

CITY OF JUNCTION CITY, OREGON

ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2013

WITH INDEPENDENT AUDITOR'S REPORT

Prepared by:

Finance Department

CITY OF JUNCTION CITY, OREGON
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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

December 9, 2013

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, 2013. Management 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 schedules 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 on all opinion units of the City of Junction City's financial statements for the year ended June 30, 2013. 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 2.36 square miles and serves a population of 5,500.



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.

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.

Junction City is the home of the Scandinavian Festival, 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 incorporates the newly developed and renovated fire hall as 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 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 internal control procedures document and adoption by the Council of the City's broad range fiscal policies.

In progress, the City's Public Works Department is installing a water treatment plant, completing a water pipe replacement project, continuing 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. The Council and staff are currently preparing 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.

Although employment levels are reported at the County level, Junction City has experienced some growth with additions to operations of several businesses and with the State mental hospital's recruiting process begun in FY12/13. Unemployment rates for the County are currently at 8.1% as of August 2013, 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 230 in 2012. For calendar year 2013, total permits are at 171 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 preliminary population at July 1, 2013 was 5,550, which represents a 1.9% increase over 2012 compared to a 0.5% increase for Lane County. The population estimates were 5,445 for July 1, 2012, and 5,392 for July 1, 2010.

During the fiscal year, two police officers were hired to fill vacant positions, other staffing has remained stable.

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	
	2013	2012	2013	2012	2013	2012
Total assets	\$ 5,188,578	\$ 5,356,478	\$ 6,808,356	\$ 7,171,156	\$ 11,996,934	\$ 12,527,634
Total liabilities	171,532	252,715	25	25	171,557	252,740
Net position:						
Restricted	2,675,582	1,277,414	2,531,562	2,116,924	5,207,144	3,394,338
Unrestricted	2,341,464	3,826,349	4,276,769	5,054,207	6,618,233	8,880,556
Total net position	5,017,046	5,103,763	6,808,331	7,171,131	11,825,377	12,274,894

For the year ended June 30, 2013, the overall modified cash basis net position of the City decreased by \$449,517. Of the total decrease, the governmental activities' net position decreased by \$86,717 mostly due to transfers to reserves, and building and remodel projects completed.

The business-type activities overall modified cash basis net position decreased by \$362,800. The Water and Sewer Funds have several large capital projects in progress, some of which were started during FY12/13.

Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for services	\$ 666,291	\$ 584,261	\$ 3,459,294	\$ 2,726,864	\$ 4,125,585	\$ 3,311,125
Operating grants and contribution	397,109	597,808	-	-	397,109	597,808
Capital grants and contributions	245,596	1,088,693	300,000	202,043	545,596	1,290,736
General revenues:						
Property taxes	2,029,597	1,952,801	-	-	2,029,597	1,952,801
Franchise taxes	365,198	376,285	-	-	365,198	376,285
Other taxes and receipts	356,116	9,686	-	-	356,116	9,686
Investment income	28,764	38,322	41,431	33,192	70,195	71,514
Total revenues	4,088,671	4,647,856	3,800,725	2,962,099	7,889,396	7,609,955
Expenses						
General government	1,320,285	932,455	1,157,378	-	2,477,663	932,455
Public safety	1,796,822	1,924,762	2,178,043	-	3,974,865	1,924,762
Highways and streets	281,717	677,847	822,304	-	1,104,021	677,847
Economic development	5,810	69,388	-	-	5,810	69,388
Culture and recreation	776,554	553,159	-	-	776,554	553,159
Water	-	-	-	1,162,444	-	1,162,444
Sewer	-	-	-	1,280,891	-	1,280,891
Sanitation	-	-	-	687,577	-	687,577
Total expenses	4,181,188	4,157,611	4,157,725	3,130,912	8,338,913	7,288,523
Increase (decrease) before transfers	(92,517)	490,245	(357,000)	(168,813)	(449,517)	321,432
Transfers - internal activity	5,800	(1,939,500)	(5,800)	1,939,500	-	-
Increase in net assets	(86,717)	(1,449,255)	(362,800)	1,770,687	(449,517)	321,432
Net position beginning of year	5,103,763	6,553,018	7,171,131	5,400,444	12,274,894	11,953,462
Net position end of year	\$ 5,017,046	\$ 5,103,763	\$ 6,808,331	\$ 7,171,131	\$ 11,825,377	\$ 12,274,894

Governmental Funds

For the fiscal year ended June 30, 2013, the governmental funds reported a combined fund balance of \$5,017,046. The General Fund balance increased by \$48,904 and revenues increased 138,924. The excess of revenues over expenditures was \$205,104 for fiscal year ended June 30, 2013.

General Fund Budget

Original budget compared to final budget. During the year, a budget amendment was approved to increase the estimated revenues for building permits and plan review fees by \$128,000. Appropriations were reduced for contingency used during the year in the amount

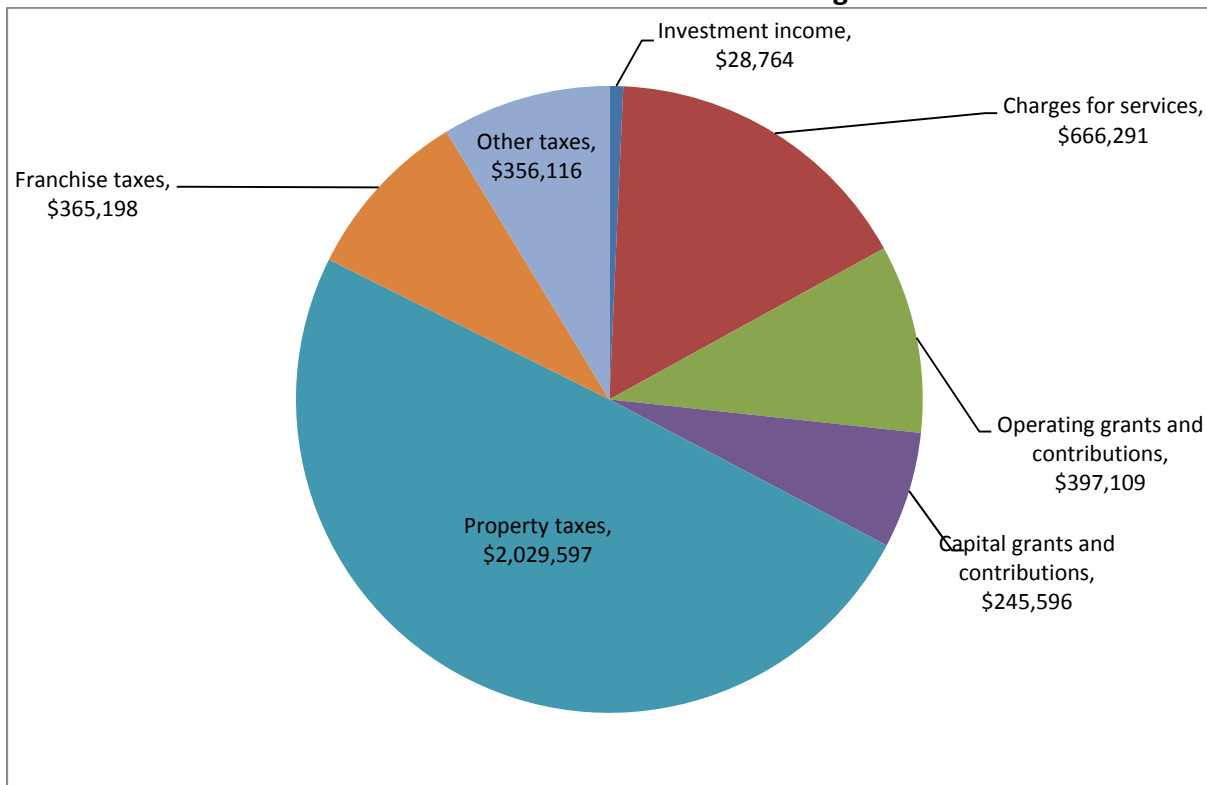
of \$46,000 and appropriations increased for additional building official cost related to the increase building permit revenue.

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

Revenue Source	Budgeted revenue	Actual revenue	Difference
Current Year Taxes	\$ 1,980,400	\$ 1,971,481	\$ (8,919)
Previously Levied Taxes	50,000	58,116	8,116
Pacific Power Franchise	156,000	195,652	39,652
Admin on SDC Fees	14,500	29,479	14,979
Muni Court Fines	221,000	187,405	(33,595)

Franchise revenues were close to estimates with the one exception for the Pacific Power franchise fees. Building permits in total were close to budget due to a budget adjustment mid-year which raised the total budgeted permits fees revenue by \$128,000. Current year taxes were under estimates by \$8,919, and prior year taxes received were over budget by \$8,116.

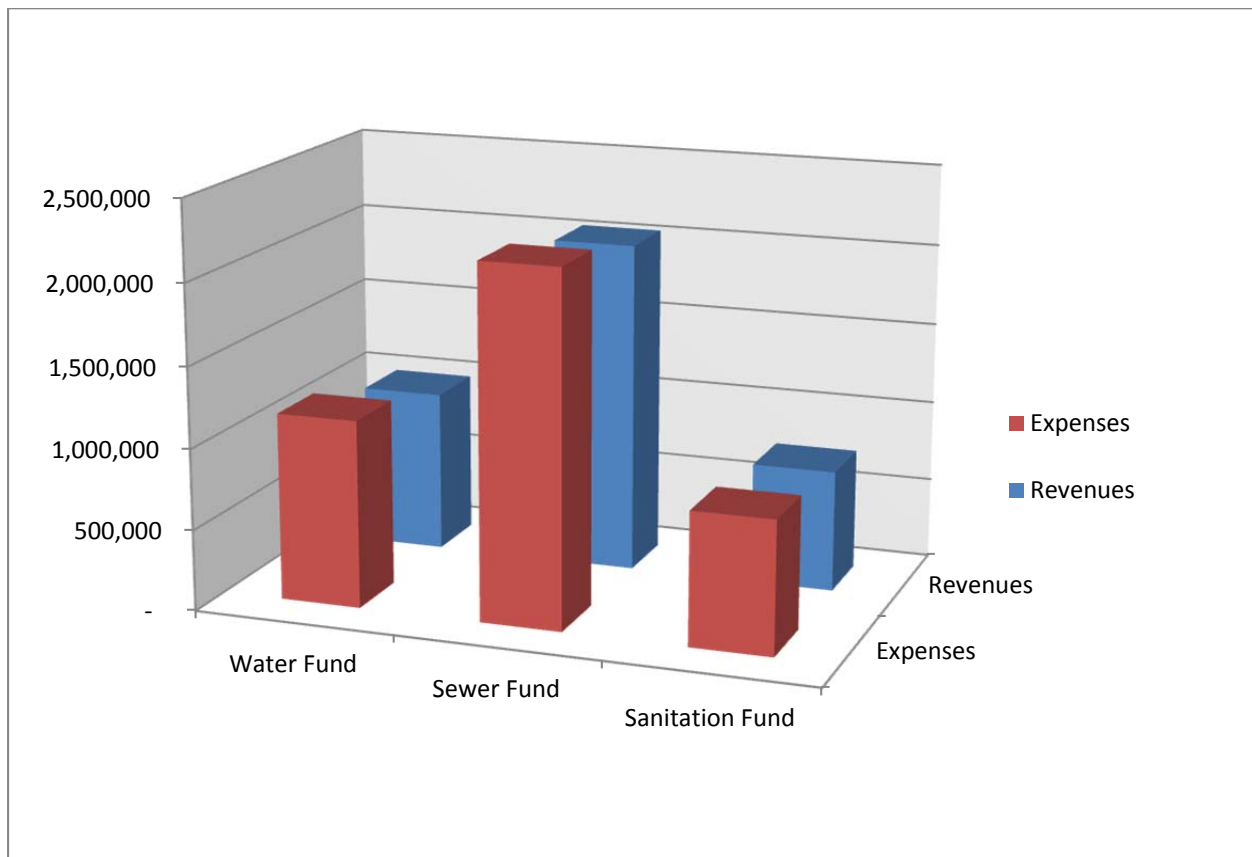
Governmental Activities Funding



Enterprise Funds

For the fiscal year ended June 30, 2013 the enterprise funds reported a modified cash basis net position of \$6,808,331. This is a decrease of \$362,800 for the enterprise funds. A number of large projects were begun during the year and are in process in the Water and Sewer funds.

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.

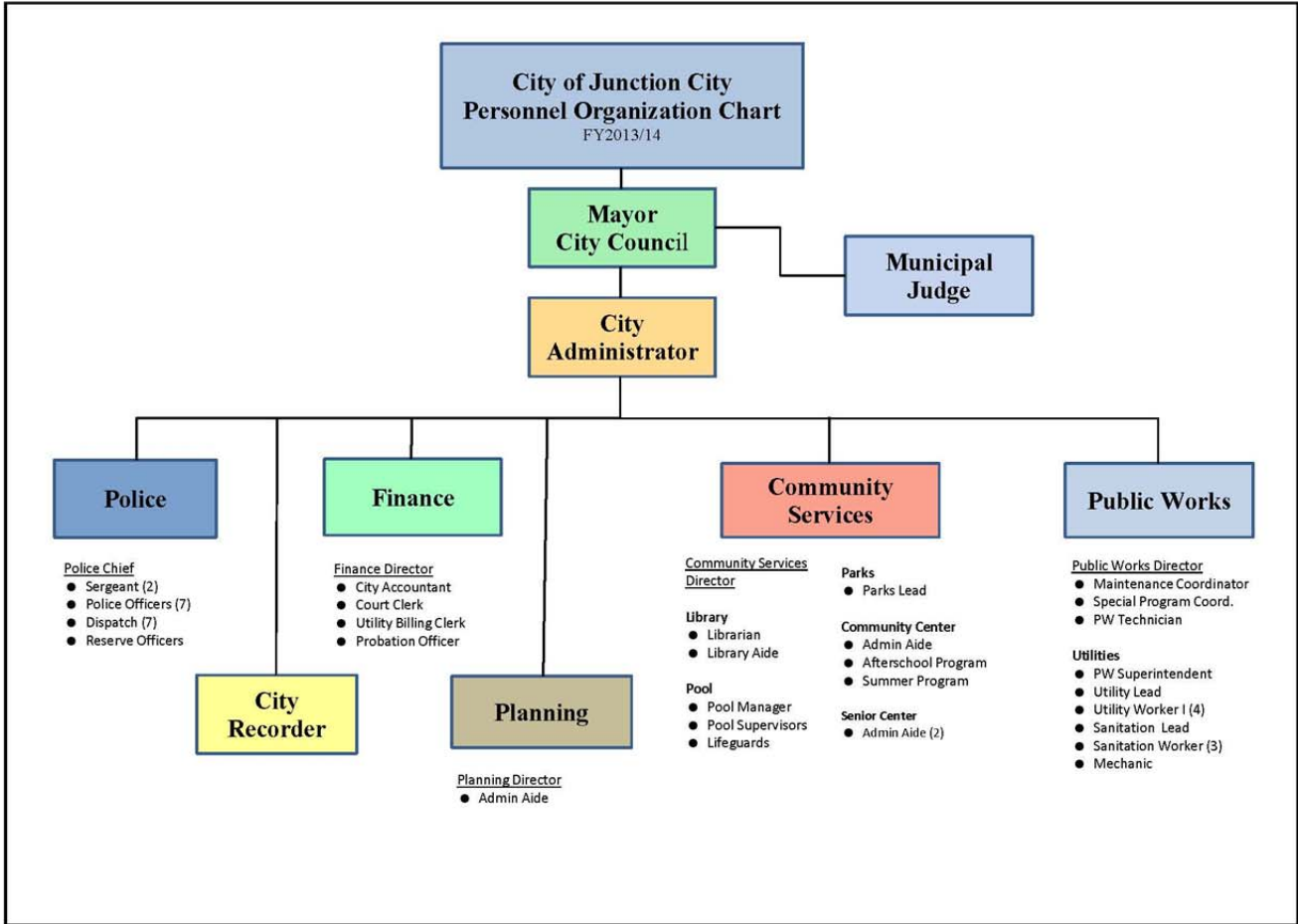
Respectfully,



Melissa Bowers
City Administrator



Mike Crocker
Finance Director



CITY OF JUNCTION CITY, OREGON

List of Elected Officials

June 30, 2013

<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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Junction City, Oregon, ("City") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Our responsibility is to express opinions on these financial statements based on our audit.

