



City of Wilsonville, Oregon

Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2014



**CITY OF WILSONVILLE,
OREGON**

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Prepared by the Finance Department
of the City of Wilsonville

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CITY OF WILSONVILLE, OREGON

COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDING JUNE 30, 2014

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INTRODUCTORY SECTION

- **Letter of Transmittal**
- **Certificate of Achievement**
- **List of Officials**
- **City of Wilsonville Organizational Chart**



November 12, 2014

**Mayor Tim Knapp, City Councilors
and Citizens of the City of Wilsonville, Oregon**

In accordance with ORS 297.425, we are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Wilsonville, Oregon (the City) for the fiscal year ended June 30, 2014.

This report presents the financial position of the City as of June 30, 2014 and the results of its operations, and cash flows for its proprietary fund types for the year then ended. The financial statements and supporting schedules have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and meet the requirements of the standards as prescribed by the Secretary of State. We believe the data, as presented, is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the various funds of the City.

The accuracy of the City's financial statements and the completeness and fairness of their presentation is the responsibility of City management. The City maintains a system of internal accounting controls designed to provide a reasonable assurance that assets are safeguarded against loss or unauthorized use and that the financial records can be relied upon to produce financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The concept of reasonable assurance recognizes that the cost of maintaining the system of internal accounting controls should not exceed benefits likely to be derived.

In addition to its annual audit, the City is required to undergo a single audit in conformity with the provisions of the Single Audit Act of 1996 and Amendments and the U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments. Information related to the single audit, including a schedule of expenditures of federal awards, the independent auditor's report on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs is included in a separately issued federal grant compliance report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A is located immediately following the report of the independent auditors, beginning on page 23.

PROFILE OF THE GOVERNMENT

For financial reporting purposes, the City is a primary government. Its governing Council is elected by the citizens in a general election. This report includes all organizations and activities for which the elected officials exercise financial control. The City has one blended component unit governmental entity, the Urban Renewal Agency of the City of Wilsonville. The financial statements of that entity are included in this report. The City interacts or contracts with various other governmental entities, but is not financially accountable for those entities.

The City operates under the Council-Manager form of government. Policy making and legislative authority are vested in the City Council which consists of a Mayor and four Council members. The City Council is responsible for passing ordinances, resolutions, adopting the budget, and hiring the City Manager and City Attorney among other things. The City Manager is responsible for carrying out the policies and ordinances of the Council, managing the day-to-day government operations, and appointing department heads. The Mayor and Council members are non-partisan and serve a four-year term. These terms are staggered with two Council positions elected in November 2014 while the remaining two other Council positions plus the Mayor are up for election in 2016.

The City prepares an annual budget in accordance with the policies and priorities set forth in the City's Comprehensive Plan, City Council Goals, the needs of the community, and federal and state laws. Oregon local budget law is set out in Oregon Revised Statutes 294.305 to 294.565. The City's budget is presented by fund. Budgetary control is at the department level or at the major appropriation category if only one department exists in a fund. Ongoing review and monitoring of revenues and expenditures is performed by the Finance Department and the appropriate operating departments.

LOCAL ECONOMY

The City is located approximately 20 miles south of downtown Portland, Oregon, in western Clackamas County and southeastern Washington County. Under Oregon law, each of the state's cities and metropolitan areas has created an urban growth boundary around its perimeter. The City of Wilsonville is included as part of the Portland metropolitan area's urban growth boundary. The region, while diverse in nature, is particularly strong in the high-tech industry. Timber production and agriculture dominate economic activities outside of the urban area. The Portland area has an international airport and port facilities for ocean going vessels.

The local, regional, and statewide economies continue to remain largely in lockstep with the national economic gains over the past year; inflation has remained stable and unemployment rates have dropped. For the twelve month year over year period ending July 2014, for the Portland-Vancouver-Hillsboro metropolitan area, the U.S. Department of Labor, Bureau of Labor Statistics reported an unemployment rate of 6.3%, down from 7.3% from same period last year (note, the U.S. national unemployment rate was 6.2%, down similarly from 7.3% from same period last year) and that Consumer Price Index for all urban consumers (CPI-U) in the area was up 2.6% versus 2% for the nation.

The Oregon State Office of Economic Analysis (ODE) reports in its quarterly economic analysis published September 2014, a continued cautiously optimistic outlook for the area and state as a whole, based on the accelerated growth of the state's employment over the past year and a half. No doubt a wide variety of complex national and global economic challenges persist but as these two indicators reveal, at least for the time, that the U.S. economic recovery remains intact and is being reflected locally.

The City of Wilsonville has outstanding transportation accessibility and networks linking its citizens to the greater Portland metropolitan area's economic activity. The City is home to its own dynamic, growing, and diversified economy. The City's mix of businesses includes established international and regional employers. In addition, the City has a large base of small businesses, in a wide range of industries.

Wilsonville is home to a number of high-tech businesses and is perfectly situated for warehouse and distribution centers, as the southern gateway entry into the Portland metropolitan area along the Interstate 5 (I-5) corridor. Several large companies have made Wilsonville their corporate headquarters. Among the larger are Mentor Graphics, and Flir Systems, Inc. Three other large companies, SYSCO, Coca-Cola Bottling Co. of the Northwest, and Rite-Aid, have selected Wilsonville for regional warehouse, bottling, and distribution centers, respectively. Stream International Inc. is the largest employer in the City. The City, however, is not dependent upon any one company for economic vitality. Currently, an estimated 16,300 people are employed at locations throughout the City. Table 1 on the next page presents the top ten employers in the City, as of July 2014.

TABLE 1
TEN LARGEST EMPLOYERS
(as of July 2014)

<u>Employer</u>	<u>Product or service</u>	<u>Employees</u>
Stream International Inc	Customer and technical support	1,153
Mentor Graphics Corporation	CAD software systems	964
Xerox Corporation	Copiers and printers	706
Rockwell Collins	Aerospace technology	584
Sysco/Continental Food Service	Warehouse & distribution center	476
Precision Interconnect	Electronic machinery	355
Flir Systems Inc.	Thermal imaging/infrared equipment	331
Coca Cola Bottling Company	Beverage distribution	285
Fred Meyer Grocery	Grocery retail	275
Costco	Wholesale retail	240

Source: City of Wilsonville, Business Licenses

Another factor of Wilsonville’s economic vitality is that of population growth. Over the past ten years Wilsonville’s population growth rate has generally been greater than the State of Oregon’s growth rates. The City’s population has increased nearly 33% in that time frame. The City is expected to maintain a healthy growth rate for the foreseeable future, as home construction continues in many areas of the City. One of the newer housing developments, known as Villebois, will eventually encompass roughly 480 acres and include 2,600 residential units, retail storefronts, multiple park areas and a primary school. This development is expected to continue to fuel the City’s population growth over the next several years. Table 2 presents population growth for the City, Clackamas County, and the State.

TABLE 2
POPULATION ESTIMATES
(at July 1)

<u>Year</u>	<u>City of Wilsonville</u>	<u>Percent Change</u>	<u>Clackamas County</u>	<u>Percent Change</u>	<u>State of Oregon</u>	<u>Percent Change</u>
2004	16,250	2.33%	356,250	0.79%	3,578,895	1.14%
2005	16,510	1.60%	361,300	1.42%	3,626,938	1.34%
2006	16,885	2.27%	367,040	1.59%	3,685,206	1.61%
2007	17,405	3.08%	372,270	1.42%	3,739,359	1.47%
2008	17,940	3.07%	376,660	1.18%	3,784,182	1.20%
2009	18,020	0.45%	379,845	0.85%	3,815,775	0.83%
2010	18,095	0.42%	376,780	-0.81%	3,837,300	0.56%
2011	19,565	8.12%	378,480	0.45%	3,857,625	0.53%
2012	20,515	4.86%	381,680	0.85%	3,883,735	0.68%
2013	21,550	5.05%	386,080	1.15%	3,919,020	0.91%

Source: Population Research Center at Portland State University. Percent change is relative to the preceding year.

As a reflection of its desirability as a place to live and work, Wilsonville continues to experience a healthy degree of real estate development. The City anticipates continued residential, commercial, as well as industrial development expansion. This optimism is based on numerous factors. First, the City is strategically located along the south metro I-5 corridor and has in its boundaries some of the last major tracts of vacant land within the southern portion of the urban growth boundary. Second, the City has a sustainable long-term water supply and a multi-barrier water treatment plant. Third, the City recently completed a major upgrade and expansion of its wastewater treatment plant. Fourth, the City places an emphasis on long range planning and preparing for growth. For example, although the City continues to focus attention on improvements and developments in the City’s West Side District, it has also

begun planning for the future of 500 acres east of Wilsonville (Frog Pond) for future development. Long range planning is also underway in the City's northwest for the Basalt Creek and Coffee Creek areas. Table 3 charts expanding residential, industrial and commercial construction.

**TABLE 3
BUILDING PERMITS**

Fiscal Year	Commercial/Industrial Construction		Residential Construction		Total New Construction
	Number of Permits	Value	Number of Permits	Value	
2004-05	226	\$ 25,847,803	342	\$ 40,604,606	\$ 66,452,409
2005-06	243	39,317,960	214	45,687,205	85,005,165
2006-07	232	16,041,835	116	49,771,592	65,813,427
2007-08	210	41,083,420	127	22,466,225	63,549,645
2008-09	265	20,681,082	45	12,692,759	33,373,841
2009-10	179	20,455,409	47	8,346,418	28,801,827
2010-11	322	60,461,916	63	9,300,787	69,762,703
2011-12	230	33,060,819	119	46,563,447	79,624,266
2012-13	275	34,609,695	180	60,817,484	95,427,179
2013-14	79	8,949,456	57	11,166,176	20,115,632

Source: Building Department, City of Wilsonville.

Property taxes comprise about 25% of the City's combined General Fund and Special Revenue Funds' operating revenues. As a percent, this is lower than most other cities in the region. In 1996, the Oregon voters separated assessed value from real market value. Property taxes are based upon assessed values. The tax measure limits assessed value growth to 3% per year and froze the operating tax rate at \$2.5206 per \$1,000. As such, economic growth of the community is best measured by the real market value.

The City has faced the same real estate market instability as has much of the nation over the past several years, but has seen a rebound in fiscal year end 2014. This improvement in Wilsonville appears to be due to the City being primed for development and it continues to be a desirable regional location to live and work. Longer term historical trends add perspective and highlight the fact that the City has a longer history of rising real market values. Development and new construction starts, as noted above, further highlight the desirability of living in the City of Wilsonville. The growth rate of the City compared to Clackamas County with respect to market values is shown in Table 4 on the following page.

TABLE 4
REAL MARKET VALUES
(in millions)

Year	City of Wilsonville		Clackamas County	
	Real Market	Percent Change	Real Market	Percent Change
2004-05	\$ 2,320	7.0%	\$ 36,894	7.8%
2005-06	2,602	12.2	41,229	11.7
2006-07	2,959	13.7	48,638	18.0
2007-08	3,426	15.8	57,193	17.6
2008-09	3,741	9.2	60,008	4.9
2009-10	3,558	(4.9)	54,458	(9.3)
2010-11	3,121	(12.3)	48,904	(10.2)
2011-12	2,905	(6.9)	45,749	(6.5)
2012-13	2,918	0.4	44,030	(3.8)
2013-14	3,081	5.6	45,905	4.3

Source: Clackamas and Washington County Assessors' Office

For the year ahead, many national economists predict a continuing but slow economic growth. The City of Wilsonville expects to continue on a solid financial path by observing the guiding principles of vision, planning, community partnership, and financial stewardship. The City Council recently adopted an Economic Development Strategy that provides the framework and vision for future economic growth in the City. The plan was developed and vetted by an ad hoc Economic Development Strategy Task Force comprised from the business community, residents, City boards, Wilsonville Chamber of Commerce, West-Linn Wilsonville School District, Oregon Institute of Technology, Clackamas County Community College, and The Tualatin Valley Fire District. These proactive, strategic actions, along with continued financial stewardship, will position the City for future growth and development.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

As with any growing community, the City will continue to have an ongoing need for new or expanded streets, sewer systems, transportation alternatives, public safety measures, and cultural and recreation opportunities. Service levels are set and planned for in a manner in which costs are not allowed to exceed revenue. The City actively engages in long-term financial planning through its yearly budgetary process, the creation of master plans for certain services (Transportation, Water, Sewer, Stormwater, etc.) and through the maintenance of a long-range plan.

Major financial decisions are made in the context of this long-range plan. The long range plan has two components; a five year financial forecast for each operating fund and five year forecast of capital project needs. The goal of the operating fund forecast is to assess the City's ability over the next five years to continue to effectively provide current service levels based on projected growth, meet goals set by Council, preserve the City's long-term fiscal health, and to ensure financial reserve levels specified in the financial policies are maintained. Capital project needs are based upon master plans, development agreements, input from applicable Commissions and Committees and Council directed improvements. The forecast serves as a tool to identify financial trends, potential shortfalls, and arising issues so the City can proactively address them.

One of the City's largest capital improvement projects, the wastewater treatment plant upgrade and expansion, was completed in the past fiscal year. The \$43.8 million project began in 2012 and was dedicated to the public April 24, 2014. The City contracted out for the design, build, and operation of the plant for the next 15 years. The construction was financed through the issuance of full faith and credit revenue bonds to be repaid from sewer user revenues, with final maturity in December 2031. The plant has been rebuilt and upgraded to include modern wastewater treatment technology, a new odor control system, stronger environmental protections, and increased capacity from 2.5 million gallons a day to 4 million gallons a day to accommodate Wilsonville's continued growth. Critical infrastructure is a key component of the City's economic development strategy.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wilsonville for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report. This was the 17th consecutive year that the City has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. The CAFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report was a combined effort of the dedicated staff in the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We also acknowledge the efforts of other departments who provided information that helped to make the report far more than a presentation of financial statements.

In closing, we acknowledge the City Council of the City of Wilsonville for their continued support and leadership.

Sincerely,



Bryan Cosgrove
City Manager



Susan Cole
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Wilsonville
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

**CITY OF WILSONVILLE,
OREGON**
June 30, 2014

ELECTED OFFICIALS

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Tim Knapp	Mayor	December 31, 2016
Scott Starr	Council President	December 31, 2014
Julie Fitzgerald	Councilor	December 31, 2016
Richard Goddard	Councilor	December 31, 2014
Susie Stevens	Councilor	December 31, 2016

Principal Officials

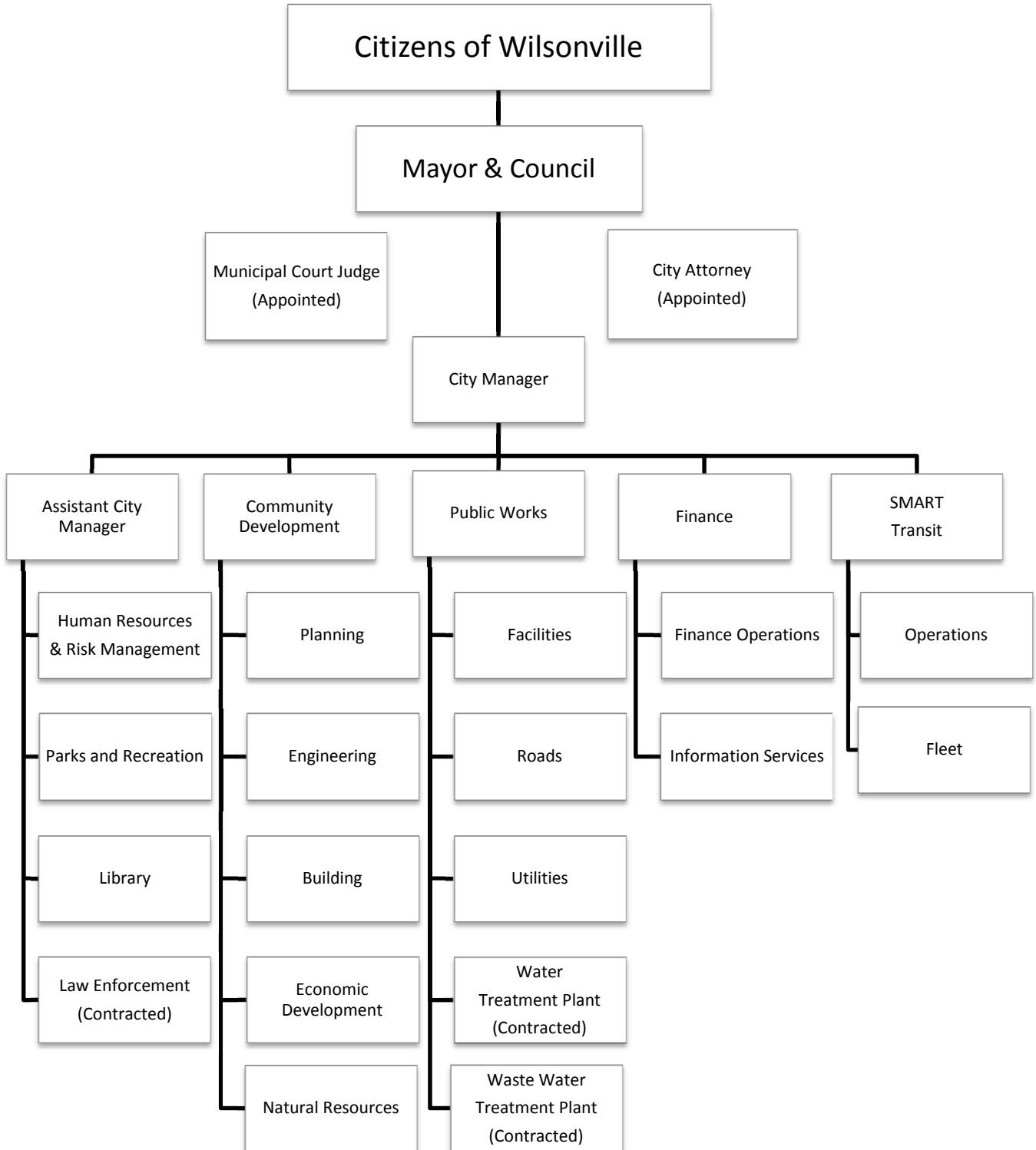
Bryan Cosgrove	City Manager
Michael E. Kohlhoff	City Attorney
Susan Cole	Finance Director
Sandra C. King	City Recorder

Mailing Address

29799 SW Town Center Loop, East
Wilsonville, OR 97070-0220

www.ci.wilsonville.or.us

CITY OF WILSONVILLE, OREGON
Organizational Chart



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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Other Supplementary Information**
- **Budgetary Comparisons**
- **Other Financial Schedules**





GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City Council, and the City Manager
City of Wilsonville
29799 SW Town Center Loop East
Wilsonville, Oregon 97070

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 City'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 financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilsonville, Oregon as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) (pages 23 through 32), and the budgetary comparison information (pages 77 through 80) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial

statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of the City of Wilsonville's basic financial statements. The other supplementary information, introductory section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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 them.

Other Reporting Required by Government Auditing Standards and Other Legal and Regulatory Requirements

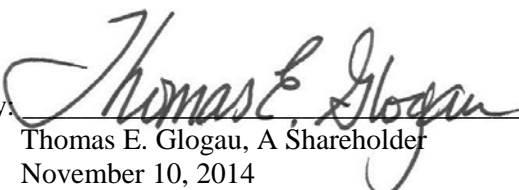
Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2014, on our consideration of the City of City of Wilsonville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of City of Wilsonville's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 10, 2014, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

**GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS**

By: 
Thomas E. Glogau, A Shareholder
November 10, 2014

CITY OF WILSONVILLE, OREGON
Management's Discussion and Analysis
For the Year Ended June 30, 2014

As management of The City of Wilsonville, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Wilsonville for the fiscal year ended June 30, 2014. We encourage readers to consider this information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 9-14 of this report.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities by \$337.9 million (net position). Of this amount, \$45.7 million represents unrestricted net position, which may be used to meet the City's obligations to citizens and creditors.
- The City's net position increased \$11.2 million in governmental activities and \$8.5 million in business type activities for a total increase of \$19.7 million.
- The City's total debt outstanding decreased \$7.7 million or 8.3% during the current fiscal year. No additional long-term debt was acquired during the fiscal year.
- For its governmental activities, the City received \$20.8 million in tax revenue, up approximately \$1.0 million (or 5%) over the prior year. General purpose property taxes increased \$.3 million while property taxes for debt service increased \$.4 million. Other tax revenue increased \$.3 million.
- For its business-type activities, the City recognized \$24.4 million in total revenue including \$15.8 million in charges for services (up 8.2% over prior year) and \$8.3 million in capital contributions (a 5.9% decrease from prior year).
- At the close of the current fiscal year, the City's governmental funds report a combined fund balance of \$47.2 million, a \$2.5 million increase over the prior fiscal year. Of the total fund balance reported, \$42.8 million is considered nonspendable, restricted, committed or assigned. The remaining \$4.4 million is available for spending at the government's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Wilsonville's basic financial statements. The City of Wilsonville's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information, combining statements and budgetary schedules which follow the financial section. Additionally, there are a variety of statistical tables and special reports from our independent certified public accountants as required by Oregon law.

Government-wide Financial Statements (full accrual). The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Wilsonville's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Wilsonville's assets, liabilities, and deferred inflows/outflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Wilsonville is improving or deteriorating.

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

Both of these government-wide financial statements distinguish functions of the City of Wilsonville that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended

CITY OF WILSONVILLE, OREGON
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For the Year Ended June 30, 2014

to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Wilsonville include general government, public safety, transportation, public works, culture and recreation, and community development. The business-type activities of the City of Wilsonville include sewer, water, stormwater, and street lighting.

The government-wide financial statements include not only the City of Wilsonville itself (known as the primary government), but also a legal separate urban renewal agency. The urban renewal agency, although legally separate, functions for all practical purposes as a department of the City of Wilsonville, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 35-37 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Wilsonville, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Wilsonville can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements are reported using an accounting method called modified accrual, which focuses on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. The government funds statements provide a detailed short-term view to cash, the governmental fund operations and the basic services it provides. These statements may be useful in assessing a government's near-term financing requirements. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to describe the relationship (or differences) between governmental activities (reported in the government-wide Statement of Net Position and the Statement of Activities) and that which is reported in the governmental funds.

The City maintains 16 individual governmental funds as of June 30, 2014, including those of the urban renewal component unit. Five of these funds (General Fund, Community Development Fund, Transit Fund, Urban Renewal Year 2000 Plan Debt Service Fund and Urban Renewal Year West Side Plan Debt Service Fund) are considered to be major funds and reported separately in the statement of revenues, expenditures, and changes in fund balances. The remaining 11 governmental funds are aggregated into a single column presentation. Individual fund data for each of the non-major funds is provided in the combining statements elsewhere in this report. The City adopts an annual budget for all its funds. Budgetary comparisons schedules are provided to demonstrate compliance with the budget.

Proprietary funds. The City of Wilsonville maintains two different types of business activity funds – enterprise funds and an internal service fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City's enterprise funds charge fees to customers to help cover the costs of certain services provided. The City's water, sewer, stormwater and street lighting systems are reported as enterprise funds. The City's Fleet Fund is reported as an internal service fund, in which the principal operating revenues are from other organizational units within the City.

Notes to the financial statements. The notes provide additional information that is essential to the full understanding of the City's financial statements. The notes begin on page 51.

CITY OF WILSONVILLE, OREGON
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Government-wide Overall Financial Analysis

Net position serves as a useful indicator of a government's financial position especially when viewed over multiple periods of time. In the case of the City, assets exceed liabilities by \$337.9 million at the close of the most recent fiscal year. This represents a \$19.7 million increase over the prior fiscal year. The following table reflects a summary of Net Position compared to the prior fiscal year.

