	<u>2,955,868</u>	<u>3,077,666</u>	<u>8,421,127</u>	<u>3,435,209</u>
Total governmental funds	<u>\$ 5,304,400</u>	<u>\$ 5,017,046</u>	<u>\$ 5,103,763</u>	<u>\$ 10,463,237</u>	<u>\$ 5,159,119</u>

CITY OF JUNCTION CITY, OREGON
 Changes in Fund Balances of Governmental Funds
 Last Five Fiscal Years
 (Modified Cash Basis)

	Fiscal Year Ended June 30,				
	2014	2013	2012	2011	2010
REVENUES					
Taxes:					
Property	\$ 2,084,931	\$ 2,029,597	\$ 1,952,801	\$ 1,896,883	\$ 1,829,917
Franchise	391,305	365,198	376,285	314,161	287,396
Other	10,121	10,698	9,686	11,447	7,126
Licenses and permits	339,190	271,857	122,096	110,440	248,436
Intergovernmental	605,739	621,206	1,572,963	17,088,820	6,807,947
Charges for services	75,318	88,920	113,638	112,295	78,501
System development charges	124,163	340,818	88,693	65,705	194,343
Fines and forfeitures	239,058	193,021	232,158	225,376	197,420
Investment earnings	27,838	28,764	38,322	52,901	61,362
Principal received - program loans	36,989	29,693	33,793	20,647	13,083
Interest received - program loans	7,296	7,816	11,292	7,857	7,448
Contributions and donations	28,072	26,099	24,845	38,766	7,624
Other revenue	63,695	74,984	81,512	79,998	79,436
Total revenues	<u>4,033,715</u>	<u>4,088,671</u>	<u>4,658,084</u>	<u>20,025,296</u>	<u>9,820,039</u>
EXPENDITURES					
Current:					
General government	1,015,759	1,320,285	4,904,097	11,274,911	7,064,507
Public Safety	1,874,793	1,796,822	1,981,933	1,914,540	1,750,070
Highway and streets	289,004	281,717	469,102	251,439	386,718
Economic Development	21,756	5,810	18,637	157,180	4,622
Culture and recreation	553,649	776,554	704,289	580,108	600,490
Total expenditures	<u>3,754,961</u>	<u>4,181,188</u>	<u>8,078,058</u>	<u>14,178,178</u>	<u>9,806,407</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 278,754</u>	<u>\$ (92,517)</u>	<u>\$ (3,419,974)</u>	<u>\$ 5,847,118</u>	<u>\$ 13,632</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	300,100	246,532	653,758	190,503	205,500
Transfers out	(291,500)	(240,732)	(2,593,258)	(733,503)	(196,000)
Total other financing sources (uses)	<u>8,600</u>	<u>5,800</u>	<u>(1,939,500)</u>	<u>(543,000)</u>	<u>9,500</u>
Net change in fund balances	<u>\$ 287,354</u>	<u>\$ (86,717)</u>	<u>\$ (5,359,474)</u>	<u>\$ 5,304,118</u>	<u>\$ 23,132</u>

CITY OF JUNCTION CITY, OREGON

Outstanding Long-Term Debt Obligations by Type
Last Five Fiscal Years
(Modified Cash Basis)

fiscal year ended June 30,	Governmental Activities		Business-Type Activities	
	Notes Payable	Capital lease	Capital Leases	Notes Payable
2014	\$ -	\$ -	\$ -	\$ -
2013	-	33,756	-	-
2012	-	65,084	20,754	-
2011	-	94,158	40,310	26,590
2010	-	121,143	58,736	52,602



COMPLIANCE SECTION





INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS



Honorable Mayor and City Council
City of Junction City

We have audited the basic financial statements of the City of Junction City, Oregon ("City") as of and for the year ended June 30, 2014, and have issued our report thereon dated October 17, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

COMPLIANCE

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 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 statement 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.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

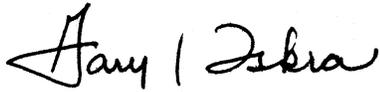
In connection with our testing nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320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

OAR 162-10-0230 INTERNAL CONTROL

In planning and performing our audit, we considered the City's internal control 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 City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

This report is intended solely for the information of the City Council, and Oregon Secretary of State and is not intended to be and should not be used by anyone other than these specified parties.

Isler CPA

A handwritten signature in black ink that reads "Amy Isler". The signature is written in a cursive style with a large initial "A" and a stylized "I".

For Isler CPA
Eugene, Oregon
October 17, 2014