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, 2013, the respective changes in modified cash-basis financial position; and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Street Fund, and Business Development Loan Fund for the year then ended in accordance with the modified cash 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

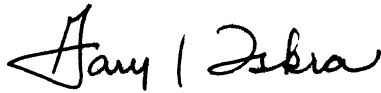
Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the 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 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 pages 22 - 75 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. The 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 - xi), and the trend information presented on pages 76 - 82 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.

Isler CPA

A handwritten signature in black ink that reads "Gary Iskra". The signature is written in a cursive style with a large, stylized initial "G".

By: Gary Iskra, CPA, a member of the firm
Eugene, Oregon
December 9, 2013

BASIC FINANCIAL STATEMENTS

CITY OF JUNCTION CITY, OREGON

Government-wide Statement of Net Position - Modified Cash Basis

June 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 5,011,032	\$ 6,808,356	\$ 11,819,388
Note receivable	158,893	-	158,893
Developer advances	<u>18,653</u>	<u>-</u>	<u>18,653</u>
Total assets	<u>\$ 5,188,578</u>	<u>\$ 6,808,356</u>	<u>\$ 11,996,934</u>
LIABILITIES			
Due to others	\$ 12,639	\$ 25	\$ 12,664
Noncurrent liabilities:			
Deferred inflow - notes receivable	<u>158,893</u>	<u>-</u>	<u>158,893</u>
Total liabilities	<u>171,532</u>	<u>25</u>	<u>171,557</u>
NET POSITION			
Restricted for:			
DOC-IGA	902	-	902
Streets and bicycle paths	1,138,279	-	1,138,279
Business development	1,064,911	-	1,064,911
System development	178,809	2,531,562	2,710,371
State revenue sharing	49,653	-	49,653
Unrestricted	<u>2,584,492</u>	<u>4,276,769</u>	<u>6,861,261</u>
Total net position	<u>5,017,046</u>	<u>6,808,331</u>	<u>11,825,377</u>
Total liabilities and net position	<u>\$ 5,188,578</u>	<u>\$ 6,808,356</u>	<u>\$ 11,996,934</u>

CITY OF JUNCTION CITY, OREGON

Government-wide Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2013

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions / Programs						
Governmental Activities:						
General Government	\$ 1,320,285	\$ 253,013	\$ 36,457	\$ (416,787)	\$ -	\$ (416,787)
Public Safety	1,796,822	-	-	(1,786,939)	-	(1,786,939)
Highways and Streets	281,717	-	209,139	(68,387)	-	(68,387)
Economic Development	5,810	8,696	-	40,395	-	40,395
Culture and Recreation	776,554	135,400	-	(640,474)	-	(640,474)
Total governmental activities	4,181,188	397,109	245,596	(2,872,192)	-	(2,872,192)
Business-type Activities:						
Water	1,157,378	-	-	-	(157,588)	(157,588)
Sewer	2,178,043	-	300,000	-	(165,981)	(165,981)
Sanitation	822,304	-	-	-	(74,862)	(74,862)
Total business - type activities	4,157,725	-	300,000	(2,872,192)	(398,431)	(3,270,623)
Total government	\$ 8,338,913	\$ 397,109	\$ 545,596	(2,872,192)	(398,431)	(3,270,623)
General revenues:						
Property taxes				2,029,597	-	2,029,597
Franchise taxes				365,198	-	365,198
Other taxes and receipts				356,116	-	356,116
Unrestricted investment earnings				28,764	41,431	70,195
Transfers - internal activity				5,800	(5,800)	-
Total general revenues and transfers				2,785,475	35,631	2,821,106
Change in net position				(86,717)	(362,800)	(449,517)
Net position- beginning				5,103,763	7,171,131	12,274,894
Net position- ending				\$ 5,017,046	\$ 6,808,331	\$ 11,825,377

CITY OF JUNCTION CITY, OREGON

Balance Sheet - Modified Cash Basis

Governmental Funds

June 30, 2013

	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	\$ 2,048,664	\$ 291,337	\$ 1,064,911	\$ 822,008	\$ 169,829	\$ 614,283	\$ 5,011,032
Developer advances	18,653	-	-	-	-	-	18,653
Note receivable	-	-	158,893	-	-	-	158,893
Total assets	<u>\$ 2,067,317</u>	<u>\$ 291,337</u>	<u>\$ 1,223,804</u>	<u>\$ 822,008</u>	<u>\$ 169,829</u>	<u>\$ 614,283</u>	<u>\$ 5,188,578</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Due to others	\$ 6,139	\$ 6,500	\$ -	\$ -	\$ -	\$ -	\$ 12,639
Deferred inflow - notes receivable	-	-	158,893	-	-	-	158,893
Total liabilities	<u>6,139</u>	<u>6,500</u>	<u>158,893</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,532</u>
Fund balances:							
Restricted:							
DOC-IGA	-	-	-	-	-	902	902
Streets and bicycle paths	-	284,837	-	822,008	-	31,434	1,138,279
Business development	-	-	1,064,911	-	-	-	1,064,911
System development	-	-	-	-	-	178,809	178,809
State revenue sharing	-	-	-	-	-	49,653	49,653
Committed:							
Viking Sal Senior Center	15,275	-	-	-	-	-	15,275
Health insurance	49,345	-	-	-	-	-	49,345
Community services	12,544	-	-	-	-	-	12,544
Building/equipment reserves	-	-	-	-	169,829	353,485	523,314
Unassigned	1,984,014	-	-	-	-	-	1,984,014
Total fund balances	<u>2,061,178</u>	<u>284,837</u>	<u>1,064,911</u>	<u>822,008</u>	<u>169,829</u>	<u>614,283</u>	<u>5,017,046</u>
Total liabilities and fund balances	<u>\$ 2,067,317</u>	<u>\$ 291,337</u>	<u>\$ 1,223,804</u>	<u>\$ 822,008</u>	<u>\$ 169,829</u>	<u>\$ 614,283</u>	<u>\$ 5,188,578</u>

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, 2013

	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	\$ 2,029,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,029,597
Franchise	365,198	-	-	-	-	-	365,198
Other	10,698	-	-	-	-	-	10,698
Licenses and permits	269,294	2,563	-	-	-	-	271,857
Intergovernmental	197,435	294,432	8,696	-	-	120,643	621,206
Charges for services	88,920	-	-	-	-	-	88,920
System development charges	29,479	-	-	209,139	-	102,200	340,818
Fines and penalties	193,021	-	-	-	-	-	193,021
Interest	12,617	1,567	5,376	3,825	1,417	3,962	28,764
Principal received - loan program	-	-	29,693	-	-	-	29,693
Interest received - loan program	-	-	7,816	-	-	-	7,816
Donations and special events	26,099	-	-	-	-	-	26,099
Other	62,793	1,628	-	-	-	10,563	74,984
Total Revenues	3,285,151	300,190	51,581	212,964	1,417	237,368	4,088,671
EXPENDITURES							
Current :							
General Government	830,997	-	-	-	184,205	305,083	1,320,285
Public Safety	1,710,160	-	-	-	-	86,662	1,796,822
Highways and Streets	-	274,130	-	-	-	7,587	281,717
Economic Development	-	-	5,810	-	-	-	5,810
Culture and Recreation	556,873	-	-	-	-	219,681	776,554
Total expenditures	3,098,030	274,130	5,810	-	184,205	619,013	4,181,188
Excess (deficiency) of revenues over (under) expenditures	187,121	26,060	45,771	212,964	(182,788)	(381,645)	(92,517)
OTHER FINANCING SOURCES (USES)							
Transfers in	12,645	-	-	-	-	181,485	194,130
Transfers out	(164,685)	(11,000)	-	-	-	(12,645)	(188,330)
Total other financing source (uses)	(152,040)	(11,000)	-	-	-	168,840	5,800
Net change in fund balances	35,081	15,060	45,771	212,964	(182,788)	(212,805)	(86,717)
Fund balances - beginning	2,026,097	269,777	1,019,140	609,044	352,617	827,088	5,103,763
Fund balances - ending	\$ 2,061,178	\$ 284,837	\$ 1,064,911	\$ 822,008	\$ 169,829	\$ 614,283	\$ 5,017,046

See accompanying notes to financial statements

CITY OF JUNCTION CITY, OREGON

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Taxes:				
Property	\$ 2,030,400	\$ 2,030,400	\$ 2,029,597	\$ (803)
Franchise	330,800	330,800	365,198	34,398
Other	10,000	10,000	10,698	698
Licenses and permits	122,900	250,900	269,294	18,394
Intergovernmental	179,100	179,100	178,875	(225)
Charges for services	81,600	81,600	81,824	224
Fines and penalties	228,000	228,000	193,021	(34,979)
Investment earnings	24,300	24,300	12,148	(12,152)
Donations and special events	200	200	110	(90)
Other	19,400	19,400	14,789	(4,611)
System development charges	14,500	14,500	29,479	14,979
Total revenues	<u>3,041,200</u>	<u>3,169,200</u>	<u>3,185,033</u>	<u>15,833</u>
Expenditures:				
Personal services	2,348,300	2,348,300	2,192,958	155,342
Materials and services	739,150	867,150	786,971	80,179
Contingency	50,000	4,000	-	4,000
Total expenditures	<u>3,137,450</u>	<u>3,219,450</u>	<u>2,979,929</u>	<u>239,521</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(96,250)</u>	<u>(50,250)</u>	<u>205,104</u>	<u>255,354</u>
Other financing sources (uses):				
Transfers in	41,800	41,800	6,800	(35,000)
Transfers out	<u>(117,000)</u>	<u>(163,000)</u>	<u>(163,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(75,200)</u>	<u>(121,200)</u>	<u>(156,200)</u>	<u>(35,000)</u>
Net change in fund balances	(171,450)	(171,450)	48,904	220,354
Fund balance:				
Beginning of year	<u>1,880,000</u>	<u>1,880,000</u>	<u>1,935,110</u>	<u>55,110</u>
End of year	<u>\$ 1,708,550</u>	<u>\$ 1,708,550</u>	<u>\$ 1,984,014</u>	<u>\$ 275,464</u>
Other funds included in General Fund Programs:				
Viking Sal Senior Center Fund			15,275	
Health Insurance Fund			49,345	
Community Services Center Fund			<u>12,544</u>	
Total General Fund Programs			<u>\$ 2,061,178</u>	

CITY OF JUNCTION CITY, OREGON

STREET FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Licenses and permits	\$ 1,200	\$ 1,200	\$ 2,563	\$ 1,363
Intergovernmental	302,600	302,600	294,432	(8,168)
Investment earnings	900	900	1,567	667
Other	<u>221,000</u>	<u>221,000</u>	<u>1,628</u>	<u>(219,372)</u>
Total revenues	<u>525,700</u>	<u>525,700</u>	<u>300,190</u>	<u>(225,510)</u>
Expenditures:				
Personal services	82,900	82,900	78,915	3,985
Materials and services	144,300	144,300	138,409	5,891
Capital outlay	260,000	260,000	56,806	203,194
Contingency	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total expenditures	<u>512,200</u>	<u>512,200</u>	<u>274,130</u>	<u>238,070</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,500</u>	<u>13,500</u>	<u>26,060</u>	<u>12,560</u>
Other financing sources (uses):				
Transfers out	<u>(11,000)</u>	<u>(11,000)</u>	<u>(11,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(11,000)</u>	<u>(11,000)</u>	<u>(11,000)</u>	<u>-</u>
Net change in fund balances	2,500	2,500	15,060	12,560
Fund balance:				
Beginning of year	<u>307,700</u>	<u>307,700</u>	<u>269,777</u>	<u>(37,923)</u>
End of year	<u>\$ 310,200</u>	<u>\$ 310,200</u>	<u>\$ 284,837</u>	<u>\$ (25,363)</u>

CITY OF JUNCTION CITY, OREGON

BUSINESS DEVELOPMENT LOAN FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 8,600	\$ 8,600	\$ 8,696	\$ 96
Investment earnings	44,400	44,400	42,885	(1,515)
Other	<u>400</u>	<u>400</u>	<u>-</u>	<u>(400)</u>
Total revenues	<u>53,400</u>	<u>53,400</u>	<u>51,581</u>	<u>(1,819)</u>
Expenditures:				
Materials and services	<u>808,000</u>	<u>808,000</u>	<u>5,810</u>	<u>802,190</u>
Total expenditures	<u>808,000</u>	<u>808,000</u>	<u>5,810</u>	<u>802,190</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(754,600)</u>	<u>(754,600)</u>	<u>45,771</u>	<u>800,371</u>
Other financing sources (uses):				
Net change in fund balances	(754,600)	(754,600)	45,771	800,371
Fund balance:				
Beginning of year	<u>1,008,500</u>	<u>1,008,500</u>	<u>1,019,140</u>	<u>10,640</u>
End of year	<u>\$ 253,900</u>	<u>\$ 253,900</u>	<u>\$ 1,064,911</u>	<u>\$ 811,011</u>