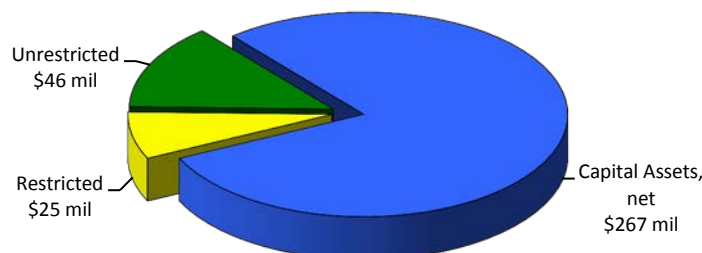
TABLE 1 - NET POSITION - AS OF JUNE 30
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	\$ 52.2	\$ 49.9	\$ 29.7	\$ 39.0	\$ 81.9	\$ 88.9
Capital assets	213.7	208.9	133.8	121.5	347.5	330.4
Total assets	265.9	258.8	163.5	160.5	429.4	419.3
Deferred Outflows of Resources						
Deferred charge on refunding	-	-	0.4	0.5	0.4	0.5
Liabilities						
Other liabilities	3.2	3.4	2.7	4.6	5.9	8.0
Noncurrent liabilities	36.2	40.2	49.7	53.4	85.9	93.6
Total liabilities	39.4	43.6	52.4	58.0	91.8	101.6
Net position						
Net investment in capital assets	182.6	172.0	84.5	72.6	267.1	244.6
Restricted	16.0	16.2	9.1	11.7	25.1	27.9
Unrestricted	27.9	27.0	17.8	18.7	45.7	45.7
Total net position	\$ 226.5	\$ 215.2	\$ 111.4	\$ 103.0	\$ 337.9	\$ 318.2

The increase in net position is attributed to contributions from developers for infrastructure (water, sewer, stormwater and streets), system development charges and to a lesser extent operations. The overall increase is \$5.0 million less than the prior years' growth of \$24.7 million.

The City's total net position of \$337.9 million consists of three parts. The largest portion of the City's net position, at \$267 million (or 79%), is invested in capital assets (e.g. land, building, equipment and streets) and reported net of related outstanding debt. The City uses these capital assets to provide services to its citizens; thus, they do not represent resources available for future spending. Restricted net position totals \$25.1 million (or 7%) and represents cash and investments that are legally restricted for capital expansion or debt service. Finally, the remaining \$45.7 million (or 14%) is unrestricted meaning it is available for meeting the City's ongoing obligations. The following chart displays the three components of net position as of June 30, 2014.

CHART 1
CITY OF WILSONVILLE – NET POSITION FOR FISCAL YEARS ENDING JUNE 30, 2014
(in millions)



CITY OF WILSONVILLE, OREGON
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Statement of Activities

As indicated in Table 2 below, total net position of the City increased by \$19.7 million, or 6.2% more than the prior year net position balance. Descriptions of significant activities follow the table below.

TABLE 2
STATEMENTS OF ACTIVITIES
FOR FISCAL YEARS ENDING JUNE 30
(in millions)

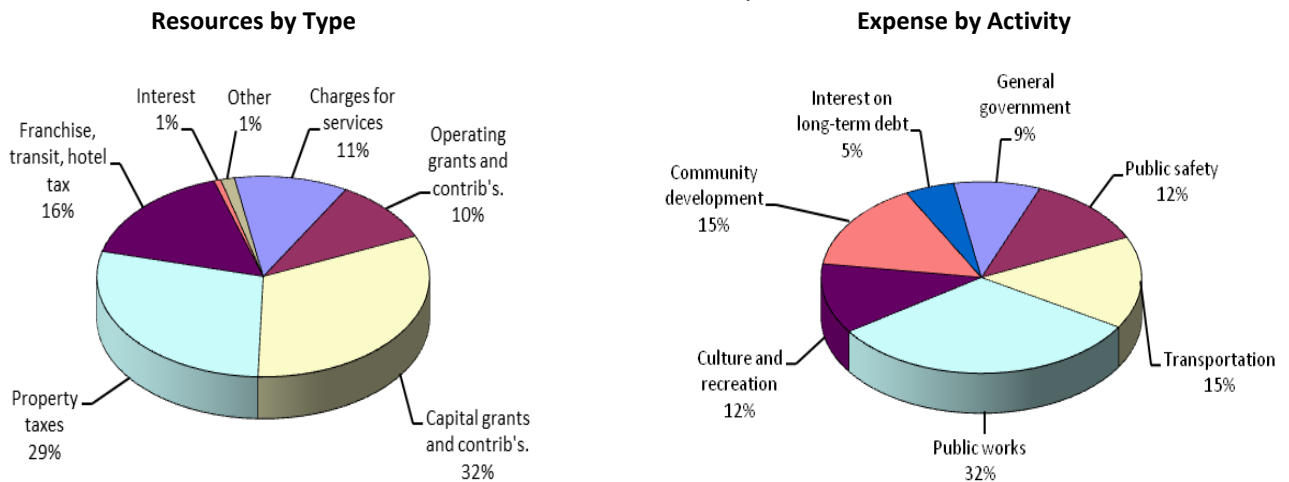
	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	\$ 5.4	\$ 4.9	\$ 15.8	\$ 14.6	\$ 21.2	\$ 19.5
Operating grants and contributions	2.6	4.5	-	-	2.6	4.5
Capital grants and contributions	15.5	14.3	8.3	8.8	23.8	23.1
General revenues:						
Property taxes	13.3	12.7	-	-	13.3	12.7
Franchise, transit, hotel tax	7.5	7.2	-	-	7.5	7.2
Interest	0.3	0.3	0.2	0.2	0.5	0.5
Other	0.5	0.6	0.1	0.1	0.6	0.7
Total revenues	45.1	44.5	24.4	23.7	69.5	68.2
Expenses						
Governmental activities:						
General government	2.8	2.7	-	-	2.8	2.7
Public safety	3.9	3.8	-	-	3.9	3.8
Transportation	5.0	5.0	-	-	5.0	5.0
Public works	10.2	8.6	-	-	10.2	8.6
Culture and recreation	3.8	3.7	-	-	3.8	3.7
Community development	4.7	4.8	-	-	4.7	4.8
Interest on long-term debt	1.6	1.7	-	-	1.6	1.7
Business-type activities:						
Water	-	-	9.2	6.0	9.2	6.0
Sewer	-	-	5.4	5.1	5.4	5.1
Stormwater	-	-	2.9	1.8	2.9	1.8
Street lighting	-	-	0.3	0.3	0.3	0.3
Total expenses	32.0	30.3	17.8	13.2	49.8	43.5
Increase in net position before transfers	13.1	14.2	6.6	10.5	19.7	24.7
Transfers	(1.8)	(0.2)	1.8	0.2	-	-
Increase in net position	11.3	14.0	8.4	10.7	19.7	24.7
Beginning net position	215.2	201.2	103.0	92.3	318.2	293.5
Ending net position	\$ 226.5	\$ 215.2	\$ 111.4	\$ 103.0	\$ 337.9	\$ 318.2

CITY OF WILSONVILLE, OREGON
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Governmental activities – The net position for governmental activities increased \$11.3 million from the prior year. This increase arises from cash contributions from developers for future infrastructure costs; infrastructure improvements constructed by developers and then turned over to the City, and revenues that exceed program expenses. Financial highlights from governmental activities for the year include:

- Charges for services - increased 10.1% (\$0.5 million) over prior year, in large part the result of increased engineering, planning, and building inspection revenue in the Community Development program.
- Capital grants and contributions - increased 7.8% (\$1.2 million) over prior year due largely to developer contributions up \$2.1 million as recognized in the Public Works program, offset by a decline in other capital grants.
- Operating grants and contributions – decreased 41.1% (\$1.9 million), the result of a one-time transportation related operating grant recognized in the prior year.
- General revenues – increased 4.3% (\$0.7 million) over prior year, driven by increases in tax revenue due to increases in assessed values, an improving economy, and new construction.
- Total governmental activity expense - increased \$1.8 million or 4.1% in the current year largely due from inflationary increases in the costs to provide services.

CHART 2
GOVERNMENTAL ACTIVITIES REVENUES AND EXPENSES
FOR FISCAL YEAR ENDING JUNE 30, 2014



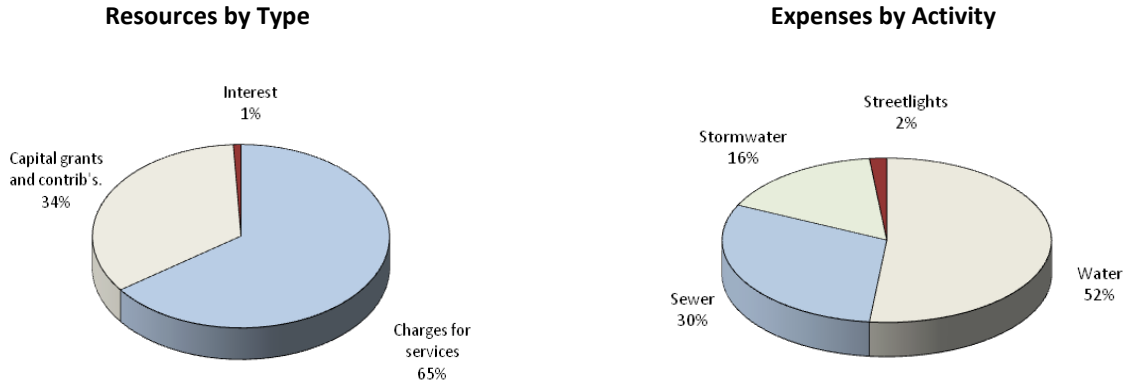
**Public safety includes law enforcement and municipal court. The City does not provide fire service.*

Business-type activities – Business-type activities generated an \$8.4 million increase to the City's total net position. This increase is, however, down 21% (or \$2.3 million) from last year year's gain. The total gain, though smaller than last year's, is primarily the result of the Sewer Fund.

- The Sewer Fund's net position increased \$8.3 million, up 138% over prior year (or \$4.8 million) due in part to the third in a series of three rate increases approved by Council going into effect. The rate increases were approved prior to the bond issuance for the Wastewater Treatment and Rehabilitation Project and will primarily be used for debt service payments. Operating revenue increased 16.7% (or \$1.0 million) and capital contributions increased 223% (or \$4.4 million) both mitigated by a smaller increase (13% or \$0.5 million) in operating expense.
- The Water Fund's net position decreased a total of \$0.3 million due in part to a reimbursement operating cost to the City of Sherwood for their portion of a joint water pipe. Also capital contributions received decreased 55% or \$2.6 from prior year.
- The Stormwater Fund's net position increased \$0.1 million and the Street Lighting Fund increased \$0.3 million.

CITY OF WILSONVILLE, OREGON
Management's Discussion and Analysis
For the Year Ended June 30, 2014

CHART 3
BUSINESS-TYPE ACTIVITIES REVENUES AND EXPENSES
FOR FISCAL YEAR ENDING JUNE 30, 2014



FUND FINANCIAL ANALYSIS

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City financing requirements. Fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$47.2 million, increase of \$2.5 million over the prior year. Approximately, 9.3% (\$4.4 million) of the ending fund balance constitutes unassigned fund balance, with remaining amounts either assigned (\$18.4 million), committed (\$5.9 million), restricted (\$18.1 million), or in a non-spendable form (\$.3 million). Assigned amounts are intended for specific purposes as expressed by the City. Restricted amounts are constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), while committed amounts are constrained to specific purposes by the City itself. The City's five major government funds are analyzed below.

The General Fund is the chief operating fund for the City. At the end of the current year, unassigned fund balance of the general fund was \$4.4 million, while total fund balance reached \$14.9 million. Total fund balance increased \$.1 million during the fiscal year, compared to a \$.8 million increase in the prior year. While both operating revenues and operating expenses were up incrementally in the current year, 3.31% and 2.78% respectively, transfers out, including a one-time General Fund funded capital improvement projects, increased 171% (or \$.7 million).

The Community Development Fund accounts for building inspection, planning and engineering services. License and permit revenues increased \$.2 million. Overall, the Community Development's fund balance increased over \$.7 million, ending with a fund balance of \$5.0 million.

The Transit Fund records the activity of the City's bus system and transportation alternatives programs. The primary resource is a payroll tax on local business which provided revenues of \$4.3 million, up 9% (or \$.4 million) from prior year taxes. Operating expenses were up roughly 9% as well (or \$.5 million). The ending fund balance closed the year at \$2.5 million, down only \$23,878 from prior year.

The Year 2000 Debt Service Fund accounts for the debt service of Year 2000's Urban Renewal District. The primary revenue source is from the incremental property revenue generated within the district and provided \$4.2 million dollars in revenue. The ending fund balance of \$3.4 million will be used for the repayment of future debt.

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The Westside Debt Service Fund accounts for the debt service of the Westside's Urban Renewal District. The primary revenue source is from the incremental property revenue generated within the district and provided \$3.4 million dollars in revenue. The ending fund balance of \$3.6 million will be used for the repayment of future debt.

Proprietary Funds

The Water Fund experienced a 1% (\$41,407) decrease in operating revenue from prior year. This reduction is attributable to an unseasonably hot spring in fiscal year 2013 which corresponded to higher usage. Fiscal year 2014 saw a more mild spring and summer with a corresponding drop in water irrigation compared to the prior year. Water rates have remained flat since the last rate increase went into effect in November 2011, although a revenue neutral rate adjustment went into effect January 2015 which reapportioned rates between customer classes. Single family residential customers are subject to a base charge plus a two tiered volume usage structure (summer and winter). Commercial, industrial, multi-family, and irrigation rates are determined by meter size plus simple volume charge. The ending fund balance closed the year at \$45.8 million, down \$270,100 from prior year.

The Sewer Fund bases its charges on water consumption for commercial, industrial and multifamily customers and winter average usage for residential customers. Operating revenues have increased over 17% (\$1.0 million) from last fiscal year due largely to rate increases of 12% on January 2013 and 10% on January 2014. The rate increases provide the revenues to pay for wastewater treatment plant improvements debt service and operating costs. The ending fund balance closed the year at \$40.3 million, up \$8.3 million from prior year largely the result of both increased operating revenue as well as capital contributions which were up \$4.4 million.

The Stormwater Fund ended the year with a \$118,438 increase in net position. This is due largely from capital contributions from developers as net operating revenues were only sufficient to cover operating and capital related expenditures. A rate study update has been completed to ensure appropriate rates are set to meet the operational needs of the operating fund. The rate study will be presented to Council sometime in 2014-15 for approval.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budgetary statement for the General Fund, page 77, shows the original budget, final budget, actual revenues, expenditures and transfers in and out for the fiscal year ended June 30, 2014. Three budgetary adjustments were approved by Council during the fiscal year. Inter-fund transfers out was increased \$434,536 and material and services budget line items increased \$66,000. The increases in expenditures were partially offset by increases in revenues. Specifically, inter-fund transfers for capital project overhead increased \$57,944 and additional grant receipts in the amount of \$25,000. The difference between expenses and revenues were funded through contingency.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital assets comprise 81% of all City assets. Of that total, infrastructure is the largest component of both governmental and business-type activities. Infrastructure includes road improvements, sidewalks, stormwater systems, sewer lines, and water lines. Within governmental activities, the second largest component is land for buildings, parks, and roadways. Within business-type activities, the second largest component is for water treatment and wastewater treatment plants. Additional information about the City's capital assets and depreciation can be found in the Notes on pages 62-63.

CITY OF WILSONVILLE, OREGON
Management's Discussion and Analysis
For the Year Ended June 30, 2014

TABLE 3 – CAPITAL ASSETS NET OF DEPRECIATION, AT FISCAL YEARS-END JUNE 30
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Land	\$ 86.0	\$ 78.3	\$ 1.8	\$ 1.8	\$ 87.8	\$ 80.1
Intangibles	3.9	2.1	3.8	2.3	7.7	4.4
Buildings and improvements	20.0	20.6	31.7	21.6	51.7	42.2
Land improvements	7.5	6.8	26.2	0.3	33.7	7.1
Machinery and equipment	3.0	2.8	8.1	0.8	11.1	3.6
Infrastructure	89.6	92.0	61.4	58.0	151.0	150.0
Construction in progress	3.7	6.3	0.8	36.8	4.5	43.1
Total	\$ 213.7	\$ 208.9	\$ 133.8	\$ 121.6	\$ 347.5	\$ 330.5

Significant capital asset additions for governmental and business-type activities for the current fiscal year include:

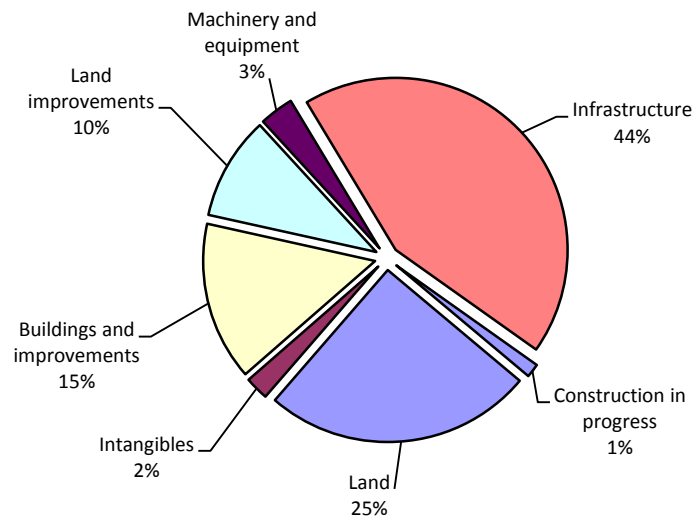
Governmental activities

- Various contributed land, easements, sidewalks and road improvements \$10.5 million
- Memorial Park parking lot rebuild, \$1.1 million
- Grahams Ferry Road improvements, \$705 thousand
- BPA Shield Wires, \$ 145 thousand

Business-type activities

- Wastewater Treatment Plant, \$44.2 million
- Morey's Landing slope stabilization, \$1.1 million
- Kinsman Water transmission phase 2, \$1.6 million
- Autumn Park sewer line replacement, \$476 thousand

CHART 4 - CAPITAL ASSETS – TOTAL
AS OF JUNE 30, 2014



CITY OF WILSONVILLE, OREGON
Management's Discussion and Analysis
For the Year Ended June 30, 2014

DEBT OUTSTANDING

At year-end, the City had \$84.1 million in debt outstanding compared to \$91.7 million in the prior year. Of this balance, \$6.7 million is due on amortizing debt within one year. Additional information can be found in the Notes on pages 64-69.

TABLE 4 - OUTSTANDING DEBT AT FISCAL YEARS-END
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Full faith and credit bonds:						
General obligation bonds	\$ 0.7	\$ 1.0	\$ -	\$ -	\$ 0.7	\$ 1.0
Revenue backed	-	-	42.7	45.4	42.7	45.4
Tax increment bonds	34.9	38.6	-	-	34.9	38.6
Revenue debt:						
Revenue bonds	-	-	5.8	6.7	5.8	6.7
Total	\$ 35.6	\$ 39.6	\$ 48.5	\$ 52.1	\$ 84.1	\$ 91.7

During the fiscal year ended June 30, 2014 all scheduled debt payments were met. Governmental activities outstanding debt decreased by \$4.0 million during the current fiscal year due to annual principal payments. Business-type activities outstanding debt decreased \$3.6 million during the current fiscal year due to annual principal payments.

Moody's Investors Service, Inc. has rated the City's general obligation debt at Aa2 and water revenue bond at Aa3. Both of these ratings reflect the new Global Rating Scale. The tax increment debt is privately placed and has not been rated. Under Oregon Revised Statutes, general obligation debt issues are limited to 3% of the real market value of all taxable property within the City's boundaries. The \$.7 million in general obligation debt applicable to this limit is well below the \$82.7 million limitation.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2014-15 Budget, including ending fund balances of \$53,364,472 and inter-fund transfers of \$17,843,440 was approved by the City Council on June 2, 2014 in the total amount of \$122,496,664. The City has an operating budget of \$35,319,653 and a capital projects budget of \$10,125,699. As reflected in the relatively large capital project's budget, the City is growing and is dedicated to investing in its infrastructure. The operating budget is allocated across six City program areas: Public Works, Transportation, Policy and Administration, Community Development, Public Safety, and Community Services. It places a priority on existing programs to insure that the City is able to maintain high quality, timely, and efficient products, processes, and services. The following economic factors were considered in developing the 2014-15 fiscal year budget.

Property taxes are a prime resource for the General Fund and the assessed value upon which these taxes are based are permitted to increase by 3% per year. In May 1997, voters approved Measure 50 which separated real market value from assessed value, rolled back assessed values to 90% of 1995-96 values and limited future increases of taxable assessed values to 3%. Measure 50's rolled back assessed values remain lower than the real market value, resulting in stable revenue stream for the City.

Post Measure 50, property tax rates assigned to governments are now fixed and not subject to change. The City's permanent tax rate is \$2.5206 per \$1,000 of assessed valuation without any outstanding local initiatives. Taxes from the permanent rate are recorded in the General Fund a discretionary revenues to support General Fund programs such as Public Safety, Library, and Parks and Recreation. A debt service levy is collected for outstanding general obligation bonds.

The State of Oregon does not have a sales tax, thus the City is not subject to swings in revenue during periods of economic volatility related to consumer spending. Nor is the City's General Fund dependent upon income taxes as a resource, thus it is directly affected by the volatility in employment rates.

CITY OF WILSONVILLE, OREGON
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Franchise fees and privilege taxes are the second largest revenue source for the General Fund and have proven to be largely stable. These fees are charged to various utility companies for use of public right-of-way based upon a percentage of net sales within city limits. Over the past year we have begun to see a positive trend in franchise tax revenue. The increase in franchise taxes is due primarily to an upswing in the economy and population growth within the city.

Intergovernmental revenues originate from state and county shared revenues. The state shared revenues include alcoholic beverage and cigarette excise taxes, and state shared revenue. The revenues are allocated by various formulas, but utilize a per capita rate. Increases in next year's budget reflect the continued growth in population.

The City's building department is anticipating over 200 single family homes to be permitted in the Villebois area as well as over 140 multi-family units. Revenues earned by the inspection and permit fees for the Building Fund are restricted by state statute; however activity reflects growth in the community that will eventually be reflected in the assessed value of the tax rolls and increased utility revenues.

The City's public transit system is funded by a payroll tax paid by Wilsonville businesses and is based on total payroll or self-employment income. Payroll taxes continue to increase as the local economy grows with new businesses relocating to the City. Transit taxes are estimated to exceed \$4.5 million in the next budget year.

Utility rates are reviewed regularly and adjusted by Council when necessary to insure charges are sufficient to finance all related operating, capital outlay, debt service expenses, and operating reserves, as such:

- Water rates are subject to a 2.25% a year, three-year incremental rate increase set to begin January 1, 2015. In January 2014, Council approved a revenue neutral rate adjustment that aligned the rates per customer class based on the most current cost of service analysis.
- Sewer rates increased 10% on January 1, 2014 with no additional increases budgeted. That increase though will provide the revenues to pay for wastewater treatment plant improvements debt service and operating costs.
- Stormwater rates increased 2.9% on July 1, 2014.
- Street lighting rates have been held steady for many years, last adjusted in July 1998, and have provided a stable financing source adequate to cover related operating and capital needs.

Uncertainties about future economic changes and financial impacts are common to all cities. To deal with the swings in the economy and to plan for future capital expansion, the City routinely puts aside resources. At June 30, 2014 the amount of assets set aside in governmental activities total \$47.2 million. Fund balances reserved as non-spendable, restricted, committed or assigned total \$42.8 million and the \$4.4 million is provided for ongoing operations of the City. Within the business-type activities \$9.1 million is set aside for future construction and equipment replacement programs.

REQUEST FOR INFORMATION

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, please contact the City's Finance Director at 29799 SW Town Center Loop E, Wilsonville, Oregon 97070, or via email to cole@ci.wilsonville.or.us. Financial information for current and prior years is also available at www.ci.wilsonville.or.us.