CITY OF JUNCTION CITY, OREGON

Statement of Net Position - Modified Cash Basis

Enterprise Funds

June 30, 2013

	Business-Type Activities			
	Water Funds	Sewer Funds	Sanitation Funds	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 188,517	\$ 6,310,271	\$ 309,568	\$ 6,808,356
Total current assets	188,517	6,310,271	309,568	6,808,356
Noncurrent assets:				
Total assets	\$ 188,517	\$ 6,310,271	\$ 309,568	\$ 6,808,356
LIABILITIES				
Current liabilities:				
Deposits and withholdings payable	\$ 25	\$ -	\$ -	\$ 25
Total current liabilities	25	-	-	25
NET POSITION				
Restricted for system development	74,562	2,457,000	-	2,531,562
Unrestricted	113,930	3,853,271	309,568	4,276,769
Total net position	188,492	6,310,271	309,568	6,808,331
Total liabilities and net position	\$ 188,517	\$ 6,310,271	\$ 309,568	\$ 6,808,356

CITY OF JUNCTION CITY, OREGON

Statement of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis
Enterprise Funds
For the Year Ended June 30, 2013

	Business-Type Activities			Total
	Water Funds	Sewer Funds	Sanitation Funds	
Operating revenues:				
Charges for services	\$ 850,006	\$ 1,330,265	\$ 726,989	\$ 2,907,260
Miscellaneous	51,699	5,211	20,453	77,363
DOC Reimbursements	<u>50,000</u>	<u>300,000</u>	<u>-</u>	<u>350,000</u>
Total operating revenues	<u>951,705</u>	<u>1,635,476</u>	<u>747,442</u>	<u>3,334,623</u>
Operating expenses:				
Personal services	515,424	542,855	339,799	1,398,078
Materials and services	<u>285,234</u>	<u>231,014</u>	<u>246,425</u>	<u>762,673</u>
Total operating expenses	<u>800,658</u>	<u>773,869</u>	<u>586,224</u>	<u>2,160,751</u>
Operating income (loss)	<u>151,047</u>	<u>861,607</u>	<u>161,218</u>	<u>1,173,872</u>
Nonoperating revenues (expenses):				
Investment earnings	2,279	37,598	1,554	41,431
Capital outlay	(334,693)	(1,404,174)	(236,080)	(1,974,947)
Debt service	<u>(22,027)</u>	<u>-</u>	<u>-</u>	<u>(22,027)</u>
Total nonoperating revenues (expenses)	<u>(354,441)</u>	<u>(1,366,576)</u>	<u>(234,526)</u>	<u>(1,955,543)</u>
Income (loss) before capital contributions and transfers	(203,394)	(504,969)	(73,308)	(781,671)
Capital contributions:				
System development charges	<u>48,085</u>	<u>376,586</u>	<u>-</u>	<u>424,671</u>
Transfers in	223,000	-	-	223,000
Transfers out	<u>(2,500)</u>	<u>(225,000)</u>	<u>(1,300)</u>	<u>(228,800)</u>
Total transfers	<u>220,500</u>	<u>(225,000)</u>	<u>(1,300)</u>	<u>(5,800)</u>
Change in net assets	65,191	(353,383)	(74,608)	(362,800)
Total net position- beginning	<u>123,301</u>	<u>6,663,654</u>	<u>384,176</u>	<u>7,171,131</u>
Total net position- ending	<u>\$ 188,492</u>	<u>\$ 6,310,271</u>	<u>\$ 309,568</u>	<u>\$ 6,808,331</u>

CITY OF JUNCTION CITY, OREGON

Statement of Cash Flows - Modified Cash Basis

Enterprise Funds

For the Year Ended June 30, 2013

	Business - Type Activities - Enterprise Funds			
	Water Funds	Sewer Funds	Sanitation Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 901,705	\$ 1,335,476	\$ 747,442	\$ 2,984,623
Intergovernmental receipts	50,000	300,000	-	350,000
Payments to suppliers	(285,234)	(231,014)	(246,425)	(762,673)
Payments to employees	(515,424)	(542,855)	(339,799)	(1,398,078)
Net cash provided (used) by operating activities	<u>151,047</u>	<u>861,607</u>	<u>161,218</u>	<u>1,173,872</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	223,000	-	-	223,000
Transfers out	(2,500)	(225,000)	(1,300)	(228,800)
Net cash provided (used) by noncapital financing activities	<u>220,500</u>	<u>(225,000)</u>	<u>(1,300)</u>	<u>(5,800)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(334,693)	(1,404,174)	(236,080)	(1,974,947)
System development charges	48,085	376,588	-	424,673
Debt payments	(22,027)	-	-	(22,027)
Net cash provided (used) by capital and related financing activities	<u>(308,635)</u>	<u>(1,027,586)</u>	<u>(236,080)</u>	<u>(1,572,301)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	<u>2,279</u>	<u>37,596</u>	<u>1,553</u>	<u>41,428</u>
Net change in cash and cash equivalents	65,191	(353,383)	(74,609)	(362,801)
Cash and cash equivalents - beginning	<u>123,326</u>	<u>6,663,654</u>	<u>384,177</u>	<u>7,171,157</u>
Cash and cash equivalents - ending	<u>\$ 188,517</u>	<u>\$ 6,310,271</u>	<u>\$ 309,568</u>	<u>\$ 6,808,356</u>

CITY OF JUNCTION CITY, OREGON

Statement of Fiduciary Net Position - Modified Cash Basis
Fiduciary Funds
June 30, 2013

	Private Purpose Trust Fund - Shop with a Cop Trust Fund	Municipal Court Agency Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ <u> 9,657</u>	\$ <u> 32,635</u>
LIABILITIES		
Fines and bails	\$ <u> -</u>	\$ <u> 32,635</u>
NET POSITION		
Held in trust	<u> 9,657</u>	<u> -</u>
Total liabilities and net position	\$ <u> 9,657</u>	\$ <u> 32,635</u>

CITY OF JUNCTION CITY, OREGON

Statement of Changes in Fiduciary Net Position - Modified Cash Basis
Fiduciary Funds
For the Year Ended June 30, 2013

	Private Purpose Trust Fund - Shop with a Cop Trust Fund
	<u> </u>
ADDITIONS	
Investment earnings	\$ 47
Donations and special events	2,050
Other	<u>1,610</u>
Total additions	<u>3,707</u>
 DEDUCTIONS	
Benefits	<u>1,504</u>
Change in net assets	2,203
Net position - beginning	<u>7,454</u>
Net position - ending	<u>\$ 9,657</u>

NOTES TO THE FINANCIAL STATEMENTS

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2013

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. 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. The City has a population of approximately 5,500, 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, 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, 2013

Note I - Summary of significant accounting policies, continued

C. 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 additional 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.

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

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

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

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 proprietary 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.

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 - Shop With A Cop Trust 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.

E. Change in accounting principle

As part of the requirements for the Government Finance Officers Association, Certificate of Conformance Program for Small Government Annual Financial Reports, the City's annual financial reports must be reported on a modified cash basis. In the past, capital assets were included in the Government Wide Statement of Net Position. This reporting of capital assets is not allowed under the rules of modified cash basis reporting. To accommodate this change, the beginning balance of net position on the Government Wide Statement of Activities-Modified Cash Basis, has been reduced by capital assets reported in the prior year (\$29,042,677 in Governmental Activities and \$14,910,964 in Business-type Activities). Only cash and cash equivalents, interfund receivables and payables, assets that normally convert to cash or cash equivalents and 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.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2013

Note I - Summary of significant accounting policies, continued**F. 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. Notes receivable /deferred inflow

The loans receivable balance is stated at the amount management expects to collect from borrowers. Management evaluates the credit risk of specific customers, historical trends, collateral, and other information relating to the notes receivable portfolio. At June 30, 2013, management believes uncollectible amounts are immaterial; accordingly, no allowance for doubtful accounts has been provided. The loans are offset by deferred inflows in the financial statements as the loans do not represent a current financial resource.

3. 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.

4. 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.

5. 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 government 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 government'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 an assigned fund balance at June 30, 2013.

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.

6. 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.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2013

Note I - Summary of significant accounting policies, continued

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

7. 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.

8. 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.

G. 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 public works fund are electric, 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.

H. 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, 2013

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 investments are booked at fair value which approximates cost. The LGIP investments are governed by a written investment policy that is reviewed annually by the Oregon Short-Term Fund Board. The Oregon Short-term Fund Board is comprised of members of local government and private investment professionals, who are appointed by the Governor of the State of Oregon.

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

Cash on hand	\$ 1,450		
Cash in banks	222,786		
LGIP	<u>11,637,444</u>		
Total	<u>\$ 11,861,680</u>		
		Government- wide	
	<u>Statements</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and cash equivalents	<u>\$ 11,819,388</u>	<u>\$ 42,292</u>	<u>\$ 11,861,680</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, 2013, 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 LGIP's portfolio concentration of credit risk at June 30, 2013 included: Corporate notes (47.7%), U.S. Government and Agency Securities (42.1%), Commercial Paper (0.1%), Non US Government Debt (5.2%), Municipal Bonds (4.2%), and Certificates of Deposits (0.7%). The credit risk associated with the investments was: AAA rating (0.1%), AA rating (28.8), A rating (34.6%), BBB rating (7.8%), and not rated (28.7%).

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. The Oregon State Treasurer maintains the Oregon Short Term Fund (OSTF), of which the Local Government Investment Pool (LGIP) is a part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, funds are invested using the prudent investor rule, exercising reasonable care, skill and caution. LGIP was created to offer a short-term investment alternative to Oregon local governments and it is not registered with the U.S. Securities and Exchange Commission. The investments are regulated by OSTF and approved by the Oregon Investment Council (ORS 294.805 to 294.895). At June 30, 2013, the fair value of the City's deposits with the LGIP approximates cost. The OSTF financial statements are available at <http://www.ost.state.or.us/>.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2013

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, 2013, activity in the Business Development Loan Fund was as follows:

	<u>Balance at beginning of year</u>	<u>Default</u>	<u>Principal received</u>	<u>Balance at end of year</u>
Business development loan receivables	\$ 188,586	\$ -	\$ 29,693	\$ 158,893

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>Water</u>	
General fund programs	\$ -	\$ 164,685	\$ -	\$ 164,685
Street fund	-	11,000	-	11,000
Nonmajor governmental funds	12,645	-	-	12,645
Water fund	-	2,500	-	2,500
Sewer fund	-	2,000	223,000	225,000
Sanitation fund	-	1,300	-	1,300
	-	-	-	-
Total	\$ 12,645	\$ 181,485	\$ 223,000	\$ 417,130

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 Sewer fund transferred \$223,000 to the Water fund which is expected to be transferred back in future periods.

D. Leases

Operating 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.

E. Long-term debt

The State of Oregon - Water

On July 14, 1993, the City entered into a special Public Works Fund Financial Assistance Award Contract with the State of Oregon through the State's Economic Development Department. The original loan (\$250,000) required annual payments of \$22,027 amortized over 20 years at an interest rate of 6.13%. The debt service is reported in the Water System Improvement Fund and was paid in full during the year including \$20,755 of principal and \$1,272 of interest.

CITY OF JUNCTION CITY, OREGON

Notes to the Financial Statements

June 30, 2013

Note III - Other information

A. Employee retirement system and pension plan

Plan Description/Funding Policies - The City is a participating employer in the Oregon Public Employees Retirement System (OPERS), which provides statewide defined benefit and defined contribution retirement plans for units of state government, political subdivisions, community colleges, and school districts. OPERS is administered under Oregon Revised Statutes Chapter 238, and Internal Revenue Code Section 401(a) by the Oregon Public Employees Retirement Board (OPERB).

Cities, counties, and special districts that participate in OPERS may choose to join the State and Local Government Rate Pool (SLGRP). State agencies, community colleges, and public institutions of higher education are required by law to be part of the pool. All Oregon school districts are required by law to be part of a separate school district pool. Pooling allows separate employers to be part of one group for the purpose of determining employer pension costs and contribution rates. Pool participants share pension assets and future pension liabilities and surpluses. Employers in the pool jointly fund the future pension costs of all of the pooled participants. The City has elected to join the SLGRP. For members of the SLGRP, OPERS is a cost-sharing, multiple-employer plan.

OPERS, a component unit of the State of Oregon, issues a comprehensive annual financial report, which may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, Oregon 97281, by calling (503) 598-7377, or by accessing the PERS web site at <http://oregon.gov/PERS/>.

City employees participate in one or more OPERS retirement plans that provide pension, death, disability, and post-employment healthcare benefits to members and their beneficiaries:

- PERS (Public Employee Retirement System) is a defined benefit pension plan provided to members or their beneficiaries who were hired prior to August 29, 2003. In 1995, the Legislature enacted a second level or "tier" of PERS benefits for persons who established PERS membership on or after January 1, 1996. These Tier Two members do not have the Tier One assumed earnings rate guarantee, and have a higher normal retirement age of 60, compared to 58 for Tier One. Employer contributions to PERS are required by state statute and are made at actuarially determined rates as adopted by the OPERB. The City's current annual required contribution rate of 14.88% was based on a December 31, 2009 actuarial evaluation. The most recent actuarial valuation was prepared as of December 31, 2011. Effective July 2013, the rate will be 20.01%.
- OPSRP (Oregon Public Service Retirement Plan) is a hybrid retirement plan with two components: a defined benefit pension plan and a defined contribution pension plan.

The defined benefit pension plan is provided to members or their beneficiaries who were hired on or after August 29, 2003. Employer contributions are required by state statute and are made at actuarially determined rates as adopted by the OPERB. The City's current required contribution rates for the OPSRP defined benefit pension plan are 10.41% for general service employees and 13.12% for police and fire employees. Effective July 2013, the rate will be 14.84% for general service employees and 17.57% for police and fire employees.

The defined contribution pension plan (called the Individual Account Program, or IAP) is provided to all members or their beneficiaries who are PERS or OPSRP eligible. State statutes require covered employees to contribute 6% of their annual covered salary to the IAP plan effective January 1, 2004. The City has elected to contribute the 6% "pick-up" of \$131,930 for the year ended June 30, 2013. Plan members of PERS retain their existing PERS accounts, but member contributions beginning in 2004 are deposited in the member's IAP, not into the member's PERS account.

Annual Pension Cost - All participating employers are required by law to submit the contributions as adopted by the OPERB. The City's contributions, exclusive the 6% "pick-up" for the years ending June 30, 2013, 2012 and 2011, were \$295,061, \$293,077, and \$205,878 respectively, equal to the required contributions for each year.

B. 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.

SUPPLEMENTARY AND OTHER INFORMATION ACCOMPANYING THE BASIC FINANCIAL STATEMENTS

General Fund Programs

- General Fund
- Viking Sal Senior Center Fund
- Health Insurance Fund
- Cumulative Law Enforcement Reserve Fund
- Community Center Fund

CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis
 General Fund Programs
 June 30, 2013

	General Fund	Viking Sal Senior Center Fund	Health Insurance Fund	Cumulative Law Enforcement Reserve	Community Center Fund	Total General Fund Programs
Cash and cash equivalents	\$ 1,971,500	\$ 15,275	\$ 49,345	\$ -	\$ 12,544	\$ 2,048,664
Developer advances	<u>18,653</u>	-	-	-	-	<u>18,653</u>
Total assets	<u>\$ 1,990,153</u>	<u>\$ 15,275</u>	<u>\$ 49,345</u>	<u>\$ -</u>	<u>\$ 12,544</u>	<u>\$ 2,067,317</u>

ASSETS

LIABILITIES AND FUND BALANCES:

Liabilities:

Due to others

\$ 6,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,139
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Fund balances:

Committed

Unassigned

Total fund balances

Total liabilities and fund balances

-	15,275	49,345	-	12,544	77,164
<u>1,984,014</u>	-	-	-	-	<u>1,984,014</u>
<u>1,984,014</u>	<u>15,275</u>	<u>49,345</u>	<u>-</u>	<u>12,544</u>	<u>2,061,178</u>
<u>\$ 1,990,153</u>	<u>\$ 15,275</u>	<u>\$ 49,345</u>	<u>\$ -</u>	<u>\$ 12,544</u>	<u>\$ 2,067,317</u>

CITY OF JUNCTION CITY, OREGON

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

General Fund Programs

For the Year Ended June 30, 2013

	General Fund	Viking Sal Senior Center Fund	Health Insurance Fund	Cumulative Law Enforcement Reserve	Community Center Fund	Total General Fund Programs
REVENUES						
Taxes	\$ 2,405,493	\$ -	\$ -	\$ -	\$ -	\$ 2,405,493
Licenses and permits	269,294	-	-	-	-	269,294
Intergovernmental	178,875	17,650	-	-	910	197,435
Charges for services	81,824	7,096	-	-	-	88,920
System development charges	29,479	-	-	-	-	29,479
Fines and penalties	193,021	-	-	-	-	193,021
Investment earnings	12,148	98	276	-	95	12,617
Donations and special events	110	21,446	-	-	4,543	26,099
Other	14,789	18,273	-	-	29,731	62,793
Total revenues	<u>3,185,033</u>	<u>64,563</u>	<u>276</u>	<u>-</u>	<u>35,279</u>	<u>3,285,151</u>
EXPENDITURES						
Current						
General Government	771,947	-	-	-	59,050	830,997
Public Safety	1,710,160	-	-	-	-	1,710,160
Culture and Recreation	497,822	59,051	-	-	-	556,873
Total expenditures	<u>2,979,929</u>	<u>59,051</u>	<u>-</u>	<u>-</u>	<u>59,050</u>	<u>3,098,030</u>
Excess (deficiency) of revenues over (under) expenditures	205,104	5,512	276	-	(23,771)	187,121
OTHER FINANCING SOURCES (USES)						
Transfers in	6,800	2,645	-	-	10,000	19,445
Transfers out	(163,000)	(6,800)	-	(1,685)	-	(171,485)
Total other financing sources (uses)	<u>(156,200)</u>	<u>(4,155)</u>	<u>-</u>	<u>(1,685)</u>	<u>10,000</u>	<u>(152,040)</u>
Net change in fund balances	48,904	1,357	276	(1,685)	(13,771)	35,081
Fund balances - beginning	1,935,110	13,918	49,069	1,685	26,315	2,026,097
Fund balances - ending	<u>\$ 1,984,014</u>	<u>\$ 15,275</u>	<u>\$ 49,345</u>	<u>\$ -</u>	<u>\$ 12,544</u>	<u>\$ 2,061,178</u>

CITY OF JUNCTION CITY, OREGON

VIKING SAL SENIOR CENTER FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 23,100	\$ 23,100	\$ 17,650	\$ (5,450)
Charges for services	8,500	8,500	7,096	(1,404)
Investment earnings	100	100	98	(2)
Donations and special events	24,600	24,600	21,446	(3,154)
Other	<u>12,100</u>	<u>12,100</u>	<u>18,273</u>	<u>6,173</u>
Total revenues	<u>68,400</u>	<u>68,400</u>	<u>64,563</u>	<u>(3,837)</u>
Expenditures:				
Personal services	18,900	18,900	17,763	1,137
Materials and services	<u>50,300</u>	<u>50,300</u>	<u>41,288</u>	<u>9,012</u>
Total expenditures	<u>69,200</u>	<u>69,200</u>	<u>59,051</u>	<u>10,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(800)</u>	<u>(800)</u>	<u>5,512</u>	<u>6,312</u>
Other financing sources (uses):				
Transfers in	3,200	3,200	2,645	(555)
Transfers out	<u>(6,800)</u>	<u>(6,800)</u>	<u>(6,800)</u>	<u>-</u>
Total other financing sources (uses)	<u>(3,600)</u>	<u>(3,600)</u>	<u>(4,155)</u>	<u>(555)</u>
Net change in fund balances	(4,400)	(4,400)	1,357	5,757
Fund balance:				
Beginning of year	<u>12,100</u>	<u>12,100</u>	<u>13,918</u>	<u>1,818</u>
End of year	<u>\$ 7,700</u>	<u>\$ 7,700</u>	<u>\$ 15,275</u>	<u>\$ 7,575</u>

CITY OF JUNCTION CITY, OREGON

HEALTH INSURANCE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 276</u>	<u>\$ 76</u>
Total revenues	<u> 200</u>	<u> 200</u>	<u> 276</u>	<u> 76</u>
Expenditures:				
Excess (deficiency) of revenues over (under) expenditures	<u> 200</u>	<u> 200</u>	<u> 276</u>	<u> 76</u>
Other financing sources (uses):				
Net change in fund balances	200	200	276	76
Fund balance:				
Beginning of year	<u> 47,900</u>	<u> 47,900</u>	<u> 49,069</u>	<u> 1,169</u>
End of year	<u>\$ 48,100</u>	<u>\$ 48,100</u>	<u>\$ 49,345</u>	<u>\$ 1,245</u>

CITY OF JUNCTION CITY, OREGON

CUMULATIVE LAW ENFORCEMENT RESERVE

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Expenditures:				
Other financing sources (uses):				
Transfers out	<u>(1,700)</u>	<u>(1,700)</u>	<u>(1,685)</u>	<u>15</u>
Total other financing sources (uses)	<u>(1,700)</u>	<u>(1,700)</u>	<u>(1,685)</u>	<u>15</u>
Net change in fund balances	(1,700)	(1,700)	(1,685)	15
Fund balance:				
Beginning of year	<u>1,700</u>	<u>1,700</u>	<u>1,685</u>	<u>(15)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF JUNCTION CITY, OREGON

COMMUNITY CENTER FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 1,800	\$ 1,800	\$ 910	\$ (890)
Investment earnings	100	100	95	(5)
Donations and special events	5,000	5,000	4,543	(457)
Other	<u>33,700</u>	<u>33,700</u>	<u>29,731</u>	<u>(3,969)</u>
Total revenues	<u>40,600</u>	<u>40,600</u>	<u>35,279</u>	<u>(5,321)</u>
Expenditures:				
Personal services	35,200	35,200	24,504	10,696
Materials and services	<u>39,800</u>	<u>39,800</u>	<u>34,546</u>	<u>5,254</u>
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>59,050</u>	<u>15,950</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(34,400)</u>	<u>(34,400)</u>	<u>(23,771)</u>	<u>10,629</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	(24,400)	(24,400)	(13,771)	10,629
Fund balance:				
Beginning of year	<u>24,800</u>	<u>24,800</u>	<u>26,315</u>	<u>1,515</u>
End of year	<u>\$ 400</u>	<u>\$ 400</u>	<u>\$ 12,544</u>	<u>\$ 12,144</u>

**Nonmajor Governmental Funds
Combining Statements**

CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

Nonmajor Governmental Funds

June 30, 2013

	<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	\$ 564,630	\$ 49,653	\$ 614,283
FUND BALANCES			
Restricted	211,145	49,653	260,798
Committed	<u>353,485</u>	<u>-</u>	<u>353,485</u>
Total fund balances	<u>\$ 564,630</u>	<u>\$ 49,653</u>	<u>\$ 614,283</u>

CITY OF JUNCTION CITY, OREGON

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

Nonmajor Governmental Funds

For the Year Ended June 30, 2013

	Total Nonmajor Capital Project Funds	Total Nonmajor Special Fund -State Revenue Sharing Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental	\$ 72,631	\$ 48,012	\$ 120,643
System development charges	102,200	-	102,200
Investment earnings	3,733	229	3,962
Other	10,563	-	10,563
	<u>189,127</u>	<u>48,241</u>	<u>237,368</u>
Total revenues			
EXPENDITURES			
Current			
General Government	305,083	-	305,083
Public Safety	86,662	-	86,662
Highways and Streets	7,587	-	7,587
Economic Development	-	-	-
Culture and Recreation	219,681	-	219,681
	<u>619,013</u>	<u>-</u>	<u>619,013</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(429,886)</u>	<u>48,241</u>	<u>(381,645)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	227,087	-	227,087
Transfers out	<u>(3,247)</u>	<u>(55,000)</u>	<u>(58,247)</u>
Total other financing sources (uses)	<u>223,840</u>	<u>(55,000)</u>	<u>168,840</u>
Net change in fund balances	(206,046)	(6,759)	(212,805)
Fund balances - beginning	<u>770,676</u>	<u>56,412</u>	<u>827,088</u>
Fund balances - ending	<u>\$ 564,630</u>	<u>\$ 49,653</u>	<u>\$ 614,283</u>

Capital Projects Funds

CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

Nonmajor Capital Project Funds

June 30, 2013

	<u>PW Building/Yard Reserve Fund</u>	<u>Viking Sal Capital Reserve</u>	<u>Police Vehicle & Equip Reserve Fund</u>	<u>Prairie Road Street Improvement Reserve Fund</u>	<u>Library Equip. & Build. Reserve Fund</u>
ASSETS					
Cash and cash equivalents	<u>\$ 28,638</u>	<u>\$ -</u>	<u>\$ 15,813</u>	<u>\$ 243,028</u>	<u>\$ 3,450</u>
FUND BALANCES					
Restricted	-	-	-	-	-
Committed	<u>28,638</u>	<u>-</u>	<u>15,813</u>	<u>243,028</u>	<u>3,450</u>
Total fund balances	<u>\$ 28,638</u>	<u>\$ -</u>	<u>\$ 15,813</u>	<u>\$ 243,028</u>	<u>\$ 3,450</u>

Continued

CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis
 Nonmajor Capital Project Funds
 June 30, 2013

	Administration Vehicle Reserve	Park and Pool Equipment Reserve Fund	Bike Path Reserve Fund	Park System Development Fund	Computer Equipment Reserve Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS					
Cash and cash equivalents	\$ 7,081	\$ 17,436	\$ 31,434	\$ 178,809	\$ 8,257
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES					
Restricted	-	-	31,434	178,809	-
Committed	7,081	17,436	-	-	8,257
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>\$ 7,081</u>	<u>\$ 17,436</u>	<u>\$ 31,434</u>	<u>\$ 178,809</u>	<u>\$ 8,257</u>

CITY OF JUNCTION CITY, OREGON

Combining Balance Sheet - Modified Cash Basis

Nonmajor Capital Project Funds

June 30, 2013

	DOC-IGA Infrastructure Capital Project	Street Equipment Reserve Fund	Police Defibrillator Trust	Total Nonmajor Capital Project Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash and cash equivalents	\$ 902	\$ 29,782	\$ -	\$ 564,630
FUND BALANCES				
Restricted	902	-	-	211,145
Committed	<u> -</u>	<u> 29,782</u>	<u> -</u>	<u> 353,485</u>
Total fund balances	<u>\$ 902</u>	<u>\$ 29,782</u>	<u>\$ -</u>	<u>\$ 564,630</u>

CITY OF JUNCTION CITY, OREGON

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

Nonmajor Capital Project Funds

For the Year Ended June 30, 2013

	PW Building/Yard Reserve Fund	Viking Sal Capital Reserve	Police Vehicle & Equip Reserve Fund	Prairie Road Street Improvement Reserve Fund	Library Equip. & Build. Reserve Fund
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
System development charges	-	-	-	-	-
Investment earnings	631	-	44	1,350	24
Donations and special events	-	-	-	-	-
Other	-	-	9,883	-	-
Total revenues	<u>631</u>	<u>-</u>	<u>9,927</u>	<u>1,350</u>	<u>24</u>
EXPENDITURES					
Current:					
General Government	9,663	-	-	-	-
Public Safety	-	-	86,662	-	-
Highways and Streets	-	-	-	-	-
Economic Development	-	-	-	-	-
Culture and Recreation	-	-	-	-	1,217
Total expenditures	<u>9,663</u>	<u>-</u>	<u>86,662</u>	<u>-</u>	<u>1,217</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,032)</u>	<u>-</u>	<u>(76,735)</u>	<u>1,350</u>	<u>(1,193)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	4,000	-	87,287	-	1,000
Transfers out	-	(2,645)	-	-	-
Total other financing sources (uses)	<u>4,000</u>	<u>(2,645)</u>	<u>87,287</u>	<u>-</u>	<u>1,000</u>
Net change in fund balances	(5,032)	(2,645)	10,552	1,350	(193)
Fund balances - beginning	<u>33,670</u>	<u>2,645</u>	<u>5,261</u>	<u>241,678</u>	<u>3,643</u>
Fund balances - ending	<u>\$ 28,638</u>	<u>\$ -</u>	<u>\$ 15,813</u>	<u>\$ 243,028</u>	<u>\$ 3,450</u>

Continued

CITY OF JUNCTION CITY, OREGON

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

Nonmajor Capital Project Funds

For the Year Ended June 30, 2013

	Administration Vehicle Reserve	Park and Pool Equipment Reserve Fund	Bike Path Reserve Fund	Park System Development Fund	Computer Equipment Reserve Fund
REVENUES					
Intergovernmental	\$ -	\$ 33,200	\$ 2,974	\$ -	\$ -
System development charges	-	-	-	102,200	-
Investment earnings	37	84	167	1,228	20
Donations and special events	-	-	-	-	-
Other	-	680	-	-	-
Total revenues	<u>37</u>	<u>33,964</u>	<u>3,141</u>	<u>103,428</u>	<u>20</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	34,630
Public Safety	-	-	-	-	-
Highways and Streets	-	-	-	-	-
Economic Development	-	-	-	-	-
Culture and Recreation	-	74,487	-	143,977	-
Total expenditures	<u>-</u>	<u>74,487</u>	<u>-</u>	<u>143,977</u>	<u>34,630</u>
Excess (deficiency) of revenues over (under) expenditures	<u>37</u>	<u>(40,523)</u>	<u>3,141</u>	<u>(40,549)</u>	<u>(34,610)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	44,000	-	-	34,800
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>44,000</u>	<u>-</u>	<u>-</u>	<u>34,800</u>
Net change in fund balances	37	3,477	3,141	(40,549)	190
Fund balances - beginning	<u>7,044</u>	<u>13,959</u>	<u>28,293</u>	<u>219,358</u>	<u>8,067</u>
Fund balances - ending	<u>\$ 7,081</u>	<u>\$ 17,436</u>	<u>\$ 31,434</u>	<u>\$ 178,809</u>	<u>\$ 8,257</u>