**BASIC
FINANCIAL
STATEMENTS**

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CITY OF WILSONVILLE, OREGON

Statement of Net Position

June 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 42,117,047	\$ 18,188,869	\$ 60,305,916
Receivables (net of allowances for uncollectibles)	2,712,782	1,874,102	4,586,884
Inventories	-	63,589	63,589
Prepays	280,815	2,666	283,481
Restricted cash and investments	6,827,794	9,135,299	15,963,093
Notes receivable	176,136	430,682	606,818
Capital assets:			
Land, non-depreciable assets, and construction in progress	93,370,223	6,311,986	99,682,209
Building, improvements, and other capital assets (net of accumulated depreciation)	120,376,576	127,464,788	247,841,364
Total assets	<u>265,861,373</u>	<u>163,471,981</u>	<u>429,333,354</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	365,942	365,942
LIABILITIES			
Accounts payable	1,266,501	1,337,204	2,603,705
Other accrued liabilities	1,275,629	1,169,417	2,445,046
Unearned revenue	314,914	31,578	346,492
Deposits	171,860	13,985	185,845
Interest payable	199,675	146,798	346,473
Noncurrent liabilities:	-		
Due within one year	3,289,440	3,750,907	7,040,347
Due in more than one year	32,867,770	45,984,234	78,852,004
Total liabilities	<u>39,385,789</u>	<u>52,434,123</u>	<u>91,819,912</u>
NET POSITION			
Net investment in capital assets	182,563,852	84,456,922	267,020,774
Restricted for:			
Capital projects	8,499,942	9,135,299	17,635,241
Debt service	7,499,373	-	7,499,373
Unrestricted	27,912,417	17,811,579	45,723,996
Total net position	<u>\$ 226,475,584</u>	<u>\$ 111,403,800</u>	<u>\$ 337,879,384</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WILSONVILLE, OREGON

Statement of Activities

For the year ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 2,783,098	\$ 797,639	\$ 25,000	\$ -
Public safety	3,931,951	325,251	-	-
Transportation	4,973,506	275,561	327,996	713,614
Public works	10,160,489	714,558	1,228,185	13,671,565
Culture and recreation	3,819,439	190,180	1,065,874	1,102,889
Community development	4,748,107	3,057,239	-	-
Interest on long-term debt	1,635,091	-	-	-
Total governmental activities	32,051,681	5,360,428	2,647,055	15,488,068
Business-type activities:				
Water	9,219,979	6,784,658	4,721	2,143,044
Sewer	5,424,747	7,198,881	-	4,355,691
Stormwater	2,850,421	1,392,150	-	1,586,287
Street lighting	341,942	421,986	-	236,914
Total business-type activities	17,837,089	15,797,675	4,721	8,321,936
Total government	\$ 49,888,770	\$ 21,158,103	\$ 2,651,776	\$ 23,810,004

General revenues:

Property taxes, levied for general purposes

Property taxes, levied for debt service

Franchise, transit and hotel taxes

Investment revenue

Other revenues

Subtotal general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position--beginning

Net position--ending

Continued on page 37.

The notes to the financial statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-Type Activities	Total
\$ (1,960,459)	\$ -	\$ (1,960,459)
(3,606,700)	-	(3,606,700)
(3,656,335)	-	(3,656,335)
5,453,819	-	5,453,819
(1,460,496)	-	(1,460,496)
(1,690,868)	-	(1,690,868)
(1,635,091)	-	(1,635,091)
<u>(8,556,130)</u>	<u>-</u>	<u>(8,556,130)</u>
-	(287,556)	(287,556)
-	6,129,825	6,129,825
-	128,016	128,016
-	316,958	316,958
-	<u>6,287,243</u>	<u>6,287,243</u>
<u>(8,556,130)</u>	<u>6,287,243</u>	<u>(2,268,887)</u>
5,427,603	-	5,427,603
7,903,772	-	7,903,772
7,517,049	-	7,517,049
292,755	173,556	466,311
522,988	115,100	638,088
<u>21,664,167</u>	<u>288,656</u>	<u>21,952,823</u>
<u>(1,879,320)</u>	<u>1,879,320</u>	<u>-</u>
<u>19,784,847</u>	<u>2,167,976</u>	<u>21,952,823</u>
11,228,717	8,455,219	19,683,936
215,246,867	102,948,581	318,195,448
<u>\$ 226,475,584</u>	<u>\$ 111,403,800</u>	<u>\$ 337,879,384</u>

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FUND FINANCIAL STATEMENTS

Major Governmental Funds

Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Additional funds may be reported as a major fund if the City's officials believe that fund is particularly important to financial statement users.

General Fund

Accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenue are property taxes, licenses and permits, state and county shared revenue, and charges for administrative services from other funds. Primary expenditures are for culture and recreation, general government, and police protection.

Community Development Fund

Accounts for the financial operations of the City's civil engineering, building inspection, and community planning departments.

Transit Fund

Accounts for payroll taxes collected from the local business community and used to fund the City's mass transit program.

Urban Renewal - Year 2000 Plan Debt Service Fund

Accounts for the collection of tax increment (property tax) revenues and the payment of principal and interest on outstanding debt associated with the Year 2000 Plan Urban Renewal District.

Urban Renewal - West Side Plan Debt Service Fund

Accounts for the collection of tax increment (property tax) revenues and the payment of principal and interest on outstanding debt associated with the West Side Urban Renewal District.

CITY OF WILSONVILLE, OREGON

Governmental Funds

Balance Sheet

June 30, 2014

	General	Special Revenue	
		Community Development	Transit
ASSETS			
Cash and investments	\$ 14,585,723	\$ 3,308,474	\$ 1,434,005
Receivables:			
Interest	41,135	22,642	-
Accounts	401,353	-	1,177,530
Property taxes	348,330	-	-
Notes receivable	-	-	-
Prepays	262,760	1,375	-
Restricted cash and investments	169,170	2,611,530	-
Total assets	<u>\$ 15,808,471</u>	<u>\$ 5,944,021</u>	<u>\$ 2,611,535</u>
LIABILITIES			
Accounts payable	\$ 240,655	\$ 111,757	\$ 61,887
Other accrued liabilities	216,698	503,964	77,790
Deposits	24,500	147,360	-
Unearned revenue	108,896	206,018	-
Development charge payable	-	-	-
Total liabilities	<u>590,749</u>	<u>969,099</u>	<u>139,677</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>295,477</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	262,760	1,375	-
Restricted	120,886	2,464,170	-
Committed	4,034,000	783,000	961,000
Assigned	6,098,472	1,726,377	1,510,858
Unassigned	4,406,127	-	-
Total fund balances	<u>14,922,245</u>	<u>4,974,922</u>	<u>2,471,858</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,808,471</u>	<u>\$ 5,944,021</u>	<u>\$ 2,611,535</u>

Continued on page 41.

The notes to the financial statements are an integral part of this statement.

Debt Service		Other	
Urban Renewal Year 2000 Plan	Urban Renewal West Side Plan	Governmental Funds	Total Governmental
\$ 1,788,391	\$ 1,310,830	\$ 18,454,187	\$ 40,881,610
6,847	2,973	36,870	110,467
-	-	165,655	1,744,538
287,247	195,293	23,660	854,530
-	-	176,136	176,136
-	-	16,680	280,815
1,603,025	2,217,903	226,166	6,827,794
<u>\$ 3,685,510</u>	<u>\$ 3,726,999</u>	<u>\$ 19,099,354</u>	<u>\$ 50,875,890</u>
\$ -	\$ -	\$ 796,510	\$ 1,210,809
-	-	44,035	842,487
-	-	-	171,860
-	-	-	314,914
-	-	419,041	419,041
-	-	1,259,586	2,959,111
<u>244,465</u>	<u>164,620</u>	<u>20,265</u>	<u>724,827</u>
-	-	16,880	281,015
3,441,045	3,562,379	8,549,661	18,138,141
-	-	155,000	5,933,000
-	-	9,097,962	18,433,669
-	-	-	4,406,127
<u>3,441,045</u>	<u>3,562,379</u>	<u>17,819,503</u>	<u>47,191,952</u>
<u>\$ 3,685,510</u>	<u>\$ 3,726,999</u>	<u>\$ 19,099,354</u>	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$106,303,552	213,210,321
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds: Property taxes earned but unavailable	724,827
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds	(528,122)
Internal service funds are used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position	1,671,281
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds: Notes and bonds Interest on long-term debt	(35,595,000) (199,675)
Net Position of Governmental Activities	<u>\$ 226,475,584</u>

CITY OF WILSONVILLE, OREGON
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ending June 30, 2014

	Special Revenue		
	General	Community Development	Transit
REVENUES			
Taxes	\$ 8,594,003	\$ -	\$ 4,342,353
Intergovernmental	1,661,462	-	1,041,610
Licenses and permits	159,029	2,166,047	-
Charges for services	573,814	889,272	251,511
System development fees	-	-	-
Fines and forfeitures	247,534	-	-
Investment revenue	78,859	32,878	14,976
Other revenues	173,356	17,135	33,567
Total revenues	<u>11,488,057</u>	<u>3,105,332</u>	<u>5,684,017</u>
EXPENDITURES			
Current operating:			
General government	2,118,637	460,960	456,796
Public safety	3,932,008	-	-
Transportation	-	-	4,420,600
Public works	766,687	13,200	45,686
Culture and recreation	3,328,472	-	-
Community development	-	2,118,069	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Capital outlay	77,615	11,870	785,703
Total expenditures	<u>10,223,419</u>	<u>2,604,099</u>	<u>5,708,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,264,638</u>	<u>501,233</u>	<u>(24,768)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Proceeds of interagency loan	4,500,000	-	-
Payment of interagency loan	(4,500,000)	-	-
Transfers in	52,500	229,000	-
Transfers out	(1,186,805)	(18,900)	(23,756)
Sale of capital assets	-	-	24,646
Total other financing sources (uses)	<u>(1,134,305)</u>	<u>210,100</u>	<u>890</u>
Net change in fund balance	130,333	711,333	(23,878)
Fund balances--beginning	14,791,912	4,263,589	2,495,736
Fund balances--ending	<u>\$ 14,922,245</u>	<u>\$ 4,974,922</u>	<u>\$ 2,471,858</u>

Continued on page 43.

The notes to the financial statements are an integral part of this statement.

Debt Service		Other	Total
Urban Renewal	Urban Renewal	Governmental	Governmental
Year 2000 Plan	West Side Plan	Funds	Funds
\$ 4,190,946	\$ 3,361,188	\$ 334,091	\$ 20,822,581
-	-	1,337,393	4,040,465
-	-	265,511	2,590,587
-	-	672,664	2,387,261
-	-	2,937,790	2,937,790
-	-	-	247,534
38,170	28,624	94,099	287,606
-	-	1,070,553	1,294,611
<u>4,229,116</u>	<u>3,389,812</u>	<u>6,712,101</u>	<u>34,608,435</u>
-	-	157,494	3,193,887
-	-	-	3,932,008
-	-	-	4,420,600
-	-	745,983	1,571,556
-	-	-	3,328,472
-	-	2,456,418	4,574,487
5,147,000	3,070,000	320,000	8,537,000
426,935	1,139,280	48,400	1,614,615
-	-	4,943,598	5,818,786
<u>5,573,935</u>	<u>4,209,280</u>	<u>8,671,893</u>	<u>36,991,411</u>
<u>(1,344,819)</u>	<u>(819,468)</u>	<u>(1,959,792)</u>	<u>(2,382,976)</u>
-	-	4,500,000	4,500,000
-	-	-	4,500,000
-	-	-	(4,500,000)
-	-	3,710,374	3,991,874
-	-	(2,436,060)	(3,665,521)
-	-	-	24,646
-	-	5,774,314	4,850,999
<u>(1,344,819)</u>	<u>(819,468)</u>	<u>3,814,522</u>	<u>2,468,023</u>
4,785,864	4,381,847	14,004,981	44,723,929
<u>\$ 3,441,045</u>	<u>\$ 3,562,379</u>	<u>\$ 17,819,503</u>	<u>\$ 47,191,952</u>

CITY OF WILSONVILLE, OREGON
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the year ending June 30, 2014

Net change in fund balances-total governmental funds \$ 2,468,023

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Expenditures for capital assets	\$ 2,193,066	
Less current year depreciation	<u>(6,449,140)</u>	(4,256,074)

The net effect of various miscellaneous transactions involving capital assets is to increase net position as follows:

Contributions from outside parties	10,512,347	
Capitalized overhead costs	861,058	
Loss on disposition of capital assets	(161,467)	
Transfers to/from business-type activities	<u>(2,203,573)</u>	9,008,365

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes		25,842
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which proceeds exceeded repayments.

Bond and loan proceeds	(4,500,000)	
Principal payments	<u>8,537,000</u>	4,037,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Interest		(20,476)
Compensated absences		19,660

An internal service fund is used by management to charge the costs of fleet management to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.

(53,623)

Change in Net Position of Governmental Activities

\$ 11,228,717

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

Proprietary Funds

The City of Wilsonville utilizes five Proprietary Funds made up of four Enterprise Funds and one Governmental Activities Internal Service Fund.

Enterprise Funds - These funds are entirely or predominantly self-supported through user charges to external customers. City funds are used to account for acquisition, operation, and maintenance of water, sewer, stormwater facilities, and streetlights. Funds included are:

- ***Water***
- ***Sewer***
- ***Stormwater***
- ***Street Lighting***

For budgetary purposes (see budget schedules in the Other Supplemental Information section), the Water, Sewer, and Stormwater funds are accounted for in the following separate funds:

- ***Water***
 - Water Operating
 - Water Capital Projects
 - Water Development Charges
- ***Sewer***
 - Sewer Operating
 - Sewer Capital Projects
 - Sewer Development Charges
- ***Stormwater***
 - Stormwater Operating
 - Stormwater Capital Projects
 - Stormwater Development Charges

For generally accepted accounting principles purposes, these aforementioned funds and the Street Lighting Fund are consolidated and included as four separate Enterprise Funds.

Internal Service Fund - This fund accounts for those activities and services furnished internally to other organizational units within the City on a cost reimbursement basis. Charges are made to the various departments to support these activities. The City's sole internal service fund is:

- ***Fleet***

CITY OF WILSONVILLE, OREGON

Proprietary Funds

Statement of Net Position

June 30, 2014

	Business-type Activities - Enterprise Funds				Totals	Governmental
	Water	Sewer	Stormwater	Street Lighting		Fleet Internal Service Fund
ASSETS						
Current assets:						
Cash and investments	\$ 5,727,398	\$ 11,498,816	\$ 84,633	\$ 878,022	\$ 18,188,869	\$ 1,235,437
Interest receivable	11,677	60,443	-	-	72,120	3,247
Customer receivable, net	712,516	670,708	132,650	40,678	1,556,552	-
Other receivables	243,768	1,662	-	-	245,430	-
Inventories	63,589	-	-	-	63,589	-
Prepays	2,083	583	-	-	2,666	-
Total current assets	<u>6,761,031</u>	<u>12,232,212</u>	<u>217,283</u>	<u>918,700</u>	<u>20,129,226</u>	<u>1,238,684</u>
Noncurrent assets:						
Restricted cash and investments	1,371,147	6,639,284	1,124,868	-	9,135,299	-
Notes receivable	419,041	11,641	-	-	430,682	-
Capital assets, net	47,983,202	62,675,138	20,827,363	2,291,071	133,776,774	536,477
Total noncurrent assets	<u>49,773,390</u>	<u>69,326,063</u>	<u>21,952,231</u>	<u>2,291,071</u>	<u>143,342,755</u>	<u>536,477</u>
Total assets	<u>56,534,421</u>	<u>81,558,275</u>	<u>22,169,514</u>	<u>3,209,771</u>	<u>163,471,981</u>	<u>1,775,161</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charge on refunding	355,751	10,191	-	-	365,942	-
LIABILITIES						
Current liabilities:						
Accounts payable	402,185	836,643	76,701	21,675	1,337,204	55,692
Accrued compensated absences	11,727	6,789	2,391	-	20,907	12,127
Other accrued liabilities	12,741	1,150,969	5,707	-	1,169,417	14,101
Unearned revenue	31,578	-	-	-	31,578	-
Deposits	13,985	-	-	-	13,985	-
Interest payable	34,209	112,589	-	-	146,798	-
Bonded debt - current	1,480,000	2,250,000	-	-	3,730,000	-
Total current liabilities	<u>1,986,425</u>	<u>4,356,990</u>	<u>84,799</u>	<u>21,675</u>	<u>6,449,889</u>	<u>81,920</u>
Noncurrent liabilities:						
Compensated absences	11,356	15,797	1,287	-	28,440	21,960
Due to other funds	-	-	-	-	-	-
Bonded debt	9,044,346	36,911,448	-	-	45,955,794	-
Total noncurrent liabilities	<u>9,055,702</u>	<u>36,927,245</u>	<u>1,287</u>	<u>-</u>	<u>45,984,234</u>	<u>21,960</u>
Total liabilities	<u>11,042,127</u>	<u>41,284,235</u>	<u>86,086</u>	<u>21,675</u>	<u>52,434,123</u>	<u>103,880</u>
NET POSITION						
Net investment in capital assets	37,814,607	23,523,881	20,827,363	2,291,071	84,456,922	536,477
Restricted for capital projects	1,371,147	6,639,284	1,124,868	-	9,135,299	-
Unrestricted	6,662,291	10,121,066	131,197	897,025	17,811,579	1,134,804
Total net position	<u>\$ 45,848,045</u>	<u>\$ 40,284,231</u>	<u>\$ 22,083,428</u>	<u>\$ 3,188,096</u>	<u>\$ 111,403,800</u>	<u>\$ 1,671,281</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WILSONVILLE, OREGON
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2014

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Stormwater	Street Lighting	Totals	Fleet Internal Service Fund
OPERATING REVENUES:						
Intergovernmental	\$ 4,721	\$ -	\$ -	\$ -	\$ 4,721	\$ -
Charges for services	6,784,658	7,198,881	1,392,150	421,986	15,797,675	1,203,110
Other revenues	26,406	86,973	1,721	-	115,100	748
Total operating revenues	<u>6,815,785</u>	<u>7,285,854</u>	<u>1,393,871</u>	<u>421,986</u>	<u>15,917,496</u>	<u>1,203,858</u>
OPERATING EXPENSES:						
Personal services	437,637	259,110	224,004	-	920,751	525,008
Support services	454,060	396,175	210,164	-	1,060,399	-
Contractual services	1,541,024	1,723,372	99,947	-	3,364,343	-
Utilities	480,503	311,480	1,491	265,738	1,059,212	85,144
Repairs and maintenance	225,559	122,946	152,325	-	500,830	28,964
Other operating expenses	2,341,524	420,460	413,084	968	3,176,036	554,720
Depreciation	1,665,587	935,880	1,005,716	75,236	3,682,419	84,240
Total operating expenses	<u>7,145,894</u>	<u>4,169,423</u>	<u>2,106,731</u>	<u>341,942</u>	<u>13,763,990</u>	<u>1,278,076</u>
Operating income (loss)	<u>(330,109)</u>	<u>3,116,431</u>	<u>(712,860)</u>	<u>80,044</u>	<u>2,153,506</u>	<u>(74,218)</u>
NONOPERATING REVENUES (EXPENSES):						
Investment revenue	42,582	119,697	6,317	4,960	173,556	5,146
Interest expense	(448,948)	(1,390,850)	-	-	(1,839,798)	-
Amortization of bond premium (discount)	(2,609)	74,465	-	-	71,856	-
Amortization of bond defeasance	(61,010)	(10,190)	-	-	(71,200)	-
Disposition of capital assets	(1,561,518)	71,251	(743,690)	-	(2,233,957)	17,549
Total nonoperating revenues (expenses)	<u>(2,031,503)</u>	<u>(1,135,627)</u>	<u>(737,373)</u>	<u>4,960</u>	<u>(3,899,543)</u>	<u>22,695</u>
Net income (loss) before contributions and transfers	<u>(2,361,612)</u>	<u>1,980,804</u>	<u>(1,450,233)</u>	<u>85,004</u>	<u>(1,746,037)</u>	<u>(51,523)</u>
Capital contributions - infrastructure	880,638	3,853,473	1,263,811	435,487	6,433,409	-
Capital contributions - grants and fees	1,262,406	2,502,218	327,476	-	4,092,100	-
Transfers out	(51,532)	(51,532)	(22,616)	(198,573)	(324,253)	(2,100)
Change in net position	<u>(270,100)</u>	<u>8,284,963</u>	<u>118,438</u>	<u>321,918</u>	<u>8,455,219</u>	<u>(53,623)</u>
Net position--beginning	46,118,145	31,999,268	21,964,990	2,866,178	102,948,581	1,724,904
Net position--ending	<u>\$ 45,848,045</u>	<u>\$ 40,284,231</u>	<u>\$ 22,083,428</u>	<u>\$ 3,188,096</u>	<u>\$ 111,403,800</u>	<u>\$ 1,671,281</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WILSONVILLE, OREGON

Proprietary Funds

Statement of Cash Flows

For the year ended June 30, 2014

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Stormwater	Street Lighting	Totals	Fleet Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 7,019,487	\$ 7,204,439	1,371,768	\$ 418,930	\$ 16,014,624	\$ 1,203,110
Payments to suppliers	(4,747,368)	(4,328,472)	(651,494)	(268,542)	(9,995,876)	(630,655)
Payments to employees	(437,101)	(257,474)	(223,315)	-	(917,890)	(517,284)
Internal activity--payments for services	(454,060)	(396,175)	(210,164)	-	(1,060,399)	-
Other receipts	31,127	86,973	1,721	-	119,821	748
Net cash provided by operating activities	<u>1,412,085</u>	<u>2,309,291</u>	<u>288,516</u>	<u>150,388</u>	<u>4,160,280</u>	<u>55,919</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers to other funds	(51,532)	(51,532)	(22,616)	(198,573)	(324,253)	(2,100)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from the sale of capital assets	-	100,000	-	-	100,000	17,549
Capital contributions - grants and fees	1,262,406	2,502,218	327,476	-	4,092,100	-
Purchases of capital assets	(2,823,379)	(8,201,845)	(779,476)	-	(11,804,700)	(139,950)
Principal paid on capital debt	(1,425,000)	(2,190,000)	-	-	(3,615,000)	-
Interest paid on capital debt	(453,449)	(1,395,587)	-	-	(1,849,036)	-
Net cash used by capital and related financing activities	<u>(3,439,422)</u>	<u>(9,185,214)</u>	<u>(452,000)</u>	<u>-</u>	<u>(13,076,636)</u>	<u>(122,401)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	59,619	175,997	6,317	4,960	246,893	5,758
Net increase (decrease) in cash and investments	(2,019,250)	(6,751,458)	(179,783)	(43,225)	(8,993,716)	(62,824)
Balances--beginning of the year	9,117,795	24,889,558	1,389,284	921,247	36,317,884	1,298,261
Balances--end of the year	<u>\$ 7,098,545</u>	<u>\$ 18,138,100</u>	<u>\$ 1,209,501</u>	<u>\$ 878,022</u>	<u>\$ 27,324,168</u>	<u>\$ 1,235,437</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	\$ (330,109)	\$ 3,116,431	\$ (712,860)	\$ 80,044	\$ 2,153,506	\$ (74,218)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Cash flows reported in other categories:						
Depreciation expense	1,665,587	935,880	1,005,716	75,236	3,682,419	84,240
Change in assets and liabilities:						
Receivables, net	236,772	5,559	(20,381)	(3,056)	218,894	-
Prepaid assets	560	(583)	-	-	(23)	-
Inventories	(1,941)	-	-	-	(1,941)	-
Accounts payable	(160,042)	(803,290)	15,424	(1,836)	(949,744)	36,024
Accrued compensated absences	536	1,636	689	-	2,861	7,724
Other accrued liabilities	(881)	162,964	(72)	-	162,011	2,149
Deferred revenue	(4,342)	(1,109,306)	-	-	(1,113,648)	-
Deposits	5,945	-	-	-	5,945	-
Net cash provided (used) by operating activities	<u>\$ 1,412,085</u>	<u>\$ 2,309,291</u>	<u>\$ 288,516</u>	<u>\$ 150,388</u>	<u>\$ 4,160,280</u>	<u>\$ 55,919</u>
Noncash capital contribution activities:						
Capital assets from governmental funds	\$ -	\$ 2,000,000	\$ 5,000	\$ 198,573	\$ 2,203,573	\$ -
Capital assets from developers	880,638	1,853,473	1,258,811	236,914	4,229,836	-

The notes to the financial statements are an integral part of this statement.

**NOTES TO
BASIC FINANCIAL STATEMENTS**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The financial statements have incorporated all applicable GASB pronouncements.

Reporting Entity

The City of Wilsonville, Oregon is a municipal corporation, incorporated in 1968. The City operates under a Council-City Manager form of government. The governing body consists of four elected council members and a mayor. The mayor and council members are each elected to serve a four-year term. The City Manager administers policies and coordinates the activities of the City. The heads of the various departments, formed to provide various services, are under the direct supervision of the City Manager.

The accompanying financial statements present the City and its component unit (Urban Renewal Agency), an entity for which the City is considered to be financially responsible for.

Blended Component Unit

The City has included the financial operations of its Urban Renewal Agency as a blended component unit in the basic financial statements. The Agency is a legally separate entity which is governed by a board comprised of the members of the City Council as stipulated by the Agency's bylaws. The City Council has the ability to impose its will on the Agency as determined on the basis of budget adoption, taxing authority, and funding for the Agency. Complete financial statements for the Agency can be obtained from the Finance Director of the City, 29799 SW Town Center Loop E., Wilsonville, OR 97070-0220, or can be viewed at the City's web page: <http://www.ci.wilsonville.or.us>.

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements display information about the reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents all the assets, liabilities and deferred inflows and outflows of the City with the difference reported as net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. 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 program, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Currently, the City has governmental and proprietary type funds. Major individual governmental funds, major individual enterprise funds, and the internal service fund are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the supplemental information.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include charges between the City's business-type activities/ enterprise funds, as well as some special revenue funds, and the General Fund. The City allocates charges as reimbursement for services provided by the General Fund in support of those functions based on levels of service provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These charges are included in direct program expenses.

Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

There are stated minimum criteria for the determination of major funds: percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category, or the governmental and enterprise funds combined. The City electively added funds as major funds, those funds which either had debt outstanding or specific community focus. Non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The City reports the following major governmental funds:

- *General Fund*
Accounts for all the financial operations of the City except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, licenses, state and county shared revenues, and charges for administrative services from other funds. Primary expenditures are for general government, police protection, and culture and recreation.
- *Community Development Fund*
Accounts for building, engineering, and planning departments' permit fees, capital construction administrative charges, and the related program expenditures.
- *Transit Fund*
Accounts for payroll taxes collected from the local business community, federal transit grants and use of these resources to operate the City's mass transit program.
- *Urban Renewal Year 2000 Plan Debt Service Fund*
Accounts for the payment of principal and interest on Urban Renewal Year 2000 Plan Bonds. Resources are provided from tax increment proceeds and interest earnings.
- *Urban Renewal West Side Plan Debt Service Fund*
Accounts for the payment of principal and interest on Urban Renewal Year 2000 Plan Bonds. Resources are provided from tax increment proceeds and interest earnings.

Additionally, the City reports non-major funds within the governmental fund type.

- *Special Revenue Funds*
Used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- *Debt Service Funds*
Used to account for debt service appropriations for the payment of principal and interest on general obligation bonds.
- *Capital Projects Funds*
Accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

The City reports each of its five proprietary funds as major funds. The proprietary funds include four enterprise funds and one internal service fund. The enterprise funds are used to account for the acquisition, operation, and maintenance of water, sewer, stormwater and street lighting facilities. The City reports its Fleet Fund as an Internal Service Fund. Internal service funds account for those activities and services furnished internally to other organizational units within the City on a cost reimbursement basis. Charges are made to the various departments to support these activities. The City's sole internal service fund is for fleet services.

The City reports the following proprietary funds:

- *Water Fund*
 - Water Operating Fund (budgetary basis financial statements only)
 - Water Capital Projects Fund (budgetary basis financial statements only)
 - Water Development Charges Fund (budgetary basis financial statements only)
- *Sewer Fund*
 - Sewer Operating Fund (budgetary basis financial statements only)
 - Sewer Capital Projects Fund (budgetary basis financial statements only)
 - Sewer Development Charges Fund (budgetary basis financial statements only)
- *Stormwater Fund*
 - Stormwater Operating Fund (budgetary basis financial statements only)
 - Stormwater Capital Projects Water Fund (budgetary basis financial statements only)
 - Stormwater Development Charges Fund (budgetary basis financial statements only)
- *Street Lighting Fund*
 - Street Lighting Fund
- *Fleet Fund*
 - Fleet Fund

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus.

Government-wide financial statements and proprietary funds financial statements are presented on a full accrual basis of accounting with an economic resource measurement focus. An economic resource focus concentrates on an entity or fund's net position. All transactions and events that affect the total economic resources (net position) during the period are reported. An economic resources measurement focus is inextricably connected with full accrual accounting. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred regardless of the timing of related cash inflows and outflows.

Governmental funds financial statements are presented on a modified accrual basis of accounting with a current financial resource measurement focus. This focus concentrates on the fund's resources available for spending currently or in the near future. Only transactions and events affecting the fund's current financial resources during the period are reported. Similar to the connection between an economic resource measurement focus and full accrual accounting, a current financial resource measurement focus is inseparable from a modified accrual basis of accounting. Under modified accrual accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Property taxes, franchise fees, licenses and permits, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current period. All other revenues are considered to be measurable and available only when cash is received by the City.

An accrual for deferred revenue arises in the Governmental Funds Balance Sheet when potential revenue does not meet the earned and available criteria for recognition in the current period. Unavailable deferred revenue consists primarily of uncollected property taxes and assessments not deemed available to finance operation of the current period. In the government-wide Statement of Activities, with a full accrual basis of accounting, revenue is recognized as soon as it is earned regardless of its availability. Thus, the deferred inflow created on the Governmental Fund Balance Sheet for unavailable deferred revenue is eliminated. Unearned revenues arise outside the scope of measurement focus and basis of accounting, such as when the City receives resources before it has a legal claim to them. An example of this would be when grant monies are received prior to the incurrence of qualifying expenditures.

Similar to the way its revenues are recorded, governmental funds only record those expenditures that affect current financial resources. Principal and interest on general long-term debt are recorded as fund liabilities only when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Vested compensated absences are recorded as expenditures only to the extent that they are expected to be liquidated with expendable financial resources, such as, any unused reimbursable leave outstanding at the time of an employee's resignation or retirement. However, in the government-wide financial statements, with a full accrual basis of accounting, all expenditures affecting the economic resource status of the government are recognized. Thus, the expense and related accrued liability for long-term portions of debt and compensated absences are included.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliation is provided to explain the differences between the governmental fund statements and the governmental column of the government-wide presentation. This reconciliation is part of the financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Water, Sewer, Stormwater, and Street Lighting Funds are charges to customers for sales and services. The Water, Sewer, and Stormwater Funds also recognize fees intended to recover the cost of connecting new customers to the City's utility systems as operating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and overheads and depreciation on capital assets including the amortization of intangible assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Internal Service funds also distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services to other organizational units within the City. The principal operating revenues of the City's Fleet Fund are payment for services rendered to maintain both vehicles and motorized equipment. Operating expenses for the Fleet Fund include the cost of fuel, supplies and parts to maintain the City's assets, and the administrative expenses, overheads and depreciation on capital assets including the amortization of intangible assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, Liabilities, and Equity

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, short-term investments with original or remaining maturities of three months or less when purchased, and cash and investments in the City-wide investment pool. Investments, including equity in pooled cash and investments are stated at fair value.

Receivables and Payables

Activity between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as a deferred inflow of resource because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of any allowance for uncollectible accounts.

Inventories and Prepaids

Inventories of materials and supplies in the enterprise funds are stated at cost on a first-in, first-out basis and charged to expenses as used. Prepaids in the governmental funds are stated at cost and charged to expenditures in the period consumed.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, pathways, streetlights, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements and capitalized in the proprietary fund statements. Capital assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated fair market value as of the date of the donation.

Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life extending beyond a single reporting period. Additions or improvements and other capital outlays that significantly extend the useful life of an asset or that significantly increase the capacity of an asset are capitalized. Other costs for repairs and maintenance are expensed as incurred.

Depreciation on exhaustible assets, including intangible assets with definite useful lives, is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation is calculated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	25-40
Improvements other than buildings	10-20
Machinery and equipment	5-15
Vehicles	5-10
Utility systems	25-50
Infrastructure	20-40
Software	5-10

One-half year of depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

Accrued Compensated Absences and Sick Pay

Accumulated vested vacation pay is accrued as it is earned. For governmental funds, a liability for these amounts is reported only when it has matured, for example, when an employee resigns or retires. The non-current portion (the amount estimated to be used in subsequent fiscal years) is maintained separately and represents a reconciling item between the fund-level and government-wide presentations. Only the current portion is reported in the governmental funds, and is calculated based on historical trends. In business-type/enterprise and internal service funds, both the current and long-term liabilities are recorded.

Sick leave pay, which does not vest, is recognized in all funds when leave is taken.

Long-Term Debt

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized in the year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources while

discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or 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 government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the government 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 government’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.

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. These fund balance categories are:

- *Nonspendable*: Includes resources that are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.
- *Restricted*: Includes resources that are restricted by external creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- *Committed*: Includes amounts that can only be used for the specific purposes determined by a formal action of City Council. Commitments may be established, modified, or rescinded only through formal action approved by City Council.
- *Assigned*: Represents amounts that reflect the City’s intended use of resources. Authority to classify portion of fund balance as assigned is explicitly granted to the City Council, City Manager, and the Finance Director as part of the yearly budget resolution passed and approved by the City of Wilsonville, City Council.

- *Unassigned*: Total fund balance in the General Fund in excess of nonspendable, restricted, committed, and assigned balance. This classification is also used to report any deficit fund balance amounts in other governmental funds.

Fund balance by classification for the year ended June 30, 2014 is as follows:

Fund balances	General	Community Development	Transit	Urban Renewal Year 2000 Plan Debt Service	Urban Renewal West Side Plan Debt Service	Other Governmental Funds	Total Governmental
Nonspendable							
Prepays	\$ 262,760	\$ 1,375	\$ -	\$ -	\$ -	\$ 16,880	\$ 281,015
Restricted:							
Building Inspection	-	2,464,170	-	-	-	-	2,464,170
Bond covenants	-	-	-	1,874,100	2,221,248	-	4,095,348
Capital projects	-	-	-	-	-	8,499,942	8,499,942
Debt service	-	-	-	1,566,945	1,341,131	49,719	2,957,795
PEG Communication	120,886	-	-	-	-	-	120,886
Total Restricted	120,886	2,464,170	-	3,441,045	3,562,379	8,549,661	18,138,141
Committed:							
Unappropriated	4,034,000	783,000	961,000	-	-	155,000	5,933,000
Assigned:							
Computer, software, fiber	757,950	-	-	-	-	-	757,950
Emergency management	201,360	-	-	-	-	-	201,360
Facilities and park improvements	1,380,400	-	-	-	-	-	1,380,400
Planning support - Coffee Creek	2,058,762	-	-	-	-	-	2,058,762
Interfund loans - infrastructure	1,700,000	-	-	-	-	-	1,700,000
Capital projects	-	-	-	-	-	7,278,196	7,278,196
Street maintenance and improve	-	-	-	-	-	1,819,766	1,819,766
Capital asset needs - buses	-	-	1,053,084	-	-	-	1,053,084
Operational support	-	1,726,377	457,774	-	-	-	2,184,151
Total Assigned	6,098,472	1,726,377	1,510,858	-	-	9,097,962	18,433,669
Unassigned	4,406,127	-	-	-	-	-	4,406,127
	\$ 14,922,245	\$ 4,974,922	\$ 2,471,858	\$ 3,441,045	\$ 3,562,379	\$ 17,819,503	\$ 47,191,952

Use of Estimates

In preparing the City's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual budgets for all funds are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 – Local Budget Law). The process under which the budget is adopted is described in the following paragraphs.

Each April, the City Manager submits a proposed budget to the Budget Committee (consisting of the City Council and an equal number of citizens of the City). The City is required to budget all funds. The City’s budget is prepared for each fund on the modified accrual basis of accounting with Proprietary Fund types adjusted for year-end accrued compensated absences. For all fund types, inter-fund loans are budgeted as sources and uses in accordance with state budget laws. Estimated receipts and expenditures are budgeted for by fund and object. Information on the past two years’ actual revenues and expenditures and current-year estimates are included in the budget document.

The Budget Committee conducts public hearings for the purpose of obtaining citizens’ comments and then approves a budget and submits it to the City Council for final adoption. The approved expenditures for each fund may not be increased by more than 10% by Council without returning to the Budget Committee for a second approval. After the Council adopts the budget and certifies the total of ad valorem taxes to be levied, no additional tax levy may be made for that fiscal year.

The City Council legally adopts the budget by resolution before July 1, as per ORS 294.456. The program level is the legal level of budgetary control. The budget is adopted and monitored at the program level for each fund as displayed below.

<u>General Fund</u>			
Administration	Finance	Information Services	Geographical Information Services
Legal	Human Resources	Public Works Administration	Building Maintenance
Parks Maintenance	Parks and Recreation	Senior Programs	Library
Law Enforcement	Municipal Court	Transfers to Other Funds	Contingency
<u>Community Development Fund</u>			
CD Administration	Engineering	Building	Planning
Natural Resources/Stormwater Mgmt	Finance	Transfers to Other Funds	Contingency
<u>Transit Fund</u>			
Transit	Finance	Human Resources	Road Operating
Building Maintenance	Transfers to Other Funds	Contingency	
<u>Road Operating Fund</u>			
Road Operating	Human Resources	Transfers to Other Funds	Contingency
<u>Road Maintenance Fund</u>			
Finance	Transfer to Other Funds	Contingency	
<u>Water Operating Fund</u>			
Water Distributions and Sales	Water Treatment	Finance	Human Resources
Debt Service	Transfers to Other Funds	Contingency	
<u>Sewer Operating Fund</u>			
Sewer Collection	Sewer Treatment	Sewer Pretreatment	Finance
Debt Service	Transfers to Other Funds	Contingency	
<u>Street Lighting Operatin Fund</u>			
Street Lighting	Transfers to Other Funds	Contingency	
<u>Stormwater Fund</u>			
Natural Resources/Stormwater Mgmt	Stormwater Maintenance	Finance	Human Resources
Transfers to Other Funds	Contingency		
<u>Fleet Service Fund</u>			
Fleet	Human Resources	Transfers to Other Funds	Contingency
<u>Debt Service Fund</u>			
Debt Service			
<u>Water, Sewer, Streets, Stormwater, Building and Parks Capital Projects Fund</u>			
Capital Projects	Transfers to Other Funds	Contingency	
<u>Water, Sewer, Street, Stormwater and Parks Development Charges</u>			
Finance	Transfers to Other Funds	Contingency	

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. A supplemental budget requires hearings before the public, publications in newspapers, and approval by the City Council. Expenditure appropriations may not be legally over-expended except in the case of grant receipts that could not be reasonably estimated at the time the budget was adopted and for debt service on new debt issued during the budget year. During the fiscal year ended June 30, 2014, City Council approved three supplemental budget resolutions that increased appropriations for increased revenues. The Urban Renewal Agency Board also approved two supplemental resolutions during the fiscal year.

Excess of Expenditures over Appropriations

According to Oregon statute, the budget is monitored at the level of adopted appropriation. A fund that has identifiable programs are adopted and monitored at the program level. Funds that do not have identifiable programs are monitored at the major category level. The below listed programs and/or funds had expenditures in excess of adopted appropriations. The over expenditures were all funded through available fund balances.

Governmental Funds:		
Urban Renewal Year 2000 Plan Capital Projects Fund		
Materials and services	\$	30,672
Urban Renewal Year 2000 Debt Service Fund		
Debt Service		2,498,935
Urban Renewal West Side Debt Service Fund		
Debt Service		1,352,080

3. DETAILED NOTES ON ALL FUNDS

Pooled Deposits and Investments

The City maintains a cash management pool for its cash and investments in which each fund participates. Interest earnings are distributed monthly based on average daily balances.

THE FOOTNOTES BASED ON THE ABOVE TABLE:

Cash and investments are comprised of the following at June 30, 2014

Petty cash		\$	1,270
Deposits with financial institutions			3,245,093
Investments:			
Commercial paper and corporate bonds	\$	17,189,182	
US agency/State of Oregon obligations		8,706,665	
Local government investment pool		47,126,798	
Total Investments			<u>73,022,645</u>
Total pooled cash and investments		\$	<u>76,269,009</u>

Cash and investments are reflected on the combined balance sheet as follows:

Cash and investments	\$	60,305,916
Restricted assets - cash and investments		15,963,093
	\$	<u>76,269,009</u>

The City participates in the State of Oregon Local Investment Pool (LGIP or Pool) which is an open-ended, no-load diversified portfolio created under ORS 294.805 to 294.895 and is not registered with the U.S. Securities and Exchange Commission as an investment company. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and managed, like that of a prudent investor, exercising reasonable care, skill, and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-term Funds Board, which establish diversification percentages and specify the types and maturities of investments. The Oregon Audits Division of the Secretary of State’s Office audits the Pool annually. The Division’s report on the Pool as of and for the year ended June 30, 2014 was unmodified and may be obtained at the Oregon State Treasury, 350 Winter St. NE, Ste 100, Salem, OR 97310.

The City’s position in pool at June 30, 2014 is stated at cost which approximates fair value.

Deposits

The City's cash is pooled with the Urban Renewal Agency's cash. For deposits in excess of federal depository insurance (currently limited to balances less than \$250,000) Oregon Revised Statute 295 requires a multiple financial institution collateral pool for balances in excess of FDIC insurance. As a result, all balances over the \$250,000 FDIC limit are collateralized. At June 30, 2014, the deposits with various financial institutions had a book value and bank value of \$3,245,093. Of these deposits, \$500,000 was covered by federal depository insurance.

Cash and Investments

The City's investment policy specifies various goals and procedures that enhance opportunities for a prudent and systematic approach to investment-related activities. The City has delegated investment responsibilities to the Finance Director, who is primarily responsible for implementing the investment policy. The investment risk as outlined by the City's investment policy and Oregon Revised Statutes authorize the Finance Director to invest primarily in general obligations of the US Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high ranking corporate indebtedness, and the State of Oregon Local Government Investment Pool (LGIP).

Credit Risk

As required by the City's investment policy, which adheres to the State of Oregon statutes, at the time of purchase all investments were rated A1 through AAA by the Moody's Investor Services or Standard and Poor's reporting agencies. Due to recent downgrades by the rating agencies, however, some of the investments are now rated lower than when originally purchased. The State of Oregon Local Government Investment Pool is not rated.

At June 30, 2014, the City's investments were rated as follows:

	Commercial Paper And Corporate Bonds	Municiple and US Agency Corporations	Local Govt Investment Pool
AAA	\$ -	\$ 8,441,413	\$ -
AA3	502,480	-	-
AA	-	265,252	-
A3	5,148,670	-	-
A2	3,668,277	-	-
A1	5,848,795	-	-
BAA1	2,020,960	-	-
Unrated	-	-	47,126,798
	<u>\$ 17,189,182</u>	<u>\$ 8,706,665</u>	<u>\$ 47,126,798</u>

Concentration of Credit Risk

The City's investment policy, as it relates to investing outside of the LGIP, does not allow for an investment in any single corporate entity and its affiliates or subsidiaries that is in excess of five percent of the City's total investments (ORS 294.035). Additionally at the time of the purchase, the policy requires the maximum investments in aggregate for all commercial paper and corporate bonds to be limited to 35% of the total investment portfolio.

Interest Rate Risk

The City's investment policy explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates. For commercial paper and corporate bonds, the maximum maturity is 18 months. The City intends to hold all investment until maturity.

Using the segmented time distribution method, investments maturities as of June 30, 2014 are as follows:

	<u>Less than 6 Months</u>	<u>6-12 Months</u>	<u>12-18 Months</u>	<u>Total</u>
Commercial Paper and Corporate Bonds	\$ 6,050,820	\$ 3,160,631	\$ 7,977,730	\$ 17,189,182
Municipal and US Agency Corporations	2,501,197	1,205,992	4,999,476	8,706,665
Local Govt Investment Pool	47,126,798	-	-	47,126,798
	<u>\$ 55,678,815</u>	<u>\$ 4,366,623</u>	<u>\$ 12,977,206</u>	<u>\$ 73,022,645</u>

RECEIVABLES

Receivables as of year-end for the City's individual major funds and non-major funds in the aggregate, net of applicable allowances for uncollectible accounts are as follows:

	<u>Interest</u>	<u>Accounts</u>	<u>Taxes</u>	<u>Other</u>	<u>Notes</u>	<u>Total</u>
General Fund	\$ 41,135	\$ 401,353	\$ 348,330	\$ -	\$ -	\$ 790,818
Community Development	22,642	-	-	-	-	22,642
Transit	-	1,177,530	-	-	-	1,177,530
Urban Renewal Year 2000 Debt Service	6,847	-	287,247	-	-	294,094
Urban Renewal West Side Debt Service	2,973	-	195,293	-	-	198,266
Other non-major governmental funds	36,870	165,655	23,660	-	176,136	402,321
Water	11,677	712,516	-	243,768	419,041	1,387,002
Sewer	60,443	670,708	-	1,662	11,641	744,454
Stormwater	-	132,650	-	-	-	132,650
Street Lighting	-	40,678	-	-	-	40,678
Fleet Internal Service Fund	3,247	-	-	-	-	3,247
Total by receivable	<u>\$ 185,834</u>	<u>\$ 3,301,090</u>	<u>\$ 854,530</u>	<u>\$ 245,430</u>	<u>\$ 606,818</u>	<u>\$ 5,193,702</u>

Uncollectible Receivables

Receivables of the City's activities are reported net of uncollectible amounts. Total uncollectible amounts related to receivables of the current period are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Water sales	\$ -	\$ 67,138
Sewer sales	-	47,972
Street light fees	-	4,613
Stormwater fees	-	10,766
Road maintenance fees	9,102	-
Total allowance for uncollectibles	<u>\$ 9,102</u>	<u>\$ 130,489</u>

Deferred/Unearned Revenues

Governmental funds, under the modified accrual basis of accounting, accrue deferred revenue for revenue amounts unearned or unavailable. Government-wide reporting, as well as in proprietary funds, use full accrual account and report only unearned revenue. Unavailable revenue (deferred inflows) results in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Unearned revenue result in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of unavailable (deferred inflow) and unearned revenue in the governmental funds were as follows:

	<u>Deferred Inflow</u>	<u>Unearned</u>
Delinquent property taxes receivable:		
General Fund	\$ 295,477	\$ -
Debt Service Fund	20,265	-
Urban Renewal Year 2000 Plan Debt Service Fund	244,465	-
Urban Renewal West Side Plan Debt Service Fund	164,620	-
Cash collected prior to meeting revenue recognition:		
Operations (General Fund)	-	108,896
Operations (Community Development Fund)	-	206,018
Total	<u>\$ 724,827</u>	<u>\$ 314,914</u>

The sole component of unearned revenue in the proprietary funds existed in the Water Fund for \$31,578 and represented on-account payments by customers to be used as payment on future utility bills.