Continued

CITY OF JUNCTION CITY, OREGON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis
 Nonmajor Capital Project Funds
 For the Year Ended June 30, 2013

	DOC-IGA Infrastructure Capital Project	Street Equipment Reserve Fund	Police Defibrillator Trust	Total Nonmajor Capital Project Funds
REVENUES				
Intergovernmental	\$ 36,457	\$ -	\$ -	\$ 72,631
System development charges	-	-	-	102,200
Investment earnings	-	148	-	3,733
Donations and special events	-	-	-	-
Other	-	-	-	10,563
Total revenues	<u>36,457</u>	<u>148</u>	<u>-</u>	<u>189,127</u>
EXPENDITURES				
Current				
General Government	260,790	-	-	305,083
Public Safety	-	-	-	86,662
Highways and Streets	-	7,587	-	7,587
Economic Development	-	-	-	-
Culture and Recreation	-	-	-	219,681
Total expenditures	<u>260,790</u>	<u>7,587</u>	<u>-</u>	<u>619,013</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(224,333)</u>	<u>(7,439)</u>	<u>-</u>	<u>(429,886)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	46,000	10,000	-	227,087
Transfers out	-	-	(602)	(3,247)
Total other financing sources (uses)	<u>46,000</u>	<u>10,000</u>	<u>(602)</u>	<u>223,840</u>
Net change in fund balances	(178,333)	2,561	(602)	(206,046)
Fund balances - beginning	<u>179,235</u>	<u>27,221</u>	<u>602</u>	<u>770,676</u>
Fund balances - ending	<u>\$ 902</u>	<u>\$ 29,782</u>	<u>\$ -</u>	<u>\$ 564,630</u>

CITY OF JUNCTION CITY, OREGON

PW BUILDING/YARD RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 631</u>	<u>\$ 431</u>
Total revenues	<u> 200</u>	<u> 200</u>	<u> 631</u>	<u> 431</u>
Expenditures:				
Capital outlay	<u> 13,000</u>	<u> 13,000</u>	<u> 9,663</u>	<u> 3,337</u>
Total expenditures	<u> 13,000</u>	<u> 13,000</u>	<u> 9,663</u>	<u> 3,337</u>
Excess (deficiency) of revenues over (under) expenditures	<u> (12,800)</u>	<u> (12,800)</u>	<u> (9,032)</u>	<u> 3,768</u>
Other financing sources (uses):				
Transfers in	<u> 4,000</u>	<u> 4,000</u>	<u> 4,000</u>	<u> -</u>
Total other financing sources (uses)	<u> 4,000</u>	<u> 4,000</u>	<u> 4,000</u>	<u> -</u>
Net change in fund balances	<u> (8,800)</u>	<u> (8,800)</u>	<u> (5,032)</u>	<u> 3,768</u>
Fund balance:				
Beginning of year	<u> 33,600</u>	<u> 33,600</u>	<u> 33,670</u>	<u> 70</u>
End of year	<u><u>\$ 24,800</u></u>	<u><u>\$ 24,800</u></u>	<u><u>\$ 28,638</u></u>	<u><u>\$ 3,838</u></u>

CITY OF JUNCTION CITY, OREGON

VIKING SAL CAPITAL RESERVE

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Expenditures:				
Other financing sources (uses):				
Transfers out	<u>(3,200)</u>	<u>(3,200)</u>	<u>(2,645)</u>	<u>555</u>
Total other financing sources (uses)	<u>(3,200)</u>	<u>(3,200)</u>	<u>(2,645)</u>	<u>555</u>
Net change in fund balances	(3,200)	(3,200)	(2,645)	555
Fund balance:				
Beginning of year	<u>3,200</u>	<u>3,200</u>	<u>2,645</u>	<u>(555)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF JUNCTION CITY, OREGON

POLICE VEHICLE & EQUIP RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 44	\$ (56)
Other	<u>8,000</u>	<u>8,000</u>	<u>9,883</u>	<u>1,883</u>
Total revenues	<u>8,100</u>	<u>8,100</u>	<u>9,927</u>	<u>1,827</u>
Expenditures:				
Capital outlay	<u>96,300</u>	<u>96,300</u>	<u>86,662</u>	<u>9,638</u>
Total expenditures	<u>96,300</u>	<u>96,300</u>	<u>86,662</u>	<u>9,638</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(88,200)</u>	<u>(88,200)</u>	<u>(76,735)</u>	<u>11,465</u>
Other financing sources (uses):				
Transfers in	<u>87,400</u>	<u>87,400</u>	<u>87,287</u>	<u>(113)</u>
Total other financing sources (uses)	<u>87,400</u>	<u>87,400</u>	<u>87,287</u>	<u>(113)</u>
Net change in fund balances	(800)	(800)	10,552	11,352
Fund balance:				
Beginning of year	<u>1,600</u>	<u>1,600</u>	<u>5,261</u>	<u>3,661</u>
End of year	<u>\$ 800</u>	<u>\$ 800</u>	<u>\$ 15,813</u>	<u>\$ 15,013</u>

CITY OF JUNCTION CITY, OREGON

PRAIRIE ROAD STREET IMPROVEMENT RESERVE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 1,100	\$ 1,100	\$ 1,350	\$ 250
Total revenues	<u>1,100</u>	<u>1,100</u>	<u>1,350</u>	<u>250</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>(216,900)</u>	<u>(216,900)</u>	<u>1,350</u>	<u>218,250</u>
Other financing sources (uses):				
Net change in fund balances	(216,900)	(216,900)	1,350	218,250
Fund balance:				
Beginning of year	<u>241,400</u>	<u>241,400</u>	<u>241,678</u>	<u>278</u>
End of year	<u>\$ 24,500</u>	<u>\$ 24,500</u>	<u>\$ 243,028</u>	<u>\$ 218,528</u>

CITY OF JUNCTION CITY, OREGON

LIBRARY EQUIP. & BUILD. RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 24	\$ (76)
Total revenues	<u>100</u>	<u>100</u>	<u>24</u>	<u>(76)</u>
Expenditures:				
Materials and services	2,500	2,500	217	2,283
Capital outlay	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>1,217</u>	<u>2,283</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,400)</u>	<u>(3,400)</u>	<u>(1,193)</u>	<u>2,207</u>
Other financing sources (uses):				
Transfers in	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total other financing sources (uses)	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net change in fund balances	(2,400)	(2,400)	(193)	2,207
Fund balance:				
Beginning of year	<u>3,200</u>	<u>3,200</u>	<u>3,643</u>	<u>443</u>
End of year	<u>\$ 800</u>	<u>\$ 800</u>	<u>\$ 3,450</u>	<u>\$ 2,650</u>

CITY OF JUNCTION CITY, OREGON

ADMINISTRATION VEHICLE RESERVE

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 37</u>
Total revenues	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
Expenditures:				
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
Other financing sources (uses):				
Net change in fund balances	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
Fund balance:				
Beginning of year	<u>7,100</u>	<u>7,100</u>	<u>7,044</u>	<u>(56)</u>
End of year	<u>\$ 7,100</u>	<u>\$ 7,100</u>	<u>\$ 7,081</u>	<u>\$ (19)</u>

CITY OF JUNCTION CITY, OREGON

PARK AND POOL EQUIPMENT RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 33,200	\$ 33,200	\$ 33,200	\$ -
Investment earnings	100	100	84	(16)
Other	-	-	680	680
Total revenues	<u>33,300</u>	<u>33,300</u>	<u>33,964</u>	<u>664</u>
Expenditures:				
Capital outlay	<u>90,200</u>	<u>90,200</u>	<u>74,487</u>	<u>15,713</u>
Total expenditures	<u>90,200</u>	<u>90,200</u>	<u>74,487</u>	<u>15,713</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(56,900)</u>	<u>(56,900)</u>	<u>(40,523)</u>	<u>16,377</u>
Other financing sources (uses):				
Transfers in	<u>44,000</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Total other financing sources (uses)	<u>44,000</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Net change in fund balances	(12,900)	(12,900)	3,477	16,377
Fund balance:				
Beginning of year	<u>13,500</u>	<u>13,500</u>	<u>13,959</u>	<u>459</u>
End of year	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ 17,436</u>	<u>\$ 16,836</u>

CITY OF JUNCTION CITY, OREGON

BIKE PATH RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 3,100	\$ 3,100	\$ 2,974	\$ (126)
Investment earnings	100	100	167	67
Total revenues	<u>3,200</u>	<u>3,200</u>	<u>3,141</u>	<u>(59)</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>(6,900)</u>	<u>(6,900)</u>	<u>3,141</u>	<u>10,041</u>
Other financing sources (uses):				
Net change in fund balances	(6,900)	(6,900)	3,141	10,041
Fund balance:				
Beginning of year	<u>28,300</u>	<u>28,300</u>	<u>28,293</u>	<u>(7)</u>
End of year	<u>\$ 21,400</u>	<u>\$ 21,400</u>	<u>\$ 31,434</u>	<u>\$ 10,034</u>

CITY OF JUNCTION CITY, OREGON

PARK SYSTEM DEVELOPMENT FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 1,500	\$ 1,500	\$ 1,228	\$ (272)
System development charges	<u>51,100</u>	<u>51,100</u>	<u>102,200</u>	<u>51,100</u>
Total revenues	<u>52,600</u>	<u>52,600</u>	<u>103,428</u>	<u>50,828</u>
Expenditures:				
Materials and services	5,000	5,000	-	5,000
Capital outlay	<u>160,000</u>	<u>160,000</u>	<u>143,977</u>	<u>16,023</u>
Total expenditures	<u>165,000</u>	<u>165,000</u>	<u>143,977</u>	<u>21,023</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(112,400)</u>	<u>(112,400)</u>	<u>(40,549)</u>	<u>71,851</u>
Other financing sources (uses):				
Net change in fund balances	(112,400)	(112,400)	(40,549)	71,851
Fund balance:				
Beginning of year	<u>176,400</u>	<u>176,400</u>	<u>219,358</u>	<u>42,958</u>
End of year	<u>\$ 64,000</u>	<u>\$ 64,000</u>	<u>\$ 178,809</u>	<u>\$ 114,809</u>

CITY OF JUNCTION CITY, OREGON

COMPUTER EQUIPMENT RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 20</u>	<u>\$ (80)</u>
Total revenues	<u>100</u>	<u>100</u>	<u>20</u>	<u>(80)</u>
Expenditures:				
Materials and services	<u>31,700</u>	<u>31,700</u>	<u>31,359</u>	<u>341</u>
Capital outlay	<u>8,000</u>	<u>8,000</u>	<u>3,271</u>	<u>4,729</u>
Total expenditures	<u>39,700</u>	<u>39,700</u>	<u>34,630</u>	<u>5,070</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39,600)</u>	<u>(39,600)</u>	<u>(34,610)</u>	<u>4,990</u>
Other financing sources (uses):				
Transfers in	<u>34,800</u>	<u>34,800</u>	<u>34,800</u>	<u>-</u>
Total other financing sources (uses)	<u>34,800</u>	<u>34,800</u>	<u>34,800</u>	<u>-</u>
Net change in fund balances	<u>(4,800)</u>	<u>(4,800)</u>	<u>190</u>	<u>4,990</u>
Fund balance:				
Beginning of year	<u>5,400</u>	<u>5,400</u>	<u>8,067</u>	<u>2,667</u>
End of year	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ 8,257</u>	<u>\$ 7,657</u>

CITY OF JUNCTION CITY, OREGON

DOC-IGA INFRASTRUCTURE CAPITAL PROJECT

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	<u>\$ 1,006,800</u>	<u>\$ 1,006,800</u>	<u>\$ 36,457</u>	<u>\$ (970,343)</u>
Total revenues	<u>1,006,800</u>	<u>1,006,800</u>	<u>36,457</u>	<u>(970,343)</u>
Expenditures:				
Capital outlay	<u>1,631,600</u>	<u>1,677,600</u>	<u>260,790</u>	<u>1,416,810</u>
Total expenditures	<u>1,631,600</u>	<u>1,677,600</u>	<u>260,790</u>	<u>1,416,810</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(624,800)</u>	<u>(670,800)</u>	<u>(224,333)</u>	<u>446,467</u>
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>46,000</u>	<u>46,000</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>46,000</u>	<u>46,000</u>	<u>-</u>
Net change in fund balances	<u>(624,800)</u>	<u>(624,800)</u>	<u>(178,333)</u>	<u>446,467</u>
Fund balance:				
Beginning of year	<u>624,800</u>	<u>624,800</u>	<u>179,235</u>	<u>(445,565)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 902</u>	<u>\$ 902</u>

CITY OF JUNCTION CITY, OREGON

STREET EQUIPMENT RESERVE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 148</u>	<u>\$ (52)</u>
Total revenues	<u> 200</u>	<u> 200</u>	<u> 148</u>	<u> (52)</u>
Expenditures:				
Capital outlay	<u> 11,000</u>	<u> 11,000</u>	<u> 7,587</u>	<u> 3,413</u>
Total expenditures	<u> 11,000</u>	<u> 11,000</u>	<u> 7,587</u>	<u> 3,413</u>
Excess (deficiency) of revenues over (under) expenditures	<u> (10,800)</u>	<u> (10,800)</u>	<u> (7,439)</u>	<u> 3,361</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	<u> (800)</u>	<u> (800)</u>	<u> 2,561</u>	<u> 3,361</u>
Fund balance:				
Beginning of year	<u> 42,600</u>	<u> 42,600</u>	<u> 27,221</u>	<u> (15,379)</u>
End of year	<u><u>\$ 41,800</u></u>	<u><u>\$ 41,800</u></u>	<u><u>\$ 29,782</u></u>	<u><u>\$ (12,018)</u></u>