Capital Assets

Capital asset activity for governmental activities, including the internal service Fleet Fund, for the year ended June 30, 2014 was as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Land	\$ 78,343,152	\$ 7,707,048	\$ -	86,050,200
Works of art	540,488	11,500	-	551,988
Easements	1,327,598	1,659,535	(5,000)	2,982,133
Construction In Progress	6,296,869	2,172,674	(4,683,641)	3,785,902
Total non-depreciable	<u>86,508,107</u>	<u>11,550,757</u>	<u>(4,688,641)</u>	<u>93,370,223</u>
Buildings & improvements	26,187,947	130,549	-	26,318,496
Land improvement	9,388,356	3,237,555	(2,178,347)	10,447,564
Machinery & equipment	2,935,629	66,650	(61,985)	2,940,294
Vehicles	3,697,931	914,467	(372,157)	4,240,241
Software	493,330	73,054	(104,856)	461,528
Infrastructure	180,647,942	2,461,301	(198,573)	182,910,670
Total depreciable	<u>223,351,135</u>	<u>6,883,577</u>	<u>(2,915,918)</u>	<u>227,318,793</u>
Accumulated depreciation				
Buildings & improvements	(5,599,348)	(750,139)	-	(6,349,487)
Land improvement	(2,579,766)	(365,111)	61,936	(2,882,942)
Machinery & equipment	(1,741,884)	(321,207)	57,222	(2,005,870)
Vehicles	(2,055,180)	(349,597)	332,365	(2,072,412)
Software	(275,776)	(27,872)	60,087	(243,562)
Infrastructure	(88,668,491)	(4,719,453)	-	(93,387,944)
Total accumulated depreciation	<u>(100,920,445)</u>	<u>(6,533,380)</u>	<u>511,609</u>	<u>(106,942,217)</u>
Governmental activities capital assets, net	<u>\$ 208,938,797</u>	<u>\$ 11,900,954</u>	<u>\$ (7,092,950)</u>	<u>\$ 213,746,799</u>

Changes in capital assets per the previous table are net of transfers between functional programs. Total depreciation expense includes amortization of intangible assets. Depreciation expense was charged to functions as follows:

General government	\$ 75,221
Public safety	6,274
Transportation	513,087
Public works	5,502,007
Culture and recreation	432,063
Community development	4,728
Total depreciation for governmental activities	<u>\$ 6,533,380</u>

The capital asset ending balance of \$213,746,799, as noted above, less related debt of \$35,595,000, plus unspent bond proceeds of \$4,412,053 is equal to the net position amount invested in capital assets of \$182,563,852 as displayed on the Statement of Net Position.

Capital asset activity for business-type activities for the year ended June 30, 2014 was as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Land	\$ 1,812,159	\$ -	\$ -	\$ 1,812,159
Easements	2,282,681	1,500,882	-	3,783,563
Construction In Progress	36,761,451	9,480,761	(45,525,948)	716,264
Total non-depreciable	<u>40,856,291</u>	<u>10,981,643</u>	<u>(45,525,948)</u>	<u>6,311,986</u>
Buildings & improvements	30,427,628	10,917,000	-	41,344,628
Land improvement	412,139	25,982,490	-	26,394,629
Machinery & equipment	1,758,258	7,381,832	-	9,140,090
Vehicles	13,367	-	-	13,367
Software	9,400	-	-	9,400
Infrastructure	108,764,853	6,195,885	(90,786)	114,869,952
Total depreciable	<u>141,385,645</u>	<u>50,477,206</u>	<u>(90,786)</u>	<u>191,772,066</u>
Accumulated depreciation				
Buildings & improvements	(8,764,923)	(786,043)	-	(9,550,966)
Land improvement	(108,028)	(53,021)	-	(161,049)
Machinery & equipment	(971,494)	(115,052)	-	(1,086,546)
Vehicles	(7,199)	(1,337)	-	(8,536)
Software	(2,843)	(940)	-	(3,783)
Infrastructure	(50,832,409)	(2,726,026)	62,037	(53,496,398)
Total accumulated depreciation	<u>(60,686,896)</u>	<u>(3,682,419)</u>	<u>62,037</u>	<u>(64,307,278)</u>
Business type activities, net	<u>\$ 121,555,040</u>	<u>\$ 57,776,430</u>	<u>\$ (45,554,697)</u>	<u>\$ 133,776,774</u>

Total depreciation expense includes amortization of intangible assets. Depreciation expense for business-type activities is charged to functions as follows:

Depreciation expense for business-type activities is charged to functions as follows:	
Water	\$ 1,665,587
Sewer	935,880
Stormwater	1,005,716
Street lighting	75,236
Total depreciation for business-type activities	<u>\$ 3,682,419</u>

The capital asset ending balance of \$133,776,774, as noted above, less related debt of \$48,510,000, and less \$1,175,794 from unamortized bond premiums/discount, plus \$365,942 from unamortized bond defeasement, is equal to the net position amount invested in capital assets of \$84,456,922 as displayed on the Statement of Net Position.

Interfund Transfers, Receivables and Payables

The interfund transfer activity for fiscal year ended June 30, 2014 is as follows:

	<u>Transfers From Other Fund</u>	<u>Transfers To Other Funds</u>
Governmental Funds:		
General Fund	\$ 52,500	\$ 1,186,805
Community Development Fund	229,000	18,900
Transit Fund	-	23,756
Other Governmental Funds	<u>3,710,374</u>	<u>2,436,060</u>
Total Governmental Funds	<u>3,991,874</u>	<u>3,665,521</u>
Proprietary Funds:		
Enterprise Funds:		
Water Fund	-	51,532
Sewer Fund	-	51,532
Stormwater Fund	-	22,616
Streetlight Fund	-	198,573
Total Enterprise Funds	<u>-</u>	<u>324,253</u>
Fleet Internal Service Fund	-	2,100
Total Proprietary Funds	<u>-</u>	<u>326,353</u>
Total transfer activity	<u>\$ 3,991,874</u>	<u>\$ 3,991,874</u>

Interfund transfers are used to pay administrative services, contribute toward the cost of capital projects and provide operational resources.

On the Statement of Activities, interfund transfer amounts also include capital asset transfers between governmental activities and business-type activities. The \$1,879,320 transfer amount listed on the Statement of Activities includes \$2,203,573 in capital asset transfers from governmental activities to business-type activities, net the \$324,253 in other interfund transfers from enterprise fund, business-type activities to governmental activities, as detailed in the chart above. On the Proprietary Fund Statement of Revenues, Expenses, and changes in Net Position, the \$2,203,573 in capital assets transferred in are reported as part of capital contributions in the enterprise funds.

In June 2014, the General Fund loaned \$2,500,000 to the Urban Renewal Year 2000 Debt Service Fund and \$2,000,000 to the Urban Renewal Westside Debt Service Fund. This overnight funding strategy enabled the Urban Renewal Funds to access property tax revenues for construction projects that will begin in early FY2014-15. By borrowing the funds directly from the General Fund versus a “du jour” bank loan, the Urban Renewal Districts were able to save significantly on loan processing costs.

Long-Term Obligations

In the following tables, long-term debt information is presented separately with respect to governmental and business-type activities. The following table presents current year changes in those obligations and the current portions due for each issue. The internal service Fleet Fund predominately serves the governmental funds. Accordingly, at year end, \$34,087 of the total Fleet Fund’s compensated absences are included in the below amounts. Also, for the governmental activities, claims and judgments, and compensated absences are generally liquidated within each operating fund.

	Balance			Balance	
	July 1, 2013	Increase	Decrease	June 30, 2014	Due In Subsequent Year
GOVERNMENTAL ACTIVITIES					
Compensated absences	\$ 574,145	\$ 545,415	\$ (557,350)	\$ 562,210	\$ 268,111
General Obligation Bonds					
Series 2001	1,015,000	-	(320,000)	695,000	340,000
Tax Increment					
Urban Renewal, Year 2000 District					
Series 2003 Bonds	1,177,000	-	(1,177,000)	-	-
Series 2005 Bonds	2,410,000	-	(1,180,000)	1,230,000	1,230,000
Series 2010 Bonds	7,100,000	-	(290,000)	6,810,000	305,000
BoFA Short-Term	-	2,500,000	(2,500,000)	-	-
Urban Renewal, West Side District					
Series 2009 Bonds	8,555,000	-	(375,000)	8,180,000	395,000
Series 2011 Long-Term	4,665,000	-	(175,000)	4,490,000	185,000
Series 2012 Long-Term	7,710,000	-	(295,000)	7,415,000	305,000
Series 2013 Long-Term	7,000,000	-	(225,000)	6,775,000	255,000
General Fund DuJour	-	2,000,000	(2,000,000)	-	-
Total Notes and Bonds	39,632,000	4,500,000	(8,537,000)	35,595,000	3,015,000
Total Governmental Activities	\$ 40,206,145	\$ 5,045,415	\$ (9,094,350)	\$ 36,157,210	\$ 3,283,111

General Obligation Bonds

General obligation bonds are direct obligations and pledge full faith and credit of the City. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

The City issued \$4,000,000 of General Obligation bonds dated July 1, 2001 to finance the expansion of the City's public library. Interest rates on the bonds range from 4.00 to 4.80% and the final maturity date is January 1, 2016. The outstanding balance on these bonds at June 30, 2014 is \$695,000.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest
2015	\$ 340,000	\$ 33,360
2016	355,000	17,040
Totals	\$ 695,000	\$ 50,400

Urban Renewal Tax Increment

Year 2000 Plan District, Series 2005

In August 2005, the City issued Urban Renewal revenue bonds with an interest rate of 4.25% in the total amount of \$10,000,000. The final maturity will be in June 2015. The principal balance outstanding on the bonds at June 30, 2014 is \$1,230,000.

Year Ending June 30,	Principal	Interest
2015	\$ 1,230,000	\$ 52,275
Totals	\$ 1,230,000	\$ 52,275

Year 2000 Plan District, Series 2010

In December 2010, the City issued Urban Renewal revenue bonds with an interest rate of 4.35% in the total amount of \$8,000,000. The final maturity will be in June 2025. The principal balance outstanding on the bonds at June 30, 2014 is \$6,810,000.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 305,000	\$ 289,425
2016	315,000	276,463
2017	330,000	263,075
2018	345,000	249,050
2019	360,000	234,388
2020-2024	2,025,000	930,538
2025	3,130,000	133,025
Totals	<u>\$ 6,810,000</u>	<u>\$ 2,375,963</u>

West Side District-Series 2009

In February 2009, the City issued Urban Renewal revenue bonds for the Urban Renewal West Side District. The issue, in the amount of \$10,000,000, carries an interest rate of 4.9%. The final maturity will be December 2023. The balance outstanding as of June 30, 2014 is \$8,180,000.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 395,000	\$ 391,143
2016	415,000	371,298
2017	435,000	350,473
2018	455,000	326,668
2019	475,000	305,883
2020-2024	6,005,000	1,066,855
Totals	<u>\$ 8,180,000</u>	<u>\$ 2,812,320</u>

West Side District-Series 2011

In June 2011, the Agency converted a short-term, interest only line of credit to long-term debt. The issue, in the amount of \$5,000,000, carries an interest rate of 4.65%. The final maturity will be June 2026. The balance outstanding at June 30, 2014 is \$4,490,000.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 185,000	\$ 197,560
2016	190,000	189,420
2017	200,000	181,060
2018	210,000	172,260
2019	220,000	163,020
2020-2024	1,235,000	663,080
2025-2026	2,250,000	185,680
Totals	<u>\$ 4,490,000</u>	<u>\$ 1,752,080</u>

West Side District-Series 2012

In June 2012, the Agency converted a short-term, interest only line of credit to long-term debt. The issue, in the amount of \$8,000,000, carries an interest rate of 3.40%. The final maturity will be June 2027. The balance outstanding at June 30, 2014 is \$7,415,000.

Year Ending June 30,	Principal	Interest
2015	\$ 305,000	\$ 244,695
2016	320,000	234,630
2017	330,000	224,070
2018	340,000	213,180
2019	350,000	201,960
2020-2024	1,930,000	828,795
2025-2028	3,840,000	337,590
Totals	<u>\$ 7,415,000</u>	<u>\$ 2,284,920</u>

West Side District-Series 2013

In June 2013, the Agency converted a short-term, interest only line of credit to long-term debt. The issue, in the amount of \$7,000,000, carries an interest rate of 3.499%. The final maturity will be June 2028. The balance outstanding at June 30, 2014 is \$6,775,000.

Year Ending June 30,	Principal	Interest
2015	\$ 255,000	\$ 237,125
2016	265,000	228,200
2017	275,000	218,925
2018	285,000	209,300
2019	295,000	199,325
2020-2024	1,640,000	834,225
2025-2028	3,760,000	448,175
Totals	<u>\$ 6,775,000</u>	<u>\$ 2,375,275</u>

Business-Type Activities

	Balance			Balance June 30, 2014	Due In Subsequent Year
	July 1, 2013	Increase	Decrease		
BUSINESS-TYPE ACTIVITIES					
Compensated absences	\$ 46,488	\$ 45,011	\$ (42,152)	\$ 49,347	\$ 20,907
Water Revenue Bonds					
Series 2006	6,680,000	-	(850,000)	5,830,000	880,000
Full Faith and Credit Bonds					
Water Series 2007	5,285,000	-	(575,000)	4,710,000	600,000
Sewer Series 2006	1,820,000	-	(580,000)	1,240,000	605,000
Sewer Series 2011	38,340,000	-	(1,610,000)	36,730,000	1,645,000
Total Notes and Bonds	52,125,000	-	(3,615,000)	48,510,000	3,730,000
Total Business-type Activities	<u>\$ 52,171,488</u>	<u>\$ 45,011</u>	<u>\$ (3,657,152)</u>	48,559,347	<u>\$ 3,750,907</u>
			Unamortized bond premium	1,175,794	
			Due in current year	(3,750,907)	
			Total noncurrent liabilities	<u>\$ 45,984,234</u>	

Revenue Bonds

Water System Revenue Refunding Bonds, Series 2006

In April 2006 \$9,325,000 was issued to advance refund a portion of the Series 2000 Water System Revenue Bonds. The interest rates range from 3.50% to 4.00%. Final maturity is June 1, 2020. Water operating revenues and a portion of water system development charges are pledged to repay the debt. At June 30, 2014 the outstanding balance is \$5,830,000.

Year Ending June 30,	Principal	Interest
2015	\$ 880,000	\$ 229,170
2016	915,000	196,170
2017	950,000	161,400
2018	990,000	123,400
2019	1,025,000	83,800
2020	1,070,000	42,800
Totals	<u>\$ 5,830,000</u>	<u>\$ 836,740</u>

Full Faith and Credit Bonds

Full Faith and Credit Revenue Refunding Bonds, Series 2007

In December 2007 the City issued \$7,875,000 to refinance a debt issued in 2000. The original debt was used to construct a water treatment plant facility. The current debt interest rate is 3.85%. Final maturity is December 1, 2020. The outstanding balance at June 30, 2014 is \$4,710,000. The full faith and credit of the City is pledged, however management intends to repay the debt from water operating revenues.

Year Ending June 30,	Principal	Interest
2015	\$ 600,000	\$ 169,785
2016	620,000	146,300
2017	650,000	121,853
2018	670,000	96,443
2019	695,000	70,166
2020-2021	1,475,000	57,269
Totals	<u>\$ 4,710,000</u>	<u>\$ 661,815</u>

Oregon Local Governments Full Faith and Credit Obligations, (Sewer) Series 2006

In April 2006 the City issued \$5,295,000 to refinance a debt issued in 1996. The original debt was used to construct a wastewater treatment facility. The current debt interest rates range from 4.00% to 4.25%. Final maturity is December 1, 2015. The outstanding balance at June 30, 2014 is \$1,240,000. The full faith and credit of the City is pledged, however management intends to repay the debt from sewer operating revenues.

Annual debt service requirements to maturity for full faith and credit bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 605,000	\$ 39,844
2016	635,000	13,494
Totals	<u>\$ 1,240,000</u>	<u>\$ 53,338</u>

Full Faith and Credit Revenue Refunding Bonds, Series 2011

In December 2011 the City issued \$38,940,000 to finance the Waste Water Treatment Plant rehabilitation project. The current debt interest rate is 3.45%. Final maturity is December 1, 2031. The outstanding balance at June 30, 2014 is \$36,730,000. The full faith and credit of the City is pledged, however management intends to repay the debt from water operating revenues.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 1,645,000	\$ 1,298,363
2016	1,675,000	1,265,463
2017	1,725,000	1,215,213
2018	1,780,000	1,163,463
2019	1,850,000	1,092,263
2020-2024	10,320,000	4,393,563
2025-2029	12,185,000	2,523,113
2030-2031	5,550,000	335,200
Totals	<u>\$ 36,730,000</u>	<u>\$ 13,286,638</u>

Restricted Assets

The balances of the restricted cash and investment accounts are as follows:

	<u>Governmental</u>	<u>Business-type</u>
Debt service reserves:		
Urban Renewal (Yr 2000 Plan) - 2005 Issue	\$ 1,000,000	\$ -
Urban Renewal (Yr 2000 Plan) - 2010 B of A	603,025	-
Urban Renewal (West Side Plan) - 2009 Issue	796,835	-
Urban Renewal (West Side Plan) - 2011 Issue	373,920	-
Urban Renewal (West Side Plan) - 2012 Issue	549,848	-
Urban Renewal (West Side Plan) - 2013 Issue	497,300	-
System development charges:		
Water	-	1,309,093
Sewer	-	6,618,988
Stormwater	-	1,124,868
Oregon Dept of Transportation Cash Accounts:		
Account #11033: Barber Street and Kinsman Rd		
Water SDC	-	48,068
Sewer SDC	-	20,296
Street SDC	153,443	-
Account #11034: I-5 & Wilsonville Rd		
Urban Renewal CIP (Year 2000 Plan)	72,723	-
Deposits:		
CD Fund -Villebois Parks	144,160	-
CD Fund -CD Deposits	3,200	-
General Fund-Parks Reservation Deposits	24,500	-
Water Fund-Deposits	-	13,985
Grants and contributions:		
General Fund - Donations	23,784	-
General Fund - PEG Fees	120,886	-
Community Development - inspection program	2,464,170	-
	<u>\$ 6,827,794</u>	<u>\$ 9,135,299</u>

4. OTHER INFORMATION

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of CIS Employee Benefits, a public entity risk pool currently operating a common risk management and insurance program. The City pays an annual premium to CIS Employee Benefits for insurance coverage. Based on the experience of the City and CIS Employee Benefits, the City may be liable for an additional premium of up to approximately 20% of its initial premium or it may receive a refund. The City has never had to pay an additional premium. Predetermined limits and deductible amounts are stated in the policy.

Subsequent Events

Management has evaluated subsequent events through November 10, 2014, the date on which the financial statements were available to be issued. Management is not aware of any subsequent events that require recognition or disclosure in the financial statements.

Contingent Liabilities

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Management intends to vigorously contest these matters and does not believe their ultimate resolution will have a material effect upon the City’s financial position, results of operations, or cash flows.

Property Tax Limitation

The State of Oregon has a constitutional limit on property taxes for governmental operations. Under the limitation, tax revenue is separated into those for public schools and those for local governments other than public schools. The limitation specifies a maximum rate for all local government operations of \$10.00 per \$1,000 of real market value, while schools are similarly limited to a \$5.00 maximum rate. Local government taxes in the City currently do not exceed the \$10.00 rate limit; however, this limitation may affect the availability of future tax revenues for the City.

In May 1997, voters approved Measure 50 which rolled back assessed values to 90% of 1995-96 and limits future increases of taxable assessed values to 3% per year except for major improvements. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rate provided a majority approves at either (1) a general election in an even numbered year, or (2) at any other election in which at least 50% of registered voters cast a ballot.

Pension Plans - Oregon Public Employees Retirement System

Plan Description

The City contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the City’s contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portions of the plan applies to qualifying City employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. As of January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member’s IAP, not the member’s PERS account.

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

Funding Policy and Annual Pension Cost

Members of PERS are required to contribute 6% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The employer is allowed to pay any or all of the employees’ contribution in addition to the required employer’s contribution. For the fiscal year ended June 30, 2013, the City contributed all of the 6% contribution on behalf of the employees. The City is required by ORS 235.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The City participates in the state and local government rate pool.

The OPERF and the OPSRP rates and the City’s contributions to PERS for the current year and for each of the preceding two years are as follows:

	Fiscal Year Ending		
	2014	2013	2012
City contribution rate: OPERF	12.24%	12.24%	12.03%
City contribution rate: OPSRP	10.56%	10.56%	10.55%
Employee contribution paid by City	6.00%	6.00%	6.00%
Annual pension cost	\$ 1,510,300	\$ 1,444,282	\$ 1,451,336

The required contribution was determined as part of the actuarial valuation at December 31, 2013, using the entry age normal actuarial cost method. The fair market value method, excluding reserves, is used to determine the actuarial value of the plan's assets. Significant actuarial assumptions used in the valuation include: (i) consumer price inflation of 2.75% per year, (ii) healthcare cost inflation assumed at 6.1% in 2014, then decreasing to 4.7% in 2083; (iii) a rate of return on the future investment earnings of the assets of the members' regular accounts are assumed to accrue at an annual rate of 7.75% compounded annually; (iv) a rate of return on the future investment earnings of the members' variable accounts are assumed to accrue at an annual rate of 7.75%, compounded annually; (v) projected annual rate of wage inflation of 3.75%, compounded annually, excluding merit or longevity increases; (vi) unfunded actuarial liability is amortized on a level percentage of combined annual payroll on a closed group fixed term basis over twenty years.

Money Purchase Retirement Plan

The City provides a money purchase retirement plan and trust created under Internal Revenue Code Section 414(h) for the benefit of eligible employees. Under the plan, the City contributes 3% of the employee's compensation into the trust. Eligible employees are those who have worked at least six months, are not covered by a collective bargaining agreement, and are not municipal court judges. At June 30, 2014, 56 participants were active in the plan including 44 active participants that are fully vested interest. Total assets, including non-active participants, held by the trust were \$1,140,349 including \$1,056,126 for fully vested participants. Participant's interests in the plan vest ratably over a five-year period. Benefits commence within a reasonable time after termination of employment.

Deferred Compensation Plans

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

Other Post-Employment Benefits (OPEB)

City Healthcare Plan

Plan Description: As required by ORS 243.303, the City provides retirees the same group health and dental insurance as provided to current employees from the date of retirement to the age of 65 when retirees and spouses typically become eligible for Medicare. The City, however, does not pay directly for any portion of its retirees health care or life insurance coverages.

The City's defined benefit postemployment healthcare plan is administered by City County Insurance Services (CIS), an agent multiple-employer healthcare provider. All medical or dental coverages offered by the City to its employees and retirees are community rated. CIS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to CIS, 1212 Court Street NE, Salem, OR 97301, or by accessing the CIS website at www.cisoregon.org.

The City implemented GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension* prospectively beginning in fiscal year June 30, 2009. GASB 45 paragraph 13.a.(2) offers an exemption from measuring an implicit subsidy under certain conditions for employers participating in community rated health care coverages. A qualified independent review, completed in August 2011, has determined that the City's health care coverages are community rated and a GASB 45 valuation is not required based on this exemption.

Retirement Health Insurance Account Plan

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

Funding Policy Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.59% of annual covered payroll for Tier 1/Tier 2, and .49% for OPSRP. The OPERB sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The City's contributions to PERS' RHIA for the year ended June 30, 2013, was \$45,750, which equaled the required contributions for that year.

Encumbrance Accounting

All year end outstanding encumbrances lapse at year-end and are reappropriated as required to the subsequent year.

GASB Pronouncements Implemented

GASB Statement No. 69 "Government Combinations and Disposals of Government Operations." The statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The statement is effective for fiscal years beginning after December 15, 2013. The statement was implemented in the current year.

GASB Statement No. 70 "Accounting and Financial Reporting for Non-exchange Financial Guarantees." The objective of the statement is to improve accounting and financial reporting by State and local governments that extend and receive non-exchange financial guarantees. The statement is effective for fiscal years beginning after June 15, 2013. The statement was implemented in the current year.

GASB Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date". The statement amends transition provisions of GASB Statement No. 68, establishes accounting and financial reporting standards for recognition of contributions made between the measurement date of the net pension liability and implementation of GASB Statement No. 68. The statement is effective for fiscal years beginning after June 15, 2014.

The City will implement new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements from implementing any of the pronouncements.