CITY OF JUNCTION CITY, OREGON

POLICE DEFIBRILLATOR TRUST

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Expenditures:				
Other financing sources (uses):				
Transfers out	<u>(700)</u>	<u>(700)</u>	<u>(602)</u>	<u>98</u>
Total other financing sources (uses)	<u>(700)</u>	<u>(700)</u>	<u>(602)</u>	<u>98</u>
Net change in fund balances	(700)	(700)	(602)	98
Fund balance:				
Beginning of year	<u>700</u>	<u>700</u>	<u>602</u>	<u>(98)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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 (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 2,600	\$ 2,600	\$ 3,825	\$ 1,225
System development charges	<u>27,900</u>	<u>27,900</u>	<u>209,139</u>	<u>181,239</u>
Total revenues	<u>30,500</u>	<u>30,500</u>	<u>212,964</u>	<u>182,464</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>25,500</u>	<u>25,500</u>	<u>212,964</u>	<u>187,464</u>
Other financing sources (uses):				
Net change in fund balances	25,500	25,500	212,964	187,464
Fund balance:				
Beginning of year	<u>600,700</u>	<u>600,700</u>	<u>609,044</u>	<u>8,344</u>
End of year	<u>\$ 626,200</u>	<u>\$ 626,200</u>	<u>\$ 822,008</u>	<u>\$ 195,808</u>

CITY OF JUNCTION CITY, OREGON

Building Replacement Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 1,600	\$ 1,600	\$ 1,417	\$ (183)
Total revenues	<u>1,600</u>	<u>1,600</u>	<u>1,417</u>	<u>(183)</u>
Expenditures:				
Materials and services	25,000	25,000	22,185	2,815
Capital outlay	<u>180,000</u>	<u>180,000</u>	<u>162,020</u>	<u>17,980</u>
Total expenditures	<u>205,000</u>	<u>205,000</u>	<u>184,205</u>	<u>20,795</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(203,400)</u>	<u>(203,400)</u>	<u>(182,788)</u>	<u>20,612</u>
Other financing sources (uses):				
Net change in fund balances	(203,400)	(203,400)	(182,788)	20,612
Fund balance:				
Beginning of year	<u>320,200</u>	<u>320,200</u>	<u>352,617</u>	<u>32,417</u>
End of year	<u>\$ 116,800</u>	<u>\$ 116,800</u>	<u>\$ 169,829</u>	<u>\$ 53,029</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 (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ 40,800	\$ 40,800	\$ 48,012	\$ 7,212
Investment earnings	200	200	229	29
Total revenues	<u>41,000</u>	<u>41,000</u>	<u>48,241</u>	<u>7,241</u>
Expenditures:				
Materials and services	<u>4,000</u>	<u>4,000</u>	-	<u>4,000</u>
Total expenditures	<u>4,000</u>	<u>4,000</u>	-	<u>4,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>37,000</u>	<u>37,000</u>	<u>48,241</u>	<u>11,241</u>
Other financing sources (uses):				
Transfers out	<u>(90,000)</u>	<u>(90,000)</u>	<u>(55,000)</u>	<u>35,000</u>
Total other financing sources (uses)	<u>(90,000)</u>	<u>(90,000)</u>	<u>(55,000)</u>	<u>35,000</u>
Net change in fund balances	(53,000)	(53,000)	(6,759)	46,241
Fund balance:				
Beginning of year	<u>54,100</u>	<u>54,100</u>	<u>56,412</u>	<u>2,312</u>
End of year	<u>\$ 1,100</u>	<u>\$ 1,100</u>	<u>\$ 49,653</u>	<u>\$ 48,553</u>

Enterprise Funds

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

CITY OF JUNCTION CITY, OREGON

Combining Statement of Net Position - Modified Cash Basis

Water Enterprise Funds

June 30, 2013

	<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	\$ 83,449	\$ 20,542	\$ 74,562	\$ 9,964	\$ 188,517
Total assets	<u>\$ 83,449</u>	<u>\$ 20,542</u>	<u>\$ 74,562</u>	<u>\$ 9,964</u>	<u>\$ 188,517</u>
LIABILITIES AND NET POSITION:					
Liabilities:					
Due to others	\$ 25	\$ -	\$ -	\$ -	\$ 25
Net Position:					
Restricted	-	-	74,562	-	74,562
Unrestricted	83,424	20,542	-	9,964	113,930
Total net position	<u>83,424</u>	<u>20,542</u>	<u>74,562</u>	<u>9,964</u>	<u>188,492</u>
Total liabilities and net position	<u>\$ 83,449</u>	<u>\$ 20,542</u>	<u>\$ 74,562</u>	<u>\$ 9,964</u>	<u>\$ 188,517</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis
 Water Enterprise Funds
 For the Year Ended June 30, 2013

	<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	\$ 842,896	\$ -	\$ -	\$ 7,110	\$ 850,006
Miscellaneous	33,352	18,347	-	-	51,699
DOC reimbursements	-	-	-	50,000	50,000
Total operating revenues	<u>876,248</u>	<u>18,347</u>	<u>-</u>	<u>57,110</u>	<u>951,705</u>
Operating expenses:					
Personal services	515,424	-	-	-	515,424
Materials and services	244,780	5,418	-	35,036	285,234
Total operating expenses	<u>760,204</u>	<u>5,418</u>	<u>-</u>	<u>35,036</u>	<u>800,658</u>
Operating income (loss)	<u>116,044</u>	<u>12,929</u>	<u>-</u>	<u>22,074</u>	<u>151,047</u>
Nonoperating revenues (expenses):					
Investment earnings	552	24	1,630	73	2,279
Capital outlay	(30)	(8,837)	(25,000)	(300,826)	(334,693)
Debt service	-	-	-	(22,027)	(22,027)
Total nonoperating revenues (expenses)	<u>522</u>	<u>(8,813)</u>	<u>(23,370)</u>	<u>(322,780)</u>	<u>(354,441)</u>
Income (loss) before capital contributions and transfers	116,566	4,116	(23,370)	(300,706)	(203,394)
Capital contributions:					
System development charges	-	-	48,085	-	48,085
Transfers in	-	15,000	-	303,000	318,000
Transfers out	(97,500)	-	-	-	(97,500)
Total transfers	<u>(97,500)</u>	<u>15,000</u>	<u>-</u>	<u>303,000</u>	<u>220,500</u>
Change in net assets	19,066	19,116	24,715	2,294	65,191
Total net position- beginning	<u>64,358</u>	<u>1,426</u>	<u>49,847</u>	<u>7,670</u>	<u>123,301</u>
Total net position- ending	<u>\$ 83,424</u>	<u>\$ 20,542</u>	<u>\$ 74,562</u>	<u>\$ 9,964</u>	<u>\$ 188,492</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Cash Flows - Modified Cash Basis

Water Enterprise Funds

For the Year Ended June 30, 2013

	<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	\$ 876,248	\$ 18,347	\$ -	\$ 7,110	\$ 901,705
Intergovernmental receipts	-	-	-	50,000	50,000
Payments to suppliers	(244,780)	(5,418)	-	(35,036)	(285,234)
Payments to employees	(515,424)	-	-	-	(515,424)
Net cash provided (used) by operating activities	<u>116,044</u>	<u>12,929</u>	<u>-</u>	<u>22,074</u>	<u>151,047</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	15,000	-	303,000	318,000
Transfers out	(97,500)	-	-	-	(97,500)
Net cash provided (used) by noncapital financing activities	<u>(97,500)</u>	<u>15,000</u>	<u>-</u>	<u>303,000</u>	<u>220,500</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(30)	(8,837)	(25,000)	(300,826)	(334,693)
System development charges	-	-	48,085	-	48,085
Debt payments	-	-	-	(22,027)	(22,027)
Net cash provided (used) by capital and related financing activities	<u>(30)</u>	<u>(8,837)</u>	<u>23,085</u>	<u>(322,853)</u>	<u>(308,635)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	<u>552</u>	<u>26</u>	<u>1,631</u>	<u>70</u>	<u>2,279</u>
Net change in cash and cash equivalents	19,066	19,118	24,716	2,291	65,191
Cash and cash equivalents - beginning	<u>64,383</u>	<u>1,424</u>	<u>49,846</u>	<u>7,673</u>	<u>123,326</u>
Cash and cash equivalents - ending	<u>\$ 83,449</u>	<u>\$ 20,542</u>	<u>\$ 74,562</u>	<u>\$ 9,964</u>	<u>\$ 188,517</u>

CITY OF JUNCTION CITY, OREGON

Water Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 1,022,600	\$ 1,022,600	\$ 842,896	\$ (179,704)
Investment earnings	1,400	1,400	552	(848)
Other	500	500	33,352	32,852
Total revenues	<u>1,024,500</u>	<u>1,024,500</u>	<u>876,800</u>	<u>(147,700)</u>
Expenditures:				
Personal services	522,900	522,900	515,424	7,476
Materials and services	229,300	259,300	244,780	14,520
Capital outlay	600	600	30	570
Contingency	30,000	-	-	-
Total expenditures	<u>782,800</u>	<u>782,800</u>	<u>760,234</u>	<u>22,566</u>
Excess (deficiency) of revenues over (under) expenditures	<u>241,700</u>	<u>241,700</u>	<u>116,566</u>	<u>(125,134)</u>
Other financing sources (uses):				
Transfers out	<u>(242,500)</u>	<u>(242,500)</u>	<u>(97,500)</u>	<u>145,000</u>
Total other financing sources (uses)	<u>(242,500)</u>	<u>(242,500)</u>	<u>(97,500)</u>	<u>145,000</u>
Net change in fund balances	(800)	(800)	19,066	19,866
Fund balance:				
Beginning of year	<u>255,300</u>	<u>255,300</u>	<u>64,358</u>	<u>(190,942)</u>
End of year	<u>\$ 254,500</u>	<u>\$ 254,500</u>	<u>\$ 83,424</u>	<u>\$ (171,076)</u>

CITY OF JUNCTION CITY, OREGON

Water Equipment Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 24	\$ (76)
Other	-	-	18,347	18,347
Total revenues	<u>100</u>	<u>100</u>	<u>18,371</u>	<u>18,271</u>
Expenditures:				
Materials and services	51,000	51,000	5,418	45,582
Capital outlay	<u>9,000</u>	<u>9,000</u>	<u>8,837</u>	<u>163</u>
Total expenditures	<u>60,000</u>	<u>60,000</u>	<u>14,255</u>	<u>45,745</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(59,900)</u>	<u>(59,900)</u>	<u>4,116</u>	<u>64,016</u>
Other financing sources (uses):				
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>15,000</u>	<u>(35,000)</u>
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>15,000</u>	<u>(35,000)</u>
Net change in fund balances	(9,900)	(9,900)	19,116	29,016
Fund balance:				
Beginning of year	<u>26,400</u>	<u>26,400</u>	<u>1,426</u>	<u>(24,974)</u>
End of year	<u>\$ 16,500</u>	<u>\$ 16,500</u>	<u>\$ 20,542</u>	<u>\$ 4,042</u>

CITY OF JUNCTION CITY, OREGON

Water System Development Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 1,630	\$ 1,530
System development charges	<u>27,500</u>	<u>27,500</u>	<u>48,085</u>	<u>20,585</u>
Total revenues	<u>27,600</u>	<u>27,600</u>	<u>49,715</u>	<u>22,115</u>
Expenditures:				
Capital outlay	<u>50,000</u>	<u>50,000</u>	<u>25,000</u>	<u>25,000</u>
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>25,000</u>	<u>25,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,400)</u>	<u>(22,400)</u>	<u>24,715</u>	<u>47,115</u>
Other financing sources (uses):				
Net change in fund balances	(22,400)	(22,400)	24,715	47,115
Fund balance:				
Beginning of year	<u>36,800</u>	<u>36,800</u>	<u>49,847</u>	<u>13,047</u>
End of year	<u>\$ 14,400</u>	<u>\$ 14,400</u>	<u>\$ 74,562</u>	<u>\$ 60,162</u>

CITY OF JUNCTION CITY, OREGON

Water System Improvement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 50,000	\$ 50,000
Charges for services	7,000	7,000	7,110	110
Investment earnings	700	700	73	(627)
Total revenues	<u>7,700</u>	<u>7,700</u>	<u>57,183</u>	<u>49,483</u>
Expenditures:				
Materials and services	35,400	35,400	35,036	364
Capital outlay	170,000	383,000	300,826	82,174
Debt service	22,100	22,100	22,027	73
Total expenditures	<u>227,500</u>	<u>440,500</u>	<u>357,889</u>	<u>82,611</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(219,800)</u>	<u>(432,800)</u>	<u>(300,706)</u>	<u>132,094</u>
Other financing sources (uses):				
Transfers in	<u>200,000</u>	<u>413,000</u>	<u>303,000</u>	<u>(110,000)</u>
Total other financing sources (uses)	<u>200,000</u>	<u>413,000</u>	<u>303,000</u>	<u>(110,000)</u>
Net change in fund balances	(19,800)	(19,800)	2,294	22,094
Fund balance:				
Beginning of year	<u>122,500</u>	<u>122,500</u>	<u>7,670</u>	<u>(114,830)</u>
End of year	<u>\$ 102,700</u>	<u>\$ 102,700</u>	<u>\$ 9,964</u>	<u>\$ (92,736)</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Net Position - Modified Cash Basis

Sewer Enterprise Funds

June 30, 2013

	<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	\$ 290,030	\$ 10,827	\$ 3,520,775	\$ 31,639	\$ 2,457,000	\$ 6,310,271
Total assets	<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>
LIABILITIES AND NET POSITION:						
Liabilities:						
Net Position:						
Restricted	-	-	-	-	2,457,000	2,457,000
Unrestricted	<u>290,030</u>	<u>10,827</u>	<u>3,520,775</u>	<u>31,639</u>	<u>-</u>	<u>3,853,271</u>
Total net position	<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 liabilities and net position	<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>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Modified Cash Basis
Sewer Enterprise Funds
For the Year Ended June 30, 2013

	Sewer Fund	Sewer Ratepayer Assistance Fund	Sewer System Improvement Fund	Sewer Equipment Reserve Fund	Sewer System Development Fund	Total
Operating revenues:						
Charges for services	\$ 1,330,265	\$ -	\$ -	\$ -	\$ -	\$ 1,330,265
Miscellaneous	3,196	-	2,015	-	-	5,211
DOC reimbursements	-	-	300,000	-	-	300,000
Total operating revenues	<u>1,333,461</u>	<u>-</u>	<u>302,015</u>	<u>-</u>	<u>-</u>	<u>1,635,476</u>
Operating expenses:						
Personal services	542,855	-	-	-	-	542,855
Materials and services	170,944	19,510	40,560	-	-	231,014
Total operating expenses	<u>713,799</u>	<u>19,510</u>	<u>40,560</u>	<u>-</u>	<u>-</u>	<u>773,869</u>
Operating income (loss)	<u>619,662</u>	<u>(19,510)</u>	<u>261,455</u>	<u>-</u>	<u>-</u>	<u>861,607</u>
Nonoperating revenues (expenses):						
Investment earnings	1,766	79	22,251	165	13,337	37,598
Capital outlay	(30)	-	(1,395,307)	(8,837)	-	(1,404,174)
Total nonoperating revenues (expenses)	<u>1,736</u>	<u>79</u>	<u>(1,373,056)</u>	<u>(8,672)</u>	<u>13,337</u>	<u>(1,366,576)</u>
Income (loss) before capital contributions and transfers	621,398	(19,431)	(1,111,601)	(8,672)	13,337	(504,969)
Capital contributions:						
System development charges	-	-	-	-	376,586	376,586
Transfers in	-	30,000	480,000	9,000	-	519,000
Transfers out	(521,000)	-	(223,000)	-	-	(744,000)
Total transfers	<u>(521,000)</u>	<u>30,000</u>	<u>257,000</u>	<u>9,000</u>	<u>-</u>	<u>(225,000)</u>
Change in net assets	100,398	10,569	(854,601)	328	389,923	(353,383)
Total net position- beginning	<u>189,632</u>	<u>258</u>	<u>4,375,376</u>	<u>31,311</u>	<u>2,067,077</u>	<u>6,663,654</u>
Total net position- ending	<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>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Cash Flows - Modified Cash Basis

Sewer Enterprise Funds

For the Year Ended June 30, 2013

	Sewer Fund	Sewer Ratepayer Assistance Fund	Sewer System Improvement Fund	Sewer Equipment Reserve Fund	Sewer System Development Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 1,333,461	\$ -	\$ 2,015	\$ -	\$ -	\$ 1,335,476
Intergovernmental receipts	-	-	300,000	-	-	300,000
Payments to suppliers	(170,944)	(19,510)	(40,560)	-	-	(231,014)
Payments to employees	(542,855)	-	-	-	-	(542,855)
Net cash provided (used) by operating activities	<u>619,662</u>	<u>(19,510)</u>	<u>261,455</u>	<u>-</u>	<u>-</u>	<u>861,607</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	-	30,000	480,000	9,000	-	519,000
Transfers out	(521,000)	-	(223,000)	-	-	(744,000)
Net cash provided (used) by noncapital financing activities	<u>(521,000)</u>	<u>30,000</u>	<u>257,000</u>	<u>9,000</u>	<u>-</u>	<u>(225,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of capital assets	(30)	-	(1,395,307)	(8,837)	-	(1,404,174)
System development charges	-	-	-	-	376,588	376,588
Net cash provided (used) by capital and related financing activities	<u>(30)</u>	<u>-</u>	<u>(1,395,307)</u>	<u>(8,837)</u>	<u>376,588</u>	<u>(1,027,586)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	1,766	79	22,249	165	13,337	37,596
Net change in cash and cash equivalents	100,398	10,569	(854,603)	328	389,925	(353,383)
Cash and cash equivalents - beginning	189,632	258	4,375,378	31,311	2,067,075	6,663,654
Cash and cash equivalents - ending	<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>

CITY OF JUNCTION CITY, OREGON

Sewer Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 1,509,400	\$ 1,509,400	\$ 1,330,265	\$ (179,135)
Investment earnings	1,400	1,400	1,766	366
Other	500	500	3,196	2,696
Total revenues	<u>1,511,300</u>	<u>1,511,300</u>	<u>1,335,227</u>	<u>(176,073)</u>
Expenditures:				
Personal services	546,500	546,500	542,855	3,645
Materials and services	154,500	184,500	170,944	13,556
Capital outlay	1,000	1,000	30	970
Contingency	30,000	-	-	-
Total expenditures	<u>732,000</u>	<u>732,000</u>	<u>713,829</u>	<u>18,171</u>
Excess (deficiency) of revenues over (under) expenditures	<u>779,300</u>	<u>779,300</u>	<u>621,398</u>	<u>(157,902)</u>
Other financing sources (uses):				
Transfers out	<u>(771,000)</u>	<u>(771,000)</u>	<u>(521,000)</u>	<u>250,000</u>
Total other financing sources (uses)	<u>(771,000)</u>	<u>(771,000)</u>	<u>(521,000)</u>	<u>250,000</u>
Net change in fund balances	8,300	8,300	100,398	92,098
Fund balance:				
Beginning of year	<u>225,100</u>	<u>225,100</u>	<u>189,632</u>	<u>(35,468)</u>
End of year	<u>\$ 233,400</u>	<u>\$ 233,400</u>	<u>\$ 290,030</u>	<u>\$ 56,630</u>

CITY OF JUNCTION CITY, OREGON

Sewer Ratepayer Assistance Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 79	\$ (21)
Total revenues	<u>100</u>	<u>100</u>	<u>79</u>	<u>(21)</u>
Expenditures:				
Materials and services	<u>30,000</u>	<u>30,000</u>	<u>19,510</u>	<u>10,490</u>
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>19,510</u>	<u>10,490</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,900)</u>	<u>(29,900)</u>	<u>(19,431)</u>	<u>10,469</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	100	100	10,569	10,469
Fund balance:				
Beginning of year	<u>2,100</u>	<u>2,100</u>	<u>258</u>	<u>(1,842)</u>
End of year	<u>\$ 2,200</u>	<u>\$ 2,200</u>	<u>\$ 10,827</u>	<u>\$ 8,627</u>

CITY OF JUNCTION CITY, OREGON

Sewer System Improvement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 300,000	\$ 300,000
Investment earnings	8,800	8,800	22,251	13,451
Other	<u>2,000</u>	<u>2,000</u>	<u>2,015</u>	<u>15</u>
Total revenues	<u>10,800</u>	<u>10,800</u>	<u>324,266</u>	<u>313,466</u>
Expenditures:				
Materials and services	50,000	50,000	40,560	9,440
Capital outlay	<u>4,325,000</u>	<u>4,102,000</u>	<u>1,395,307</u>	<u>2,706,693</u>
Total expenditures	<u>4,375,000</u>	<u>4,152,000</u>	<u>1,435,867</u>	<u>2,716,133</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,364,200)</u>	<u>(4,141,200)</u>	<u>(1,111,601)</u>	<u>3,029,599</u>
Other financing sources (uses):				
Transfers in	730,000	730,000	480,000	(250,000)
Transfers out	<u>-</u>	<u>(223,000)</u>	<u>(223,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>730,000</u>	<u>507,000</u>	<u>257,000</u>	<u>(250,000)</u>
Net change in fund balances	(3,634,200)	(3,634,200)	(854,601)	2,779,599
Fund balance:				
Beginning of year	<u>3,742,500</u>	<u>3,742,500</u>	<u>4,375,376</u>	<u>632,876</u>
End of year	<u>\$ 108,300</u>	<u>\$ 108,300</u>	<u>\$ 3,520,775</u>	<u>\$ 3,412,475</u>

CITY OF JUNCTION CITY, OREGON

Sewer Equipment Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 165	\$ (35)
Total revenues	<u>200</u>	<u>200</u>	<u>165</u>	<u>(35)</u>
Expenditures:				
Capital outlay	<u>10,000</u>	<u>10,000</u>	<u>8,837</u>	<u>1,163</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>8,837</u>	<u>1,163</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,800)</u>	<u>(9,800)</u>	<u>(8,672)</u>	<u>1,128</u>
Other financing sources (uses):				
Transfers in	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Total other financing sources (uses)	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Net change in fund balances	(800)	(800)	328	1,128
Fund balance:				
Beginning of year	<u>43,200</u>	<u>43,200</u>	<u>31,311</u>	<u>(11,889)</u>
End of year	<u>\$ 42,400</u>	<u>\$ 42,400</u>	<u>\$ 31,639</u>	<u>\$ (10,761)</u>

CITY OF JUNCTION CITY, OREGON

Sewer System Development Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 8,400	\$ 8,400	\$ 13,337	\$ 4,937
System development charges	<u>181,800</u>	<u>181,800</u>	<u>376,586</u>	<u>194,786</u>
Total revenues	<u>190,200</u>	<u>190,200</u>	<u>389,923</u>	<u>199,723</u>
Expenditures:				
Capital outlay	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total expenditures	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(59,800)</u>	<u>(59,800)</u>	<u>389,923</u>	<u>449,723</u>
Other financing sources (uses):				
Net change in fund balances	(59,800)	(59,800)	389,923	449,723
Fund balance:				
Beginning of year	<u>2,024,000</u>	<u>2,024,000</u>	<u>2,067,077</u>	<u>43,077</u>
End of year	<u>\$ 1,964,200</u>	<u>\$ 1,964,200</u>	<u>\$ 2,457,000</u>	<u>\$ 492,800</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Net Position - Modified Cash Basis

Sanitation Enterprise Funds

June 30, 2013

	<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>\$ 297,678</u>	<u>\$ 77</u>	<u>\$ 11,813</u>	<u>\$ 309,568</u>
Total assets	<u>\$ 297,678</u>	<u>\$ 77</u>	<u>\$ 11,813</u>	<u>\$ 309,568</u>
 LIABILITIES AND NET POSITION:				
Liabilities:				
Net Position:				
Unrestricted	<u>297,678</u>	<u>77</u>	<u>11,813</u>	<u>309,568</u>
Total net position	<u>297,678</u>	<u>77</u>	<u>11,813</u>	<u>309,568</u>
Total liabilities and net position	<u>\$ 297,678</u>	<u>\$ 77</u>	<u>\$ 11,813</u>	<u>\$ 309,568</u>

CITY OF JUNCTION CITY, OREGON

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

Sanitation Enterprise Funds

For the Year Ended June 30, 2013

	<u>Sanitation Fund</u>	<u>Sanitation Equipment Reserve Fund</u>	<u>Sanitation System Improvement Fund</u>	<u>Total</u>
Operating revenues:				
Charges for services	\$ 726,989	\$ -	\$ -	\$ 726,989
Miscellaneous	<u>20,453</u>	<u>-</u>	<u>-</u>	<u>20,453</u>
Total operating revenues	<u>747,442</u>	<u>-</u>	<u>-</u>	<u>747,442</u>
Operating expenses:				
Personal services	339,799	-	-	339,799
Materials and services	<u>246,425</u>	<u>-</u>	<u>-</u>	<u>246,425</u>
Total operating expenses	<u>586,224</u>	<u>-</u>	<u>-</u>	<u>586,224</u>
Operating income (loss)	<u>161,218</u>	<u>-</u>	<u>-</u>	<u>161,218</u>
Nonoperating revenues (expenses):				
Investment earnings	1,294	110	150	1,554
Capital outlay	<u>-</u>	<u>(150,119)</u>	<u>(85,961)</u>	<u>(236,080)</u>
Total nonoperating revenues (expenses)	<u>1,294</u>	<u>(150,009)</u>	<u>(85,811)</u>	<u>(234,526)</u>
Income (loss) before transfers	<u>162,512</u>	<u>(150,009)</u>	<u>(85,811)</u>	<u>(73,308)</u>
Transfers in	-	50,000	40,000	90,000
Transfers out	<u>(91,300)</u>	<u>-</u>	<u>-</u>	<u>(91,300)</u>
Total transfers	<u>(91,300)</u>	<u>50,000</u>	<u>40,000</u>	<u>(1,300)</u>
Change in net assets	71,212	(100,009)	(45,811)	(74,608)
Total net position- beginning	<u>226,466</u>	<u>100,086</u>	<u>57,624</u>	<u>384,176</u>
Total net position- ending	<u>\$ 297,678</u>	<u>\$ 77</u>	<u>\$ 11,813</u>	<u>\$ 309,568</u>

CITY OF JUNCTION CITY, OREGON

Combining Statement of Cash Flows - Modified Cash Basis

Sanitation Enterprise Funds

For the Year Ended June 30, 2013

	<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	\$ 747,442	\$ -	\$ -	\$ 747,442
Payments to suppliers	(246,425)	-	-	(246,425)
Payments to employees	<u>(339,799)</u>	<u>-</u>	<u>-</u>	<u>(339,799)</u>
Net cash provided (used) by operating activities	<u>161,218</u>	<u>-</u>	<u>-</u>	<u>161,218</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	-	50,000	40,000	90,000
Transfers out	<u>(91,300)</u>	<u>-</u>	<u>-</u>	<u>(91,300)</u>
Net cash provided (used) by noncapital financing activities	<u>(91,300)</u>	<u>50,000</u>	<u>40,000</u>	<u>(1,300)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	<u>-</u>	<u>(150,119)</u>	<u>(85,961)</u>	<u>(236,080)</u>
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(150,119)</u>	<u>(85,961)</u>	<u>(236,080)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	<u>1,293</u>	<u>110</u>	<u>150</u>	<u>1,553</u>
Net change in cash and cash equivalents	71,211	(100,009)	(45,811)	(74,609)
Cash and cash equivalents - beginning	<u>226,467</u>	<u>100,086</u>	<u>57,624</u>	<u>384,177</u>
Cash and cash equivalents - ending	<u>\$ 297,678</u>	<u>\$ 77</u>	<u>\$ 11,813</u>	<u>\$ 309,568</u>

CITY OF JUNCTION CITY, OREGON

Sanitation Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 701,300	\$ 701,300	\$ 726,989	\$ 25,689
Investment earnings	1,000	1,000	1,294	294
Other	<u>33,900</u>	<u>33,900</u>	<u>20,453</u>	<u>(13,447)</u>
Total revenues	<u>736,200</u>	<u>736,200</u>	<u>748,736</u>	<u>12,536</u>
Expenditures:				
Personal services	393,000	393,000	339,799	53,201
Materials and services	231,300	251,300	246,425	4,875
Capital outlay	600	600	-	600
Contingency	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>644,900</u>	<u>644,900</u>	<u>586,224</u>	<u>58,676</u>
Excess (deficiency) of revenues over (under) expenditures	<u>91,300</u>	<u>91,300</u>	<u>162,512</u>	<u>71,212</u>
Other financing sources (uses):				
Transfers out	<u>(91,300)</u>	<u>(91,300)</u>	<u>(91,300)</u>	<u>-</u>
Total other financing sources (uses)	<u>(91,300)</u>	<u>(91,300)</u>	<u>(91,300)</u>	<u>-</u>
Net change in fund balances	-	-	71,212	71,212
Fund balance:				
Beginning of year	<u>209,900</u>	<u>209,900</u>	<u>226,466</u>	<u>16,566</u>
End of year	<u>\$ 209,900</u>	<u>\$ 209,900</u>	<u>\$ 297,678</u>	<u>\$ 87,778</u>

CITY OF JUNCTION CITY, OREGON

Sanitation Equipment Reserve Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 110	\$ (90)
Total revenues	<u>200</u>	<u>200</u>	<u>110</u>	<u>(90)</u>
Expenditures:				
Capital outlay	<u>230,000</u>	<u>230,000</u>	<u>150,119</u>	<u>79,881</u>
Total expenditures	<u>230,000</u>	<u>230,000</u>	<u>150,119</u>	<u>79,881</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(229,800)</u>	<u>(229,800)</u>	<u>(150,009)</u>	<u>79,791</u>
Other financing sources (uses):				
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balances	(179,800)	(179,800)	(100,009)	79,791
Fund balance:				
Beginning of year	<u>180,500</u>	<u>180,500</u>	<u>100,086</u>	<u>(80,414)</u>
End of year	<u>\$ 700</u>	<u>\$ 700</u>	<u>\$ 77</u>	<u>\$ (623)</u>