GASB Statement No. 68 "Accounting and Reporting for Pension Plans—an amendment of GASB Statement No. 27." The statement establishes accounting and financial reporting requirements related to pensions provided by governments. The statement is effective for fiscal years beginning after June 15, 2014.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF WILSONVILLE, OREGON
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 8,476,065	\$ 8,476,065	\$ 8,594,003	\$ 117,938
Intergovernmental	1,624,153	1,649,153	1,661,462	12,309
Licenses and permits	132,700	132,700	159,029	26,329
Charges for services	544,700	544,700	573,814	29,114
Fines and forfeitures	385,000	385,000	247,534	(137,466)
Investment revenue	105,000	105,000	78,859	(26,141)
Other revenues	139,900	139,900	173,356	33,456
Total revenues	<u>11,407,518</u>	<u>11,432,518</u>	<u>11,488,057</u>	<u>55,539</u>
EXPENDITURES				
Administration	1,274,065	1,299,065	1,103,629	195,436
Finance	1,250,665	1,250,665	1,146,152	104,513
Information Systems	618,220	659,220	639,509	19,711
Geographic Informatin Systems	232,370	232,370	219,723	12,647
Legal	505,240	505,240	462,193	43,047
Human Resources	586,802	586,802	484,239	102,563
Law Enforcement	3,894,956	3,894,956	3,768,385	126,571
Municipal Court	217,915	217,915	178,299	39,616
Public Works Administration	443,836	443,836	390,148	53,688
Building Maintenance	827,465	827,465	773,924	53,541
Parks Maintenance	1,097,733	1,097,733	886,905	210,828
Parks & Recreation General Services	591,497	591,497	468,736	122,761
Parks & Recreation Senior Programs	492,350	492,350	450,110	42,240
Library	1,633,430	1,633,430	1,536,307	97,123
Contingency	8,882,960	8,464,633	-	8,464,633
Total expenditures	<u>22,549,504</u>	<u>22,197,177</u>	<u>12,508,259</u>	<u>9,688,918</u>
Deficiency of revenues under expenditures	<u>(11,141,986)</u>	<u>(10,764,659)</u>	<u>(1,020,202)</u>	<u>9,744,457</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of interagency loan	-	4,500,000	4,500,000	-
Payment of interagency loan	-	(4,500,000)	(4,500,000)	-
Transfers in	2,539,852	2,597,061	2,337,340	(259,721)
Transfers out	(1,194,100)	(1,628,636)	(1,186,805)	441,831
Total other financing sources (uses)	<u>1,345,752</u>	<u>968,425</u>	<u>1,150,535</u>	<u>182,110</u>
Net change in fund balances	(9,796,234)	(9,796,234)	130,333	9,926,567
Fund balances--beginning	<u>13,830,234</u>	<u>13,830,234</u>	<u>14,791,912</u>	<u>961,678</u>
Fund balances--ending	<u>\$ 4,034,000</u>	<u>\$ 4,034,000</u>	<u>\$ 14,922,245</u>	<u>\$ 10,888,245</u>

CITY OF WILSONVILLE, OREGON

Community Development Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances -

Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)
Licenses and permits	2,036,553	2,036,553	2,166,047	129,494
Charges for services	722,750	835,150	889,272	54,122
Investment revenue	20,000	20,000	32,878	12,878
Other revenues	-	-	17,135	17,135
Total revenues	<u>2,804,303</u>	<u>2,916,703</u>	<u>3,105,332</u>	<u>188,629</u>
EXPENDITURES				
Finance	15,600	15,600	11,725	3,875
Community Development Administration	750,770	750,770	619,619	131,151
Engineering	1,290,406	1,290,406	1,217,950	72,456
Building Inspection	740,059	740,059	643,604	96,455
Planning	1,001,670	1,001,670	854,509	147,161
Stormwater Management	135,605	135,605	127,423	8,182
Contingency	3,705,907	4,112,727	-	4,112,727
Total expenditures	<u>7,640,017</u>	<u>8,046,837</u>	<u>3,474,830</u>	<u>4,572,007</u>
Deficiency of revenues under expenditures	<u>(4,835,714)</u>	<u>(5,130,134)</u>	<u>(369,498)</u>	<u>4,760,636</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,085,758	2,380,178	1,562,165	(818,013)
Transfers out	<u>(490,100)</u>	<u>(490,100)</u>	<u>(481,334)</u>	<u>8,766</u>
Total other financing sources (uses)	<u>1,595,658</u>	<u>1,890,078</u>	<u>1,080,831</u>	<u>(809,247)</u>
Net change in fund balances	(3,240,056)	(3,240,056)	711,333	3,951,389
Fund balances--beginning	<u>4,023,056</u>	<u>4,023,056</u>	<u>4,263,589</u>	<u>240,533</u>
Fund balances--ending	<u>\$ 783,000</u>	<u>\$ 783,000</u>	<u>\$ 4,974,922</u>	<u>\$ 4,191,922</u>

CITY OF WILSONVILLE, OREGON
Transit Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Taxes	\$ 4,350,000	\$ 4,350,000	\$ 4,342,353	\$ (7,647)
Intergovernmental	1,354,109	1,354,109	1,041,610	(312,499)
Charges for services	199,000	199,000	251,511	52,511
Investment revenue	22,500	22,500	14,976	(7,524)
Other revenues	12,000	12,000	33,567	21,567
Total revenues	<u>5,937,609</u>	<u>5,937,609</u>	<u>5,684,017</u>	<u>(253,592)</u>
EXPENDITURES				
Finance	6,360	6,360	2,050	4,310
Human Resources	2,060	4,060	3,184	876
Transit	5,530,475	5,595,475	5,206,303	389,172
Road Operating	22,625	22,625	13,592	9,033
Contingency	<u>1,272,369</u>	<u>1,133,729</u>	-	<u>1,133,729</u>
Total expenditures	<u>6,833,889</u>	<u>6,762,249</u>	<u>5,225,129</u>	<u>1,537,120</u>
Excess (deficiency) of revenues over (under) expenditures	(896,280)	(824,640)	458,888	1,283,528
OTHER FINANCING SOURCES (USES)				
Transfers out	(485,410)	(557,050)	(507,412)	49,638
Sale of capital assets	-	-	24,646	24,646
Total other financing sources (uses)	<u>(485,410)</u>	<u>(557,050)</u>	<u>(482,766)</u>	<u>74,284</u>
Net change in fund balances	(1,381,690)	(1,381,690)	(23,878)	1,357,812
Fund balances--beginning	<u>2,342,690</u>	<u>2,342,690</u>	<u>2,495,736</u>	<u>153,046</u>
Fund balances--ending	<u>\$ 961,000</u>	<u>\$ 961,000</u>	<u>\$ 2,471,858</u>	<u>\$ 1,510,858</u>

CITY OF WILSONVILLE, OREGON
Notes to Required Supplemental Information
For the year ended June 30, 2014

1. Budget to GAAP Reconciliation

Sections of Oregon Revised Statements (Oregon Budget Law) require most transactions be budgeted on the modified accrual basis of accounting. However, there are certain transactions where statutory budget requirements conflict with generally accepted accounting principles (GAAP).

The following discusses the differences between the budget basis and GAAP basis of accounting for the General Fund, the Community Development Fund and the Transit Fund.

	General Fund	Community Development Fund	Transit Fund
Net change in fund balance - budget basis	\$ 130,333	\$ 711,333	\$ (23,878)
 <i>Budgeted resources not qualifying as revenues or other financing sources under GAAP:</i>			
Indirect and other cost reimbursements received are reported as revenues or other financing sources on a budget basis. Such receipts are reclassified as a reduction of expenditures on a GAAP basis.	(2,141,041)	(1,270,619)	467,223
 <i>Budgeted expenditures not qualifying as expenditures or other financing uses under GAAP:</i>			
Indirect and other costs reimbursed are reported as expenditures on a budget basis. Such disbursements are reclassified as a reduction of revenues and other financing sources on a GAAP basis.	2,141,041	1,270,619	(467,223)
Net change in fund balance - GAAP basis	\$ 130,333	\$ 711,333	\$ (23,878)

OTHER SUPPLEMENTARY INFORMATION

- **Combining Statements - Nonmajor
Governmental Funds**
- **Budgetary Comparison Schedules**
- **Other Financial Schedules**



COMBINING STATEMENTS

Non-Major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes.

Road Operating

Accounts for revenues from gasoline tax apportionments from the State of Oregon that are used for the repair and maintenance associated with streets.

Road Maintenance Regulatory

Accounts for a special fee on commercial and residential dwellings to be used for major road repairs and reconstruction.

Debt Service Fund

Debt service funds are used to account for the debt sold to finance designated street and utility improvements and/or major projects.

Debt Service

Accounts for the accumulation of resources and payment of principal and interest on general obligation, local improvement, and other long-term debt.

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Street Capital Projects

Accounts for the construction or reconstruction of streets, sidewalks and bike-paths that are paid from issuance of debt, system development charges, grants, and interest earnings.

Building Projects

Accounts for acquisition and development and redevelopment of public facilities. Improvements are paid from grants, interfund transfers, and issuance of debt.

Park Projects

Accounts for acquisition and development of parks and open spaces that are paid from system development charges, donations, grants, and transfers from operating funds.

Street Development Charges

Accounts for collection of system development charges from new residential and commercial construction. Proceeds are used to pay for parks infrastructure expansion.

Park Development Charges

Accounts for collection of system development charges from new residential and commercial construction. Proceeds are used to pay for parks infrastructure expansion.

Urban Renewal - Year 2000 Plan Capital Projects

Accounts for the construction or reconstruction of capital projects within the boundaries of the Year 2000 Urban Renewal District. These improvement are paid from the issuance of debt and revenues from property taxes and interest earnings.

Urban Renewal - Year 2000 Plan Program Income

Accounts for the less restricted, non bond proceed, income related to the Year 2000 Urban Renewal District. Includes revenue such as reimbursements, loan repayments, and land sales.

Urban Renewal West Side Plan Capital Projects Fund

Accounts for acquisition, construction, and improvements within the district that are financed from the issuance of debt and interest earnings.

CITY OF WILSONVILLE, OREGON

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2014

	Combined Nonmajor Special Revenue Funds	Debt Service Fund	Combined Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 1,871,542	\$ 46,173	\$ 16,536,472	\$ 18,454,187
Receivables:				
Interest	122	351	36,397	36,870
Accounts	163,774	-	1,881	165,655
Property tax	-	23,660	-	23,660
Notes receivable	-	-	176,136	176,136
Prepays	-	16,680	-	16,680
Restricted cash and investments	-	-	226,166	226,166
Total assets	<u>\$ 2,035,438</u>	<u>\$ 86,864</u>	<u>\$ 16,977,052</u>	<u>\$ 19,099,354</u>
LIABILITIES				
Accounts payable	\$ 53,189	\$ -	\$ 743,321	\$ 796,510
Other accrued liabilities	7,483	-	36,552	44,035
Development charge payable	-	-	419,041	419,041
Total liabilities	<u>60,672</u>	<u>-</u>	<u>1,198,914</u>	<u>1,259,586</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	20,265	-	20,265
FUND BALANCES				
Nonspendable	-	16,880	-	16,880
Restricted	-	49,719	8,499,942	8,549,661
Committed	155,000	-	-	155,000
Assigned	1,819,766	-	7,278,196	9,097,962
Total fund balances	<u>1,974,766</u>	<u>66,599</u>	<u>15,778,138</u>	<u>17,819,503</u>
Total liabilities and fund balances	<u>\$ 2,035,438</u>	<u>\$ 86,864</u>	<u>\$ 16,977,052</u>	<u>\$ 19,099,354</u>

CITY OF WILSONVILLE, OREGON

Nonmajor Special Revenue Funds

Combining Balance Sheet

June 30, 2014

	Road Operating	Road Maintenance Regulatory	Total
ASSETS			
Cash and investments	\$ 1,181,491	\$ 690,051	\$ 1,871,542
Receivables:			
Interest	-	122	122
Accounts	97,664	66,110	163,774
Total assets	<u>\$ 1,279,155</u>	<u>\$ 756,283</u>	<u>\$ 2,035,438</u>
LIABILITIES			
Accounts payable	\$ 53,189	\$ -	\$ 53,189
Other accrued liabilities	7,483	-	7,483
Total liabilities	<u>60,672</u>	<u>-</u>	<u>60,672</u>
FUND BALANCES			
Committed	155,000	-	155,000
Assigned	1,063,483	756,283	1,819,766
Total fund balances	<u>1,218,483</u>	<u>756,283</u>	<u>1,974,766</u>
Total liabilities and fund balances	<u>\$ 1,279,155</u>	<u>\$ 756,283</u>	<u>\$ 2,035,438</u>

CITY OF WILSONVILLE, OREGON
Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2014

	Steet Capital Projects	Building Projects	Park Projects	Street Development Charges
ASSETS				
Cash and investments	\$ 1,207,371	\$ 524,003	\$ 117,614	\$ 4,316,137
Receivables:				
Interest	-	-	-	10,659
Accounts	-	-	-	-
Notes receivable	-	-	-	-
Restricted cash and investments	-	-	-	153,443
Total assets	\$ 1,207,371	\$ 524,003	\$ 117,614	\$ 4,480,239
LIABILITIES				
Accounts payable	\$ 243,717	\$ 308,244	\$ 58,040	\$ -
Other accrued liabilities	3,603	32,949	-	-
Development charge payable	-	-	-	-
Total liabilities	247,320	341,193	58,040	-
FUND BALANCES				
Restricted	-	-	-	4,480,239
Assigned	960,051	182,810	59,574	-
Total fund balances	960,051	182,810	59,574	4,480,239
Total liabilities and fund balances	\$ 1,207,371	\$ 524,003	\$ 117,614	\$ 4,480,239

Continued on page 87.

Park Development Charges	Urban Renewal Year 2000 Capital Projects	Urban Renewal Year 2000 Program Income	Urban Renewal West Side Plan Capital Projects	Total
\$ 3,839,558	\$ 3,618,388	\$ 1,653,691	\$ 1,259,710	\$ 16,536,472
4,009	-	21,729	-	36,397
-	-	-	1,881	1,881
176,136	-	-	-	176,136
-	72,723	-	-	226,166
<u>\$ 4,019,703</u>	<u>\$ 3,691,111</u>	<u>\$ 1,675,420</u>	<u>\$ 1,261,591</u>	<u>\$ 16,977,052</u>
\$ -	\$ 117,684	\$ 11,712	\$ 3,924	\$ 743,321
-	-	-	-	36,552
-	-	-	419,041	419,041
<u>-</u>	<u>117,684</u>	<u>11,712</u>	<u>422,965</u>	<u>1,198,914</u>
4,019,703	-	-	-	8,499,942
-	3,573,427	1,663,708	838,626	7,278,196
<u>4,019,703</u>	<u>3,573,427</u>	<u>1,663,708</u>	<u>838,626</u>	<u>15,778,138</u>
<u>\$ 4,019,703</u>	<u>\$ 3,691,111</u>	<u>\$ 1,675,420</u>	<u>\$ 1,261,591</u>	<u>\$ 16,977,052</u>

CITY OF WILSONVILLE, OREGON
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2014

	Combined Nonmajor Special Funds	Debt Service Fund	Combined Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ 334,091	\$ -	\$ 334,091
Intergovernmental	1,214,111	-	123,282	1,337,393
Licenses and permits	-	-	265,511	265,511
Charges for services	670,744	-	1,920	672,664
System development fees	-	-	2,937,790	2,937,790
Investment revenue	8,964	1,759	83,376	94,099
Other revenues	4,827	-	1,065,726	1,070,553
Total revenues	<u>1,898,646</u>	<u>335,850</u>	<u>4,477,605</u>	<u>6,712,101</u>
EXPENDITURES				
Current operating:				
General government	78,611	-	78,883	157,494
Public safety	-	-	-	-
Public works	745,983	-	-	745,983
Community development	-	-	2,456,418	2,456,418
Debt service:				
Principal	-	320,000	-	320,000
Interest	-	48,400	-	48,400
Capital outlay	14,665	-	4,928,933	4,943,598
Total expenditures	<u>839,259</u>	<u>368,400</u>	<u>7,464,234</u>	<u>8,671,893</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,059,387</u>	<u>(32,550)</u>	<u>(2,986,629)</u>	<u>(1,959,792)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	-	4,500,000	4,500,000
Transfers in	-	-	3,710,374	3,710,374
Transfers out	(953,506)	-	(1,482,554)	(2,436,060)
Total other financing sources (uses)	<u>(953,506)</u>	<u>-</u>	<u>6,727,820</u>	<u>5,774,314</u>
Net change in fund balances	105,881	(32,550)	3,741,191	3,814,522
Fund balances--beginning	<u>1,868,885</u>	<u>99,149</u>	<u>12,036,947</u>	<u>14,004,981</u>
Fund balances--ending	<u>\$ 1,974,766</u>	<u>\$ 66,599</u>	<u>\$ 15,778,138</u>	<u>\$ 17,819,503</u>

CITY OF WILSONVILLE, OREGON
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2014

	Road Operating	Road Maintenance Regulatory	Total
REVENUES			
Intergovernmental	\$ 1,214,111	\$ -	\$ 1,214,111
Charges for services	-	670,744	670,744
Investment revenue	5,963	3,001	8,964
Other revenues	4,827	-	4,827
Total revenues	<u>1,224,901</u>	<u>673,745</u>	<u>1,898,646</u>
EXPENDITURES			
Current operating:			
General government	78,611	-	78,611
Public works	745,983	-	745,983
Capital outlay	<u>14,665</u>	<u>-</u>	<u>14,665</u>
Total expenditures	<u>839,259</u>	<u>-</u>	<u>839,259</u>
Excess (deficiency) of revenues over (under) expenditures	385,642	673,745	1,059,387
OTHER FINANCING USES			
Transfers out	<u>(325,871)</u>	<u>(627,635)</u>	<u>(953,506)</u>
Net change in fund balances	59,771	46,110	105,881
Fund balances--beginning	<u>1,158,712</u>	<u>710,173</u>	<u>1,868,885</u>
Fund balances--ending	<u>\$ 1,218,483</u>	<u>\$ 756,283</u>	<u>\$ 1,974,766</u>

CITY OF WILSONVILLE, OREGON
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2014

	Street Capital Projects	Building Projects	Park Projects	Street Development Charges
REVENUES				
Intergovernmental	\$ 123,282	\$ -	\$ -	\$ -
Licenses and permits	-	-	6,686	258,825
Charges for services	-	-	-	-
System development fees	-	-	-	1,834,900
Investment revenue	5,676	1,849	154	25,506
Other revenues	818,960	-	-	156,666
Total revenues	<u>947,918</u>	<u>1,849</u>	<u>6,840</u>	<u>2,275,897</u>
EXPENDITURES				
Current operating:				
General government	43,358	650	32,225	974
Community development	589,061	9,050	186,714	-
Capital outlay	1,650,033	498,957	1,047,487	-
Total expenditures	<u>2,282,452</u>	<u>508,657</u>	<u>1,266,426</u>	<u>974</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>(1,334,534)</u>	<u>(506,808)</u>	<u>(1,259,586)</u>	<u>2,274,923</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Transfers in	1,937,522	508,657	1,264,195	-
Transfers out	-	-	-	(665,497)
Total other financing sources (uses)	<u>1,937,522</u>	<u>508,657</u>	<u>1,264,195</u>	<u>(665,497)</u>
Net change in fund balances	602,988	1,849	4,609	1,609,426
Fund balances--beginning	357,063	180,961	54,965	2,870,813
Fund balances--ending	<u>\$ 960,051</u>	<u>\$ 182,810</u>	<u>\$ 59,574</u>	<u>\$ 4,480,239</u>

Continued on page 91.

Park Development Charges	Urban Renewal Year 2000 Capital Projects	Urban Renewal Year 2000 Program Income	Urban Renewal West Side Plan Capital Projects	Total
\$ -	\$ -	\$ -	\$ -	\$ 123,282
-	-	-	-	265,511
-	-	1,920	-	1,920
1,102,890	-	-	-	2,937,790
28,842	8,745	11,125	1,479	83,376
-	-	90,100	-	1,065,726
<u>1,131,732</u>	<u>8,745</u>	<u>103,145</u>	<u>1,479</u>	<u>4,477,605</u>
1,676	-	-	-	78,883
-	594,527	164,977	912,089	2,456,418
-	649,711	1,082,745	-	4,928,933
<u>1,676</u>	<u>1,244,238</u>	<u>1,247,722</u>	<u>912,089</u>	<u>7,464,234</u>
<u>1,130,056</u>	<u>(1,235,493)</u>	<u>(1,144,577)</u>	<u>(910,610)</u>	<u>(2,986,629)</u>
-	2,500,000	-	2,000,000	4,500,000
-	-	-	-	3,710,374
<u>(817,057)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,482,554)</u>
<u>(817,057)</u>	<u>2,500,000</u>	<u>-</u>	<u>2,000,000</u>	<u>6,727,820</u>
312,999	1,264,507	(1,144,577)	1,089,390	3,741,191
3,706,704	2,308,920	2,808,285	(250,764)	12,036,947
<u>\$ 4,019,703</u>	<u>\$ 3,573,427</u>	<u>\$ 1,663,708</u>	<u>\$ 838,626</u>	<u>\$ 15,778,138</u>

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**SCHEDULE OF REVENUES,
EXPENDITURES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

Governmental Funds

Special Revenue Funds

- Road Maintenance Regulatory
- Road Operating

Debt Service Funds

- Debt Service
- Urban Renewal - Year 2000 Plan
- Urban Renewal - West Side Plan

Capital Project Funds

- Building
- Park
- Park Development
- Street
- Street Development
- Urban Renewal - Year 2000 Plan
- Urban Renewal - Year 2000 Plan Program Income
- Urban Renewal - West Side Plan

CITY OF WILSONVILLE, OREGON
Road Operating Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Intergovernmental	\$ 1,127,500	\$ 1,127,500	\$ 1,214,111	\$ 86,611
Investment revenue	5,000	5,000	5,963	963
Other revenues	-	-	4,827	4,827
Total revenues	<u>1,132,500</u>	<u>1,132,500</u>	<u>1,224,901</u>	<u>92,401</u>
EXPENDITURES				
Human Resources	414	414	225	189
Road Operating	796,162	796,162	675,134	121,028
Contingency	644,565	490,565	-	490,565
Total expenditures	<u>1,441,141</u>	<u>1,287,141</u>	<u>675,359</u>	<u>611,782</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(308,641)</u>	<u>(154,641)</u>	<u>549,542</u>	<u>704,183</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	10,000	14,469	4,469
Transfers out	<u>(463,260)</u>	<u>(627,260)</u>	<u>(504,240)</u>	<u>123,020</u>
Total other financing sources (uses)	<u>(463,260)</u>	<u>(617,260)</u>	<u>(489,771)</u>	<u>127,489</u>
Net change in fund balances	<u>(771,901)</u>	<u>(771,901)</u>	<u>59,771</u>	<u>831,672</u>
Fund balances--beginning	<u>926,901</u>	<u>926,901</u>	<u>1,158,712</u>	<u>231,811</u>
Fund balances--ending	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 1,218,483</u>	<u>\$ 1,063,483</u>

CITY OF WILSONVILLE, OREGON
Road Maintenance Regulatory Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 659,000	\$ 659,000	\$ 670,744	\$ 11,744
Investment revenue	1,500	1,500	3,001	1,501
Total revenues	<u>660,500</u>	<u>660,500</u>	<u>673,745</u>	<u>13,245</u>
EXPENDITURES				
Finance	500	500	-	500
Contingency	444,595	344,595	-	344,595
Total expenditures	<u>445,095</u>	<u>345,095</u>	<u>-</u>	<u>345,095</u>
Excess of revenues over expenditures	215,405	315,405	673,745	358,340
OTHER FINANCING USES				
Transfers out	<u>(670,000)</u>	<u>(770,000)</u>	<u>(627,635)</u>	<u>142,365</u>
Net change in fund balances	(454,595)	(454,595)	46,110	500,705
Fund balances--beginning	<u>454,595</u>	<u>454,595</u>	<u>710,173</u>	<u>255,578</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 756,283</u>	<u>\$ 756,283</u>

CITY OF WILSONVILLE, OREGON
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Taxes	\$ 343,000	\$ 343,000	\$ 334,091	\$ (8,909)
Investment revenue	2,500	2,500	1,759	(741)
Total revenues	<u>345,500</u>	<u>345,500</u>	<u>335,850</u>	<u>(9,650)</u>
EXPENDITURES				
Debt service:				
Principal	320,000	320,000	320,000	-
Interest	48,500	48,500	48,400	100
Total expenditures	<u>368,500</u>	<u>368,500</u>	<u>368,400</u>	<u>100</u>
Deficiency of revenues under expenditures	<u>(23,000)</u>	<u>(23,000)</u>	<u>(32,550)</u>	<u>(9,550)</u>
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	(23,000)	(23,000)	(32,550)	(9,550)
Fund balances--beginning	<u>110,719</u>	<u>110,719</u>	<u>99,149</u>	<u>(11,570)</u>
Fund balances--ending	<u>\$ 87,719</u>	<u>\$ 87,719</u>	<u>\$ 66,599</u>	<u>\$ (21,120)</u>

CITY OF WILSONVILLE, OREGON
Urban Renewal - Year 2000 Plan Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 4,125,000	\$ 4,125,000	\$ 4,190,946	\$ 65,946
Investment revenue	50,000	50,000	38,170	(11,830)
Total revenues	<u>4,175,000</u>	<u>4,175,000</u>	<u>4,229,116</u>	<u>54,116</u>
EXPENDITURES				
Debt service:				
Principal	2,647,000	2,647,000	5,147,000	(2,500,000)
Interest	428,000	428,000	426,935	1,065
Total expenditures	<u>3,075,000</u>	<u>3,075,000</u>	<u>5,573,935</u>	<u>(2,498,935)</u>
Excess (deficiency) of revenues over (under) expenditures	1,100,000	1,100,000	(1,344,819)	(2,444,819)
Fund balances--beginning	<u>4,778,634</u>	<u>4,778,634</u>	<u>4,785,864</u>	<u>7,230</u>
Fund balances--ending	<u>\$ 5,878,634</u>	<u>\$ 5,878,634</u>	<u>\$ 3,441,045</u>	<u>\$ (2,437,589)</u>

CITY OF WILSONVILLE, OREGON
Urban Renewal - West Side Plan Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Taxes	\$ 3,300,600	\$ 3,300,600	\$ 3,361,188	\$ 60,588
Investment revenue	30,000	30,000	28,624	(1,376)
Total revenues	<u>3,330,600</u>	<u>3,330,600</u>	<u>3,389,812</u>	<u>59,212</u>
EXPENDITURES				
Debt service:				
Principal	1,385,000	1,385,000	3,070,000	(1,685,000)
Interest	1,472,200	1,472,200	1,139,280	332,920
Total expenditures	<u>2,857,200</u>	<u>2,857,200</u>	<u>4,209,280</u>	<u>(1,352,080)</u>
Excess (deficiency) of revenues over (under) expenditures	473,400	473,400	(819,468)	(1,292,868)
Fund balances--beginning	<u>4,185,797</u>	<u>4,185,797</u>	<u>4,381,847</u>	<u>196,050</u>
Fund balances--ending	<u>\$ 4,659,197</u>	<u>\$ 4,659,197</u>	<u>\$ 3,562,379</u>	<u>\$ (1,096,818)</u>

CITY OF WILSONVILLE, OREGON

Street Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances -

Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 75,000	\$ 123,282	\$ 48,282
Investment revenue	3,500	3,500	5,676	2,176
Other revenues	-	-	818,960	818,960
Total revenues	<u>3,500</u>	<u>78,500</u>	<u>947,918</u>	<u>869,418</u>
EXPENDITURES				
Capital outlay	1,961,184	3,362,114	1,650,033	1,712,081
Contingency	171,033	171,033	-	171,033
Total expenditures	<u>2,132,217</u>	<u>3,533,147</u>	<u>1,650,033</u>	<u>1,883,114</u>
Deficiency of revenues under expenditures	<u>(2,128,717)</u>	<u>(3,454,647)</u>	<u>(702,115)</u>	<u>2,752,532</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,940,126	3,548,080	1,937,522	(1,610,558)
Transfers out	(295,342)	(577,366)	(632,419)	(55,053)
Total other financing sources (uses)	<u>1,644,784</u>	<u>2,970,714</u>	<u>1,305,103</u>	<u>(1,665,611)</u>
Net change in fund balances	(483,933)	(483,933)	602,988	1,086,921
Fund balances--beginning	<u>483,933</u>	<u>483,933</u>	<u>357,063</u>	<u>(126,870)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 960,051</u>	<u>\$ 960,051</u>

CITY OF WILSONVILLE, OREGON
Building Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Investment revenue	50	50	1,849	1,799
Other revenues	-	-	-	-
Total revenues	<u>100,050</u>	<u>100,050</u>	<u>1,849</u>	<u>(98,201)</u>
EXPENDITURES				
Capital outlay	550,500	979,500	498,957	480,543
Contingency	<u>180,229</u>	<u>180,229</u>	-	<u>180,229</u>
Total expenditures	<u>730,729</u>	<u>1,159,729</u>	<u>498,957</u>	<u>660,772</u>
Deficiency of revenues under expenditures	<u>(630,679)</u>	<u>(1,059,679)</u>	<u>(497,108)</u>	<u>562,571</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	450,560	889,200	508,657	(380,543)
Transfers out	<u>(60)</u>	<u>(9,700)</u>	<u>(9,700)</u>	<u>-</u>
Total other financing sources (uses)	<u>450,500</u>	<u>879,500</u>	<u>498,957</u>	<u>(380,543)</u>
Net change in fund balances	(180,179)	(180,179)	1,849	182,028
Fund balances--beginning	<u>180,179</u>	<u>180,179</u>	<u>180,961</u>	<u>782</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 182,810</u>	<u>\$ 182,810</u>

CITY OF WILSONVILLE, OREGON

Park Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances -

Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 287,840	\$ 287,840	\$ -	\$ (287,840)
Licenses and permits	2,500	2,500	6,686	4,186
Investment revenue	500	500	154	(346)
Other revenues	5,000	5,000	-	(5,000)
Total revenues	<u>295,840</u>	<u>295,840</u>	<u>6,840</u>	<u>(289,000)</u>
EXPENDITURES				
Capital outlay	2,016,170	2,141,670	1,047,487	1,094,183
Contingency	62,872	62,872	-	62,872
Total expenditures	<u>2,079,042</u>	<u>2,204,542</u>	<u>1,047,487</u>	<u>1,157,055</u>
Deficiency of revenues under expenditures	<u>(1,783,202)</u>	<u>(1,908,702)</u>	<u>(1,040,647)</u>	<u>868,055</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,960,058	2,122,148	1,264,195	(857,953)
Transfers out	<u>(239,228)</u>	<u>(275,818)</u>	<u>(218,939)</u>	<u>56,879</u>
Total other financing sources (uses)	<u>1,720,830</u>	<u>1,846,330</u>	<u>1,045,256</u>	<u>(801,074)</u>
Net change in fund balances	(62,372)	(62,372)	4,609	66,981
Fund balances--beginning	-	-	54,965	54,965
Fund balances--ending	<u>\$ (62,372)</u>	<u>\$ (62,372)</u>	<u>\$ 59,574</u>	<u>\$ 121,946</u>

CITY OF WILSONVILLE, OREGON
Street Development Charges Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Licenses and permits	\$ -	\$ -	\$ 258,825	\$ 258,825
System development fees	2,876,992	2,876,992	1,834,900	(1,042,092)
Investment revenue	15,000	15,000	25,506	10,506
Other revenues	-	-	156,666	156,666
Total revenues	<u>2,891,992</u>	<u>2,891,992</u>	<u>2,275,897</u>	<u>(616,095)</u>
EXPENDITURES				
Finance	6,700	6,700	974	5,726
Contingency	3,739,639	2,830,785	-	2,830,785
Total expenditures	<u>3,746,339</u>	<u>2,837,485</u>	<u>974</u>	<u>2,836,511</u>
Excess (deficiency) of revenues over (under) expenditures	(854,347)	54,507	2,274,923	2,220,416
OTHER FINANCING USES				
Transfers out	(950,176)	(1,859,030)	(665,497)	1,193,533
Net change in fund balances	(1,804,523)	(1,804,523)	1,609,426	3,413,949
Fund balances--beginning	<u>1,804,523</u>	<u>1,804,523</u>	<u>2,870,813</u>	<u>1,066,290</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,480,239</u>	<u>\$ 4,480,239</u>

CITY OF WILSONVILLE, OREGON
Park Development Charges Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
System development fees	\$ 1,380,202	\$ 1,380,202	\$ 1,102,890	\$ (277,312)
Investment revenue	15,000	15,000	28,842	13,842
Total revenues	<u>1,395,202</u>	<u>1,395,202</u>	<u>1,131,732</u>	<u>(263,470)</u>
EXPENDITURES				
Finance	5,200	5,200	1,676	3,524
Contingency	2,855,787	2,713,983	-	2,713,983
Total expenditures	<u>2,860,987</u>	<u>2,719,183</u>	<u>1,676</u>	<u>2,717,507</u>
Excess (deficiency) of revenues over (under) expenditures	(1,465,785)	(1,323,981)	1,130,056	2,454,037
OTHER FINANCING USES				
Transfers out	<u>(1,444,958)</u>	<u>(1,586,762)</u>	<u>(817,057)</u>	<u>769,705</u>
Net change in fund balances	(2,910,743)	(2,910,743)	312,999	3,223,742
Fund balances--beginning	<u>2,910,743</u>	<u>2,910,743</u>	<u>3,706,704</u>	<u>795,961</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,019,703</u>	<u>\$ 4,019,703</u>

CITY OF WILSONVILLE, OREGON
Urban Renewal - Year 2000 Plan Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment revenue	\$ 15,000	\$ 15,000	\$ 8,745	\$ (6,255)
EXPENDITURES				
Materials and services	537,455	563,855	594,527	(30,672)
Capital outlay	775,000	1,039,000	649,711	389,289
Contingency	997,061	706,661	-	706,661
Total expenditures	<u>2,309,516</u>	<u>2,309,516</u>	<u>1,244,238</u>	<u>1,065,278</u>
Excess (deficiency) of revenues over (under) expenditures	(2,294,516)	(2,294,516)	(1,235,493)	1,059,023
OTHER FINANCING SOURCES				
Issuance of debt	-	-	2,500,000	2,500,000
Net change in fund balances	(2,294,516)	(2,294,516)	1,264,507	3,559,023
Fund balances--beginning	<u>2,294,516</u>	<u>2,294,516</u>	<u>2,308,920</u>	<u>14,404</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,573,427</u>	<u>\$ 3,573,427</u>

CITY OF WILSONVILLE, OREGON
Urban Renewal - Year 2000 Plan Program Income Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ -	\$ 1,920	\$ 1,920
Investment revenue	15,000	15,000	11,125	(3,875)
Other revenues	90,000	90,000	90,100	100
Total revenues	<u>105,000</u>	<u>105,000</u>	<u>103,145</u>	<u>(1,855)</u>
EXPENDITURES				
Materials and services	93,250	221,250	164,977	56,273
Capital outlay	932,500	1,239,500	1,082,745	156,755
Contingency	1,869,164	1,434,164	-	1,434,164
Total expenditures	<u>2,894,914</u>	<u>2,894,914</u>	<u>1,247,722</u>	<u>1,647,192</u>
Excess (deficiency) of revenues over (under) expenditures	(2,789,914)	(2,789,914)	(1,144,577)	1,645,337
Fund balances--beginning	<u>2,789,914</u>	<u>2,789,914</u>	<u>2,808,285</u>	<u>18,371</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,663,708</u>	<u>\$ 1,663,708</u>

CITY OF WILSONVILLE, OREGON
Urban Renewal - West Side Plan Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Investment revenue	\$ 1,500	\$ 1,500	\$ 1,479	\$ (21)
EXPENDITURES				
Materials and services	1,197,134	1,197,134	1,158,718	38,416
Capital outlay	623,716	623,716	-	623,716
Contingency	6,783,585	6,783,585	-	6,783,585
Total expenditures	<u>8,604,435</u>	<u>8,604,435</u>	<u>1,158,718</u>	<u>7,445,717</u>
Deficiency of revenues under expenditures	(8,602,935)	(8,602,935)	(1,157,239)	7,445,696
OTHER FINANCING SOURCES				
Issuance of debt	<u>8,000,000</u>	<u>8,000,000</u>	<u>2,000,000</u>	<u>(6,000,000)</u>
Net change in fund balances	(602,935)	(602,935)	842,761	1,445,696
Fund balances--beginning	<u>602,935</u>	<u>602,935</u>	<u>414,906</u>	<u>(188,029)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,257,667</u>	<u>\$ 1,257,667</u>
Adjustment from budgetary basis to generally accepted accounting basis:				
Development charge payable			<u>(419,041)</u>	
Fund balances - generally accepted accounting principles basis			<u>\$ 838,626</u>	

**SCHEDULE OF REVENUES,
EXPENDITURES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

Proprietary Funds

Enterprise Funds

- Water Operating
- Water Capital Projects
- Water Development Charges
- Water Fund Reconciliation of Budgetary Revenues
and Expenditures to GAAP

- Sewer Operating
- Sewer Capital Projects
- Sewer Development Charges
- Sewer Fund Reconciliation of Budgetary Revenues
and Expenditures to GAAP

- Stormwater Operating
- Stormwater Capital Projects
- Stormwater Development Charges
- Stormwater Fund Reconciliation of Budgetary Revenues
and Expenditures to GAAP

- Street Lighting
- Street Lighting Fund Reconciliation of Budgetary Revenues
and Expenditures to GAAP

- Reconciliation of Budgetary Fund Balances to GAAP Basis - Net Position

Internal Service Fund

- Fleet Internal Service Fund

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CITY OF WILSONVILLE, OREGON
Water Operating Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 4,721	\$ 4,721
Charges for services	6,835,000	6,835,000	6,784,658	(50,342)
Fines and forfeitures	-	-	15,910	15,910
Investment revenue	32,700	32,700	26,353	(6,347)
Other revenues	-	-	4,425	4,425
Total revenues	<u>6,867,700</u>	<u>6,867,700</u>	<u>6,836,067</u>	<u>(31,633)</u>
EXPENDITURES				
Finance	88,735	88,735	77,121	11,614
Human Resources	414	914	550	364
Water Operating	1,223,249	1,223,249	1,034,997	188,252
Water Treatment	2,451,771	2,705,047	2,460,306	244,741
Debt service:				-
Principal	1,425,000	1,425,000	1,425,000	-
Interest	454,000	454,500	448,948	5,552
Contingency	3,846,999	3,592,723	-	3,592,723
Total expenditures	<u>9,490,168</u>	<u>9,490,168</u>	<u>5,446,922</u>	<u>4,043,246</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,622,468)</u>	<u>(2,622,468)</u>	<u>1,389,145</u>	<u>4,011,613</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	350,000	350,000	350,000	-
Transfers out	(1,199,420)	(1,199,420)	(642,564)	556,856
Total other financing sources (uses)	<u>(849,420)</u>	<u>(849,420)</u>	<u>(292,564)</u>	<u>556,856</u>
Net change in fund balances	<u>(3,471,888)</u>	<u>(3,471,888)</u>	<u>1,096,581</u>	<u>4,568,469</u>
Fund balances--beginning	<u>4,213,888</u>	<u>4,213,888</u>	<u>5,166,172</u>	<u>952,284</u>
Fund balances--ending	<u>\$ 742,000</u>	<u>\$ 742,000</u>	<u>\$ 6,262,753</u>	<u>\$ 5,520,753</u>

CITY OF WILSONVILLE, OREGON
Water Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,474,200	\$ 1,474,200	\$ -	\$ (1,474,200)
Investment revenue	1,500	1,500	9,143	7,643
Total revenues	<u>1,475,700</u>	<u>1,475,700</u>	<u>9,143</u>	<u>(1,466,557)</u>
EXPENDITURES				
Materials and service	-	1,400,000	1,390,365	9,635
Capital outlay	4,120,750	4,120,750	2,644,571	1,476,179
Contingency	156,259	156,259	-	156,259
Total expenditures	<u>4,277,009</u>	<u>5,677,009</u>	<u>4,034,936</u>	<u>1,642,073</u>
Deficiency of revenues under expenditures	<u>(2,801,309)</u>	<u>(4,201,309)</u>	<u>(4,025,793)</u>	<u>175,516</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,201,040	3,201,040	1,624,133	(1,576,907)
Transfers out	(554,490)	(554,490)	(279,562)	274,928
Total other financing sources (uses)	<u>2,646,550</u>	<u>2,646,550</u>	<u>1,344,571</u>	<u>(1,301,979)</u>
Net change in fund balances	(154,759)	(1,554,759)	(2,681,222)	(1,126,463)
Fund balances--beginning	154,759	1,554,759	2,723,773	1,169,014
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,551</u>	<u>\$ 42,551</u>

CITY OF WILSONVILLE, OREGON
Water Development Charges Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
System development fees	\$ 1,405,631	\$ 1,405,631	\$ 1,509,035	\$ 103,404
Investment revenue	5,000	5,000	7,086	2,086
Other revenues	-	-	6,071	6,071
Total revenues	<u>1,410,631</u>	<u>1,410,631</u>	<u>1,522,192</u>	<u>111,561</u>
EXPENDITURES				
Finance	6,600	6,600	597	6,003
Contingency	115,585	81,085	-	81,085
Total expenditures	<u>122,185</u>	<u>87,685</u>	<u>597</u>	<u>87,088</u>
Excess of revenues over expenditures	<u>1,288,446</u>	<u>1,322,946</u>	<u>1,521,595</u>	<u>198,649</u>
OTHER FINANCING USES				
Transfers out	<u>(2,819,120)</u>	<u>(2,853,620)</u>	<u>(1,798,718)</u>	<u>1,054,902</u>
Net change in fund balances	<u>(1,530,674)</u>	<u>(1,530,674)</u>	<u>(277,123)</u>	<u>1,253,551</u>
Fund balances--beginning	<u>1,530,674</u>	<u>1,530,674</u>	<u>1,586,216</u>	<u>55,542</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,309,093</u>	<u>\$ 1,309,093</u>

CITY OF WILSONVILLE, OREGON

Water Fund

Reconciliation of Budgetary Revenues and Expenditures to GAAP

For the year ended June 30, 2014

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis:		
Water Operating Fund	\$ 6,836,067	\$ 5,446,922
Water Capital Projects Fund	9,143	4,034,936
Water Development Charges Fund	1,522,192	597
Total	<u>8,367,402</u>	<u>9,482,455</u>
 Adjustments:		
Increase in notes receivable	(246,629)	-
Payment of bond principal	-	(1,425,000)
Expenditures capitalized	-	(2,582,260)
Support services	-	454,060
Depreciation expense	-	1,665,587
Bond issuance cost	-	2,609
Amortization of bond defeasance	-	61,010
Gain/loss on disposition	-	1,561,518
Revenues and expenses	<u>\$ 8,120,773</u>	<u>\$ 9,219,979</u>
 GAAP Basis:		
Operating	\$ 6,815,785	\$ 7,145,894
Nonoperating	42,582	2,074,085
Capital contributions - grants and fees	1,262,406	-
Total - page 47	<u>\$ 8,120,773</u>	<u>\$ 9,219,979</u>

CITY OF WILSONVILLE, OREGON
Sewer Operating Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Charges for services	\$ 6,702,000	\$ 6,702,000	\$ 7,198,881	\$ 496,881
Investment revenue	52,500	52,500	65,254	12,754
Other revenues	18,216	18,216	85,976	67,760
Total revenues	<u>6,772,716</u>	<u>6,772,716</u>	<u>7,350,111</u>	<u>577,395</u>
EXPENDITURES				
Finance	83,340	83,340	76,567	6,773
Sewer Operating	685,005	685,005	615,920	69,085
Sewer Pretreatment	120,831	120,831	102,744	18,087
Sewer Treatment	1,865,765	2,040,765	1,973,055	67,710
Debt service:				
Principal	2,190,000	2,190,000	2,190,000	-
Interest	1,396,000	1,397,600	1,390,850	6,750
Contingency	6,980,612	5,804,012	-	5,804,012
Total expenditures	<u>13,321,553</u>	<u>12,321,553</u>	<u>6,349,136</u>	<u>5,972,417</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,548,837)</u>	<u>(5,548,837)</u>	<u>1,000,975</u>	<u>6,549,812</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	600,000	600,000	600,000	-
Transfers out	(3,627,580)	(4,627,580)	(1,946,575)	2,681,005
Sale of capital assets	-	-	100,000	100,000
Total other financing sources (uses)	<u>(3,027,580)</u>	<u>(4,027,580)</u>	<u>(1,246,575)</u>	<u>2,781,005</u>
Net change in fund balances	<u>(9,576,417)</u>	<u>(9,576,417)</u>	<u>(245,600)</u>	<u>9,330,817</u>
Fund balances--beginning	<u>9,989,417</u>	<u>9,989,417</u>	<u>10,369,987</u>	<u>380,570</u>
Fund balances--ending	<u>\$ 413,000</u>	<u>\$ 413,000</u>	<u>\$ 10,124,387</u>	<u>\$ 9,711,387</u>

CITY OF WILSONVILLE, OREGON

Sewer Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances -

Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment revenue	\$ 65,000	\$ 65,000	\$ 19,566	\$ (45,434)
Other revenues	-	-	997	997
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>20,563</u>	<u>(44,437)</u>
EXPENDITURES				
Capital outlay	12,418,000	12,418,000	8,045,956	4,372,044
Contingency	<u>1,413,593</u>	<u>2,413,593</u>	-	<u>2,413,593</u>
Total expenditures	<u>13,831,593</u>	<u>14,831,593</u>	<u>8,045,956</u>	<u>6,785,637</u>
Deficiency of revenues under expenditures	<u>(13,766,593)</u>	<u>(14,766,593)</u>	<u>(8,025,393)</u>	<u>6,741,200</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,784,160	5,784,160	2,057,855	(3,726,305)
Transfers out	<u>(866,160)</u>	<u>(866,160)</u>	<u>(259,705)</u>	<u>606,455</u>
Total other financing sources (uses)	<u>3,918,000</u>	<u>4,918,000</u>	<u>1,798,150</u>	<u>(3,119,850)</u>
Net change in fund balances	(9,848,593)	(9,848,593)	(6,227,243)	3,621,350
Fund balances--beginning	<u>9,848,593</u>	<u>9,848,593</u>	<u>6,241,435</u>	<u>(3,607,158)</u>
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,192</u>	<u>\$ 14,192</u>

CITY OF WILSONVILLE, OREGON
Sewer Development Charges Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
System development fees	\$ 2,095,690	\$ 2,095,690	\$ 2,502,588	\$ 406,898
Investment revenue	20,000	20,000	34,877	14,877
Total revenues	<u>2,115,690</u>	<u>2,115,690</u>	<u>2,537,465</u>	<u>421,775</u>
EXPENDITURES				
Finance	6,700	6,700	1,597	5,103
Contingency	4,674,460	4,639,960	-	4,639,960
Total expenditures	<u>4,681,160</u>	<u>4,646,660</u>	<u>1,597</u>	<u>4,645,063</u>
Excess (deficiency) of revenues over (under) expenditures	(2,565,470)	(2,530,970)	2,535,868	5,066,838
OTHER FINANCING USES				
Transfers out	<u>(2,168,080)</u>	<u>(2,202,580)</u>	<u>(1,122,658)</u>	<u>1,079,922</u>
Net change in fund balances	(4,733,550)	(4,733,550)	1,413,210	6,146,760
Fund balances--beginning	<u>4,733,550</u>	<u>4,733,550</u>	<u>5,205,778</u>	<u>472,228</u>
Fund balances--ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,618,988</u></u>	<u><u>\$ 6,618,988</u></u>