CITY OF JUNCTION CITY, OREGON

Sanitation System Improvement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 150	\$ (50)
Total revenues	<u>200</u>	<u>200</u>	<u>150</u>	<u>(50)</u>
Expenditures:				
Materials and services	1,000	1,000	-	1,000
Capital outlay	<u>87,500</u>	<u>87,500</u>	<u>85,961</u>	<u>1,539</u>
Total expenditures	<u>88,500</u>	<u>88,500</u>	<u>85,961</u>	<u>2,539</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(88,300)</u>	<u>(88,300)</u>	<u>(85,811)</u>	<u>2,489</u>
Other financing sources (uses):				
Transfers in	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total other financing sources (uses)	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net change in fund balances	(48,300)	(48,300)	(45,811)	2,489
Fund balance:				
Beginning of year	<u>57,600</u>	<u>57,600</u>	<u>57,624</u>	<u>24</u>
End of year	<u>\$ 9,300</u>	<u>\$ 9,300</u>	<u>\$ 11,813</u>	<u>\$ 2,513</u>

Private-Purpose Trust Fund

- Shop With A Cop Trust Fund

CITY OF JUNCTION CITY, OREGON

Private-Purpose Trust Fund - Shop with a Cop Trust Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 47	\$ (53)
Donations and special events	5,000	5,000	2,050	(2,950)
Other	-	-	1,610	1,610
Total revenues	<u>5,100</u>	<u>5,100</u>	<u>3,707</u>	<u>(1,393)</u>
Expenditures:				
Materials and services	<u>5,000</u>	<u>5,000</u>	<u>1,504</u>	<u>3,496</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>1,504</u>	<u>3,496</u>
Excess (deficiency) of revenues over (under) expenditures	<u>100</u>	<u>100</u>	<u>2,203</u>	<u>2,103</u>
Other financing sources (uses):				
Net change in fund balances	100	100	2,203	2,103
Fund balance:				
Beginning of year	<u>5,700</u>	<u>5,700</u>	<u>7,454</u>	<u>1,754</u>
End of year	<u>\$ 5,800</u>	<u>\$ 5,800</u>	<u>\$ 9,657</u>	<u>\$ 3,857</u>

Agency Fund

- Municipal Court Fund

CITY OF JUNCTION CITY, OREGON

Agency Fund - Municipal Court
 Schedule of Changes in Assets and Liabilities
 For the Year Ended June 30, 2013

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
ASSETS				
Cash and cash equivalents	<u>\$ 38,834</u>	<u>\$ 254,660</u>	<u>\$ (260,859)</u>	<u>\$ 32,635</u>
LIABILITIES AND NET POSITION				
Fines and bails	<u>\$ 38,834</u>	<u>\$ 254,660</u>	<u>\$ (260,859)</u>	<u>\$ 32,635</u>

CITY OF JUNCTION CITY, OREGON

Schedule of Property Tax Transactions

For the Year Ended June 30, 2013

Fiscal Year	Uncollected Balance June 30, 2012	Add Current Levy 2011-2012	Less Collections	Discounts and Adjustments	Uncollected Balance June 30, 2013
2012 -2013	\$ -	\$ 2,098,833	\$ (1,973,583)	\$ (58,532)	\$ 66,718
2011-2012	66,406	-	(26,015)	(1,605)	38,786
2010-2011	38,186	-	(12,611)	(24)	25,551
2009-2010	26,517	-	(9,701)	(61)	16,755
2008-2009	6,720	-	(3,451)	(354)	2,915
2007-2008	2,092	-	(343)	(108)	1,641
2006-2007	1,329	-	(121)	(118)	1,090
Prior years	12,831	-	(165)	285	12,951
	<u>\$ 154,081</u>	<u>\$ 2,098,833</u>	<u>\$ (2,025,990)</u>	<u>\$ (60,517)</u>	<u>\$ 166,407</u>

OTHER FINANCIAL SCHEDULES AND TREND INFORMATION

CITY OF JUNCTION CITY, OREGON

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

	Fiscal Year Ended June 30,				
	2013	2012	2011	2010	2009
Governmental activities					
Restricted	\$ 2,432,554	\$ 2,622,944	\$ 6,302,631	\$ 2,645,141	\$ 2,435,044
Unrestricted	<u>2,584,492</u>	<u>2,480,819</u>	<u>4,160,606</u>	<u>2,513,978</u>	<u>2,700,943</u>
Total governmental activities net position	\$ 5,017,046	\$ 5,103,763	\$ 10,463,237	\$ 5,159,119	\$ 5,135,987
Business-type activities					
Restricted	\$ 2,531,562	\$ 2,116,921	\$ 2,099,648	\$ 1,936,760	\$ 1,375,697
Unrestricted	<u>4,276,769</u>	<u>5,054,210</u>	<u>3,988,741</u>	<u>3,395,727</u>	<u>2,878,258</u>
Total business-type activities net position	\$ 6,808,331	\$ 7,171,131	\$ 6,088,389	\$ 5,332,487	\$ 4,253,955
Primary government					
Restricted	\$ 4,964,116	\$ 4,739,865	\$ 8,402,279	\$ 4,581,901	\$ 3,810,741
Unrestricted	<u>6,861,261</u>	<u>7,535,029</u>	<u>8,149,347</u>	<u>5,909,705</u>	<u>5,579,201</u>
Total net position	\$ 11,825,377	\$ 12,274,894	\$ 16,551,626	\$ 10,491,606	\$ 9,389,942

CITY OF JUNCTION CITY, OREGON

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

	Fiscal Year Ended June 30,				
	2013	2012	2011	2010	2009
Expenses					
Governmental Activities					
General Government	\$ 1,320,285	\$ 5,027,653	\$ 11,401,934	\$ 7,231,430	\$ 2,419,538
Public Safety	1,796,822	1,792,498	1,736,725	1,583,149	1,478,624
Highways and streets	281,717	469,102	251,439	386,719	281,023
Economic development	5,810	18,637	157,180	4,622	30,130
Culture and recreation	776,554	770,168	630,901	600,488	547,985
Total governmental activities	4,181,188	8,078,058	14,178,179	9,806,408	4,757,300
Business-type activities					
Water	1,157,378	1,217,276	1,331,066	820,075	628,389
Sewer	2,178,043	1,881,155	836,397	970,667	3,457,446
Sanitation	822,304	720,426	668,271	586,734	683,728
Total business-type activities	4,157,725	3,818,857	2,835,734	2,377,476	4,769,563
Total expenses	\$ 8,338,913	\$ 11,896,915	\$ 17,013,913	\$ 12,183,884	\$ 9,526,863

CITY OF JUNCTION CITY, OREGON

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

	Fiscal Year Ended June 30,				
	2013	2012	2011	2010	2009
Program revenues					
Governmental activities					
Charges for services					
General Government	\$ 614,028	\$ 539,383	\$ 538,387	\$ 592,969	\$ 394,493
Public Safety	9,883	42	246	-	-
Highways and streets	4,191	4,178	1,921	6,428	1,898
Economic development	37,509	45,235	28,604	20,531	23,429
Culture and recreation	680	5,650	-	-	-
Operating grants and contributions	397,109	318,400	304,804	658,713	420,758
Capital grants and contributions	245,596	1,027,712	16,572,605	6,091,265	986,711
Total governmental activities	1,308,996	1,940,600	17,446,567	7,369,906	1,827,289
Business-type activities					
Charges for services					
Water	999,790	743,567	856,535	954,382	751,316
Sewer	1,712,062	1,464,164	1,448,120	1,772,776	1,487,898
Sanitation	747,442	721,176	715,038	704,654	690,899
Capital grants and contributions	300,000	-	-	-	-
Total business-type activities	3,759,294	2,928,907	3,019,693	3,431,812	2,930,113
Total program revenues	\$ 5,068,290	\$ 4,869,507	\$ 20,466,260	\$ 10,801,718	\$ 4,757,402
Net (expense)/revenue	\$ (2,872,192)	\$ (6,137,458)	\$ 3,268,388	\$ (2,436,502)	\$ (2,930,011)
Governmental activities	(398,431)	(889,950)	183,959	1,054,336	(1,839,450)
Business-type activities	(3,270,623)	(7,027,408)	3,452,347	(1,382,166)	(4,769,461)
Total net (expense) revenue	\$ (3,270,623)	\$ (7,027,408)	\$ 3,452,347	\$ (1,382,166)	\$ (4,769,461)

Continued

CITY OF JUNCTION CITY, OREGON

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

	Fiscal Year Ended June 30,				
	2013	2012	2011	2010	2009
General revenues and transfers					
Governmental activities					
Property taxes	\$ 2,029,597	\$ 1,952,801	\$ 1,896,883	\$ 1,829,917	\$ 1,731,374
Franchise taxes	365,198	376,285	314,161	287,396	320,242
Other taxes and receipts	356,116	350,074	314,784	271,458	252,761
Investment earnings	28,764	38,324	52,902	61,363	105,561
Transfers in (out)	5,800	(1,939,500)	(543,000)	9,500	(198,208)
Total governmental activities	2,785,475	777,984	2,035,730	2,459,634	2,211,730
Business-type activities					
Investment earnings	41,431	33,192	28,943	33,696	106,636
Transfers in (out)	(5,800)	1,939,500	543,000	(9,500)	198,208
Total business-type activities	35,631	1,972,692	571,943	24,196	304,844
Total primary government	\$ 2,821,106	\$ 2,750,676	\$ 2,607,673	\$ 2,483,830	\$ 2,516,574
Change in net position					
Governmental activities	\$ (86,717)	\$ (5,359,474)	\$ 5,304,118	\$ 23,132	\$ (718,281)
Business-type activities	(362,800)	1,082,742	755,902	1,078,532	(1,534,606)
Total change in net position	\$ (449,517)	\$ (4,276,732)	\$ 6,060,020	\$ 1,101,664	\$ (2,252,887)

CITY OF JUNCTION CITY, OREGON

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

	Fiscal Year Ended June 30,				
	2013	2012	2011	2010	2009
General Fund					
Restricted	\$ -	\$ 1,685	\$ 1,685	\$ -	\$ -
Committed	77,164	89,302	126,222	-	-
Unassigned	1,984,014	1,935,110	1,914,203	-	-
Reserved (pre-GASB 54)	-	-	-	-	81,077
Unreserved (pre-GASB 54)	-	-	-	1,723,910	1,759,393
Total general fund	2,061,178	2,026,097	2,042,110	1,723,910	1,840,470
All other governmental funds					
Restricted	\$ 2,432,554	\$ 2,381,259	\$ 6,651,323	\$ -	\$ -
Committed	523,314	696,407	1,769,804	-	-
Reserved (pre-GASB 54)	-	-	-	849,802	689,057
Unreserved (pre GASB 54)	-	-	-	2,585,407	2,606,460
Total all other governmental funds	2,955,868	3,077,666	8,421,127	3,435,209	3,295,517
Total governmental funds	\$ 5,017,046	\$ 5,103,763	\$ 10,463,237	\$ 5,159,119	\$ 5,135,987

CITY OF JUNCTION CITY, OREGON

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

	Fiscal Year Ended June 30,				
	2013	2012	2011	2010	2009
REVENUES					
Taxes:					
Property	\$ 2,029,597	\$ 1,952,801	\$ 1,896,883	\$ 1,829,917	\$ 1,731,374
Franchise	365,198	376,285	314,161	287,396	320,242
Other	10,698	9,686	11,447	7,126	11,945
Licenses and permits	271,857	122,096	110,440	248,436	124,158
Intergovernmental	621,206	1,572,963	17,088,820	6,807,947	1,528,798
Charges for services	88,920	113,638	112,295	78,501	54,449
System development charges	340,818	88,693	65,705	194,343	68,023
Fines and forfeitures	193,021	232,158	225,376	197,420	175,033
Investment earnings	28,764	38,322	52,901	61,362	112,312
Principal received - program loans	29,693	33,793	20,647	13,083	11,979
Interest received - program loans	7,816	11,292	7,857	7,448	11,150
Contributions and donations	26,099	24,845	38,766	7,624	16,767
Other revenue	74,984	81,512	79,998	79,436	59,706
Total revenues	<u>4,088,671</u>	<u>4,658,084</u>	<u>20,025,296</u>	<u>9,820,039</u>	<u>4,225,936</u>
EXPENDITURES					
Current:					
General government	1,320,285	4,904,097	11,274,911	7,064,507	2,259,405
Public Safety	1,796,822	1,981,933	1,914,540	1,750,070	1,607,471
Highway and streets	281,717	469,102	251,439	386,718	281,022
Economic Development	5,810	18,637	157,180	4,622	30,130
Culture and recreation	776,554	704,289	580,108	600,490	567,984
Total expenditures	<u>4,181,188</u>	<u>8,078,058</u>	<u>14,178,178</u>	<u>9,806,407</u>	<u>4,746,012</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (92,517)</u>	<u>\$ (3,419,974)</u>	<u>\$ 5,847,118</u>	<u>\$ 13,632</u>	<u>\$ (520,076)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	246,532	653,758	190,503	205,500	131,947
Transfers out	(240,732)	(2,593,258)	(733,503)	(196,000)	(330,155)
Total other financing sources (uses)	<u>5,800</u>	<u>(1,939,500)</u>	<u>(543,000)</u>	<u>9,500</u>	<u>(198,208)</u>
Net change in fund balances	<u>\$ (86,717)</u>	<u>\$ (5,359,474)</u>	<u>\$ 5,304,118</u>	<u>\$ 23,132</u>	<u>\$ (718,284)</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 Leases	Notes Payable	Capital Leases
2013	\$ -	\$ 33,756	\$ -	\$ -
2012	-	65,084	20,754	-
2011	-	94,158	40,310	26,590
2010	-	121,143	58,736	52,602
2009	-	-	76,098	78,050

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, 2013, and have issued our report thereon dated December 9, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

COMPLIANCE

As part of obtaining reasonable assurance about whether the City'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.

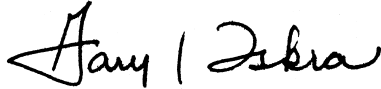
OAR 162-10-0230 INTERNAL CONTROL

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.

There are no elected officials who are collecting or receiving money from the City.

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 "Gary Iskra". The signature is written in a cursive style with a large, stylized initial "G".

By: Gary Iskra, CPA, a member of the firm
Eugene, Oregon
December 9, 2013