CITY OF WILSONVILLE, OREGON

Sewer Fund

Reconciliation of Budgetary Revenues and Expenditures to GAAP

For the year ended June 30, 2014

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis:		
Sewer Operating Fund	\$ 7,350,111	\$ 6,349,136
Sewer Capital Projects Fund	20,563	8,045,956
Sewer Development Charges Fund	2,537,465	1,597
Total	<u>9,908,139</u>	<u>14,396,689</u>
 Adjustments:		
Collection on notes receivable	(370)	-
Principal payment on credit facility	-	(2,190,000)
Expenditures capitalized	-	(7,978,471)
Support services	-	396,175
Depreciation expense	-	935,880
Bond issuance cost	74,465	-
Amortization of bond defeasance	-	10,190
Disposition of fixed assets	71,251	-
Revenues and expenses	<u>\$ 10,053,485</u>	<u>\$ 5,570,463</u>
 GAAP Basis:		
Operating	\$ 7,285,854	\$ 4,169,423
Nonoperating	265,413	1,401,040
Capital contributions - grants and fees	2,502,218	-
Total - page 47	<u>\$ 10,053,485</u>	<u>\$ 5,570,463</u>

CITY OF WILSONVILLE, OREGON
Stormwater Operating Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 1,334,000	\$ 1,334,000	\$ 1,392,150	\$ 58,150
Investment revenue	3,500	3,500	1,140	(2,360)
Other revenues	-	-	1,721	1,721
Total revenues	<u>1,337,500</u>	<u>1,337,500</u>	<u>1,395,011</u>	<u>57,511</u>
EXPENDITURES				
Finance	33,640	33,640	28,373	5,267
Human Resources	202	202	75	127
Stormwater Management	188,919	177,419	155,113	22,306
Stormwater Maintenance	523,265	442,844	382,243	60,601
Contingency	142,380	-	-	-
Total expenditures	<u>888,406</u>	<u>654,105</u>	<u>565,804</u>	<u>88,301</u>
Excess of revenues over expenditures	449,094	683,395	829,207	145,812
OTHER FINANCING USES				
Transfers out	<u>(1,106,085)</u>	<u>(1,340,386)</u>	<u>(1,286,068)</u>	<u>54,318</u>
Net change in fund balances	(656,991)	(656,991)	(456,861)	200,130
Fund balances--beginning	<u>805,991</u>	<u>805,991</u>	<u>577,699</u>	<u>(228,292)</u>
Fund balances--ending	<u>\$ 149,000</u>	<u>\$ 149,000</u>	<u>\$ 120,838</u>	<u>\$ (28,162)</u>

CITY OF WILSONVILLE, OREGON

Stormwater Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances -

Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Investment revenue	\$ 50	\$ 50	\$ 95	\$ 45
EXPENDITURES				
Capital outlay	863,582	1,115,168	982,153	133,015
Contingency	10,354	10,354	-	10,354
Total expenditures	873,936	1,125,522	982,153	143,369
Deficiency of revenues under expenditures	(873,886)	(1,125,472)	(982,058)	143,414
OTHER FINANCING SOURCES (USES)				
Transfers in	1,002,211	1,254,672	1,104,215	(150,457)
Transfers out	(138,630)	(139,505)	(122,062)	17,443
Total other financing sources (uses)	863,581	1,115,167	982,153	(133,014)
Net change in fund balances	(10,305)	(10,305)	95	10,400
Fund balances--beginning	10,305	10,305	10,264	(41)
Fund balances--ending	\$ -	\$ -	\$ 10,359	\$ 10,359

CITY OF WILSONVILLE, OREGON
Stormwater Development Charges Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
System development fees	\$ 637,793	\$ 637,793	\$ 327,476	\$ (310,317)
Investment revenue	4,500	4,500	5,082	582
Total revenues	<u>642,293</u>	<u>642,293</u>	<u>332,558</u>	<u>(309,735)</u>
EXPENDITURES				
Finance Department	1,400	1,400	309	1,091
Contingency	1,325,355	1,289,945	-	1,289,945
Total expenditures	<u>1,326,755</u>	<u>1,291,345</u>	<u>309</u>	<u>1,291,036</u>
Excess (deficiency) of revenues over (under) expenditures	(684,462)	(649,052)	332,249	981,301
OTHER FINANCING USES				
Transfers out	(141,226)	(176,636)	(50,927)	125,709
Net change in fund balances	(825,688)	(825,688)	281,322	1,107,010
Fund balances--beginning	825,688	825,688	843,546	17,858
Fund balances--ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,124,868</u>	<u>\$ 1,124,868</u>

CITY OF WILSONVILLE, OREGON

Stormwater Fund

Reconciliation of Budgetary Revenues and Expenditures to GAAP

For the year ended June 30, 2014

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis:		
Stormwater Operating Fund	\$ 1,395,011	\$ 565,804
Stormwater Capital Projects Fund	95	982,153
Stormwater Development Charges Fund	332,558	309
Total	<u>1,727,664</u>	<u>1,548,266</u>
Adjustments:		
Expenditures capitalized	-	(657,416)
Support services	-	210,164
Depreciation expense	-	1,005,716
Loss on disposition of fixed assets	-	743,690
Revenues and expenses	<u>\$ 1,727,664</u>	<u>\$ 2,850,420</u>
GAAP Basis:		
Operating	\$ 1,393,871	\$ 2,106,730
Nonoperating	6,317	743,690
Capital contributions - grants and fees	327,476	-
Total - page 47	<u>\$ 1,727,664</u>	<u>\$ 2,850,420</u>

CITY OF WILSONVILLE, OREGON
Street Lighting Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 397,000	\$ 397,000	\$ 421,986	\$ 24,986
Investment revenue	5,000	5,000	4,960	(40)
Total revenues	<u>402,000</u>	<u>402,000</u>	<u>426,946</u>	<u>24,946</u>
EXPENDITURES				
Street Lighting	304,574	304,574	266,706	37,868
Contingency	855,295	523,695	-	523,695
Total expenditures	<u>1,159,869</u>	<u>828,269</u>	<u>266,706</u>	<u>561,563</u>
Excess (deficiency) of revenues over (under) expenditures	(757,869)	(426,269)	160,240	586,509
OTHER FINANCING USES				
Transfers out	(58,240)	(389,840)	(198,573)	191,267
Net change in fund balances	(816,109)	(816,109)	(38,333)	777,776
Fund balances--beginning	877,109	877,109	935,358	58,249
Fund balances--ending	<u>\$ 61,000</u>	<u>\$ 61,000</u>	<u>\$ 897,025</u>	<u>\$ 836,025</u>

CITY OF WILSONVILLE, OREGON
Street Lighting Fund
Reconciliation of Budgetary Revenues and Expenditures to GAAP
For the year ended June 30, 2014

	Revenues	Expenditures
Budgetary Basis:		
Street Lighting Fund	\$ 426,946	\$ 266,706
 Adjustments:		
Depreciation expense	-	75,236
Revenues and expenses	\$ 426,946	\$ 341,942
 GAAP Basis:		
Operating	\$ 421,986	\$ 341,942
Nonoperating	4,960	-
Total - page 47	\$ 426,946	\$ 341,942

CITY OF WILSONVILLE, OREGON
Reconciliation of Budgetary Fund Balance to
GAAP - Net Position
For the year ended June 30, 2014

	<u>Total Water</u>	<u>Total Sewer</u>	<u>Total Stormwater</u>	<u>Total Street Lighting</u>
Fund balances - budget basis:				
Operating Fund	\$ 6,262,753	\$ 10,124,387	\$ 120,838	\$ 897,025
Capital Projects Fund	42,551	14,192	10,359	-
Development Charges Fund	1,309,093	6,618,988	1,124,868	-
Total fund balances - budget basis	<u>7,614,397</u>	<u>16,757,567</u>	<u>1,256,065</u>	<u>897,025</u>
Adjustments:				
Notes receivable	419,041	2,783	-	-
Bond premium	15,654	(1,191,448)	-	-
Capital assets, net	47,983,202	62,675,138	20,827,363	2,291,071
Debt payable	(10,184,249)	(37,959,809)	-	-
Total GAAP Net Position - page 46	<u>\$ 45,848,045</u>	<u>\$ 40,284,231</u>	<u>\$ 22,083,428</u>	<u>\$ 3,188,096</u>

CITY OF WILSONVILLE, OREGON

Fleet Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances -

Budget and Actual

For the year ended June 30, 2014

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 1,203,110	\$ 1,203,110	\$ 1,203,110	\$ -
Investment revenue	5,000	5,000	5,146	146
Other revenues	-	-	718	718
Total revenues	<u>1,208,110</u>	<u>1,208,110</u>	<u>1,208,974</u>	<u>864</u>
EXPENDITURES				
Human Resources	717	717	600	117
Fleet	1,344,014	1,348,514	1,333,186	15,328
Contingency	988,567	984,067	-	984,067
Total expenditures	<u>2,333,298</u>	<u>2,333,298</u>	<u>1,333,786</u>	<u>999,512</u>
Excess (deficiency) of revenues over (under) expenditures	(1,125,188)	(1,125,188)	(124,812)	1,000,376
OTHER FINANCING USES				
Sale of capital asset	-	-	17,579	17,579
Transfers out	(2,100)	(2,100)	(2,100)	-
Total other financing (uses)	<u>(2,100)</u>	<u>(2,100)</u>	<u>15,479</u>	<u>17,579</u>
Net change in fund balances	(1,127,288)	(1,127,288)	(109,333)	1,017,955
Fund balances--beginning	<u>1,188,288</u>	<u>1,188,288</u>	<u>1,244,137</u>	<u>55,849</u>
Fund balances--ending	<u>\$ 61,000</u>	<u>\$ 61,000</u>	<u>\$ 1,134,804</u>	<u>\$ 1,073,804</u>
Adjustment from budgetary basis to generally accepted accounting basis:				
Capital assets			<u>536,477</u>	
Fund balances - generally accepted accounting principles basis			<u><u>1,671,281</u></u>	

**OTHER
FINANCIAL SCHEDULES**

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CITY OF WILSONVILLE, OREGON
Schedule of Property Tax Transactions and Outstanding Balances
(Excluding Urban Renewal Agency)

For the fiscal year ended June 30, 2014

Tax Year	Property Taxes Receivable July 1, 2013	Levy as Extended by Assessor	Discounts and Adjustments	Cash Collections	Property Taxes Receivable June 30, 2014	Interest Received
2013-14	\$ -	\$ 5,905,785	\$ (160,803)	\$ (5,582,279)	\$ 162,703	\$ 1,532
2012-13	162,387	-	(4,355)	(75,222)	82,811	4,443
2011-12	91,107	-	(1,167)	(31,022)	58,918	4,712
2010-11	59,047	-	(14,824)	(23,636)	35,191	5,478
2009-10	33,195	-	(698)	(9,322)	23,175	2,735
and prior	13,147	-	(1,728)	(2,227)	9,189	238
	<u>\$ 358,883</u>	<u>\$ 5,905,785</u>	<u>\$ (183,575)</u>	<u>\$ (5,723,708)</u>	<u>\$ 371,990</u>	<u>\$ 19,137</u>

Summary of property taxes receivable by fund:

General Fund	\$ 348,330
Debt Service Fund (excluding Urban Renewal Debt Service Fund)	23,660
Total property taxes receivable	<u>\$ 371,990</u>

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
Reconciliation to revenue:			
Cash collections	\$ 5,336,214	\$ 387,492	\$ 5,723,706
Other discounts and adjustments	27,681	2,010	29,691
Total tax revenue	<u>\$ 5,363,895</u>	<u>\$ 389,502</u>	<u>\$ 5,753,398</u>

Reconciliation to the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances at pages 42 and 43:

Total taxes at pages 42 and 43	\$ 20,822,581
Adjustments:	
Payroll taxes collected in the Transit Fund (page 79)	(4,342,353)
Urban Renewal Debt Service (pages 97-98)	(7,552,134)
Franchise Fees (page 144)	(2,901,830)
Hotel/Motel Taxes (page 144)	(272,866)
	<u>\$ 5,753,398</u>

CITY OF WILSONVILLE, OREGON
Urban Renewal Debt Service Funds
Schedule of Property Tax Transactions and Outstanding Balances
For the fiscal year ended June 30, 2014

Year of Levy	Property Taxes Receivable July 1, 2013	Levy as Extended by Assessor	Discounts and Adjustments	Cash Collections	Property Taxes Receivable June 30, 2014	Interest Received
2013-14	\$ -	\$ 7,760,043	\$ (210,419)	\$ (7,332,065)	\$ 217,559	\$ 2,009
2012-13	216,407	-	(5,807)	(99,692)	110,908	5,867
2011-12	109,315	-	(1,555)	(37,027)	70,733	5,629
2010-11	70,237	-	(18,500)	(27,867)	41,995	7,043
2009-10	43,139	-	(859)	(12,157)	30,124	3,575
and prior	15,949	-	(2,073)	(2,654)	11,222	132
	<u>\$ 455,047</u>	<u>\$ 7,760,043</u>	<u>\$ (239,213)</u>	<u>\$ (7,511,461)</u>	<u>\$ 482,541</u>	<u>\$ 24,255</u>

Summary of property taxes receivable by fund:

Year 2000 Plan	\$ 287,247
West Side District	195,293
Total property taxes receivable	<u>\$ 482,541</u>

	<u>Year 2000 Plan</u>	<u>West Side District</u>	<u>Total</u>
Reconciliation to revenue:			
Cash collections	\$ 4,168,559	\$ 3,342,902	\$ 7,511,461
Other discounts and adjustments	22,388	18,285	40,672
Total tax revenue	<u>\$ 4,190,947</u>	<u>\$ 3,361,187</u>	<u>\$ 7,552,133</u>

Reconciliation to the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances at pages 42 and 43:

Total taxes at pages 42 and 43	\$ 20,822,581
Adjustments:	
Payroll taxes collected in the Transit Fund (page 79)	(4,342,353)
General Fund Property Taxes (page 127)	(5,753,398)
Franchise Fees (page 144)	(2,901,830)
Hotel/Motel Taxes (page 144)	(272,866)
	<u>\$ 7,552,133</u>

STATISTICAL SECTION



Statistical Section

This part of the City of Wilsonville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	132
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	142
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	150
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	160
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the city provides and the activities it performs.	164

Sources: Unless otherwise noted the information in these schedules is derived from the City's comprehensive annual financial reports for the relevant year.

CITY OF WILSONVILLE, OREGON

Net Position by Component

Last Ten Fiscal Years

	Fiscal Year			
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental Activities				
Net investment in capital assets	\$ 182,563,852	\$ 172,030,623	\$ 155,303,313	\$ 150,438,791
Restricted	15,999,315	16,256,180	19,949,141	19,192,234
Unrestricted	27,912,417	26,960,064	25,930,589	24,134,580
Total governmental activities net position	<u>\$ 226,475,584</u>	<u>\$ 215,246,867</u>	<u>\$ 201,183,043</u>	<u>\$ 193,765,605</u>
Business-type activities				
Net investment in capital assets	\$ 84,456,922	\$ 72,601,965	\$ 69,393,857	\$ 69,381,064
Restricted	9,135,299	11,686,021	7,273,385	8,255,338
Unrestricted	17,811,579	18,660,595	15,624,285	12,461,233
Total business-type activities net position	<u>\$ 111,403,800</u>	<u>\$ 102,948,581</u>	<u>\$ 92,291,527</u>	<u>\$ 90,097,635</u>
Primary government				
Net investment in capital assets	\$ 267,020,774	\$ 244,632,588	\$ 224,697,170	\$ 219,819,855
Restricted	25,134,614	27,942,201	27,222,526	27,447,572
Unrestricted	45,723,996	45,620,659	41,554,874	36,595,813
Total primary government net position	<u>\$ 337,879,384</u>	<u>\$ 318,195,448</u>	<u>\$ 293,474,570</u>	<u>\$ 283,863,240</u>

Continued on page 133.

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ 148,408,001	\$ 145,226,430	\$ 142,514,681	\$ 112,210,377	\$ 104,077,756	\$ 108,344,597
21,247,738	20,870,117	22,132,604	28,263,091	28,996,950	23,708,297
20,569,991	20,101,537	18,908,042	17,069,299	20,380,379	15,321,881
<u>\$ 190,225,730</u>	<u>\$ 186,198,084</u>	<u>\$ 183,555,327</u>	<u>\$ 157,542,767</u>	<u>\$ 153,455,085</u>	<u>\$ 147,374,775</u>
\$ 65,194,932	\$ 68,333,124	\$ 65,371,937	\$ 57,252,903	\$ 56,506,690	\$ 55,616,729
9,160,631	8,534,673	9,177,950	10,429,078	10,839,730	10,377,636
12,704,478	9,904,816	10,920,689	10,081,324	5,186,898	3,415,909
<u>\$ 87,060,041</u>	<u>\$ 86,772,613</u>	<u>\$ 85,470,576</u>	<u>\$ 77,763,305</u>	<u>\$ 72,533,318</u>	<u>\$ 69,410,274</u>
\$ 213,602,933	\$ 213,559,554	\$ 207,886,618	\$ 169,463,280	\$ 160,584,446	\$ 163,961,326
30,408,369	29,404,790	31,310,554	38,692,169	39,836,680	34,085,933
33,274,469	30,006,353	29,828,731	27,150,623	25,567,277	18,737,790
<u>\$ 277,285,771</u>	<u>\$ 272,970,697</u>	<u>\$ 269,025,903</u>	<u>\$ 235,306,072</u>	<u>\$ 225,988,403</u>	<u>\$ 216,785,049</u>

CITY OF WILSONVILLE, OREGON

Changes in Net Position

Last Ten Fiscal Years

	Fiscal Year			
	2014	2013	2012	2011
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 797,639	\$ 653,034	\$ 611,014	\$ 587,408
Public safety	325,251	427,345	480,649	533,887
Transportation*	275,561	330,707	313,431	364,041
Public works*	714,558	644,332	670,839	646,979
Culture and recreations	190,180	219,645	184,036	162,036
Community development	3,057,239	2,594,270	2,663,637	2,328,205
Operating grants and contributions	2,647,055	4,498,701	2,525,535	2,486,094
Capital grants and contributions	15,488,068	14,372,709	6,816,917	4,718,798
Total governmental activities program revenues	23,495,551	23,740,743	14,266,058	11,827,448
Business-type activities:				
Charges for services:				
Water	6,784,658	6,830,022	5,564,931	5,056,627
Sewer	7,198,881	6,224,907	5,559,439	5,110,099
Stormwater	1,392,150	1,164,818	972,101	953,103
Streetlights	421,986	388,128	381,615	374,855
Operating grants and contributions	4,721	4,474	3,948	-
Capital grants and contributions	8,321,936	8,803,248	4,843,011	3,384,992
Total business-type activities program revenues	24,124,332	23,415,597	17,325,045	14,879,676
Total primary government program revenues	\$ 47,619,883	\$ 47,156,340	\$ 31,591,103	\$ 26,707,124
Expenses				
Governmental activities:				
General government	\$ 2,783,098	\$ 2,728,128	\$ 2,715,431	\$ 3,857,483
Public safety	3,931,951	3,836,302	3,767,419	3,758,486
Transportation*	4,973,506	5,008,045	4,665,878	4,421,328
Public works*	10,160,489	8,632,592	7,890,575	7,973,978
Culture and recreation	3,819,439	3,684,702	2,324,820	2,210,216
Community development	4,748,107	4,771,245	3,615,081	3,814,630
Interest on long-term debt	1,635,091	1,657,706	1,585,132	1,532,853
Total governmental activities expenses	32,051,681	30,318,720	26,564,336	27,568,974
Water	9,219,979	6,022,898	6,492,487	5,929,144
Sewer	5,424,747	5,069,866	6,759,615	3,991,549
Stormwater	2,850,421	1,742,041	1,820,865	1,772,143
Streetlights	341,942	337,426	329,931	333,589
Total business-type activities	17,837,089	13,172,231	15,402,898	12,026,425
Total primary government expenses	\$ 49,888,770	\$ 43,490,951	\$ 41,967,234	\$ 39,595,399

*Fleet was moved from a Public Works function to a Transportation function in 2006-07.

Continued on page 135.

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ 550,187	\$ 680,409	\$ 680,409	\$ 634,259	\$ 607,723	\$ 555,729
365,082	356,710	356,710	391,233	367,431	361,396
1,394,463	1,388,163	1,388,163	1,147,816	1,109,459	33,860
624,647	633,589	633,589	669,400	604,577	1,551,413
152,498	160,454	160,454	147,707	155,113	204,126
1,359,674	1,794,304	1,794,304	2,571,583	2,409,342	2,487,212
2,064,880	2,232,036	2,232,036	1,568,798	1,686,479	2,381,551
4,644,661	1,708,482	1,708,482	24,572,641	4,609,997	5,682,994
<u>11,156,092</u>	<u>8,954,147</u>	<u>8,954,147</u>	<u>31,703,437</u>	<u>11,550,121</u>	<u>13,258,281</u>
4,969,233	5,393,190	5,393,190	5,309,720	5,850,106	5,398,575
4,547,155	4,208,502	4,208,502	4,252,771	4,272,015	2,912,646
937,249	924,072	924,072	855,001	865,831	826,382
375,483	380,989	380,989	371,580	365,970	353,205
30,634	-	-	-	-	33,334
1,976,536	2,061,757	2,061,757	6,633,934	3,948,172	4,263,763
<u>12,836,290</u>	<u>12,968,510</u>	<u>12,968,510</u>	<u>17,423,006</u>	<u>15,302,094</u>	<u>13,787,905</u>
<u>\$ 23,992,382</u>	<u>\$ 21,922,657</u>	<u>\$ 21,922,657</u>	<u>\$ 49,126,443</u>	<u>\$ 26,852,215</u>	<u>\$ 27,046,186</u>
\$ 2,303,475	\$ 2,648,401	\$ 2,648,401	\$ 2,485,385	\$ 2,870,773	\$ 2,562,815
3,536,948	3,211,057	3,211,057	3,001,569	2,834,694	2,671,832
5,228,701	5,011,679	5,011,679	3,819,281	3,554,524	2,616,737
8,166,407	7,586,798	7,586,798	7,884,280	7,131,013	6,725,620
2,474,430	1,967,497	1,967,497	1,860,681	2,094,102	1,679,238
3,483,069	3,813,327	3,813,327	4,022,866	4,333,009	4,517,017
1,399,271	1,129,551	1,129,551	1,722,989	1,634,126	1,066,741
<u>26,592,301</u>	<u>25,368,310</u>	<u>25,368,310</u>	<u>24,797,051</u>	<u>24,452,241</u>	<u>21,840,000</u>
5,470,193	5,813,041	5,813,041	5,552,777	5,439,332	5,518,677
3,990,851	3,852,727	3,852,727	3,578,437	3,708,148	3,339,460
3,038,784	2,201,863	2,201,863	1,787,975	1,623,325	2,020,266
328,009	311,587	311,587	276,241	240,044	207,902
<u>12,827,837</u>	<u>12,179,218</u>	<u>12,179,218</u>	<u>11,195,430</u>	<u>11,010,849</u>	<u>11,086,305</u>
<u>\$ 39,420,138</u>	<u>\$ 37,547,528</u>	<u>\$ 37,547,528</u>	<u>\$ 35,992,481</u>	<u>\$ 35,463,090</u>	<u>\$ 32,926,305</u>

Continued on pages 136 and 137.

CITY OF WILSONVILLE, OREGON
Changes in Net Position - Continued
Last Ten Fiscal Years

	Fiscal Year			
	2014	2013	2012	2011
Net (Expense)/Revenue				
Governmental activities	\$ (8,556,130)	\$ (6,577,977)	\$ (12,298,278)	\$ (15,741,526)
Business-type activities	6,287,243	10,243,366	1,922,147	2,853,251
Total primary government net expenses	<u>\$ (2,268,887)</u>	<u>\$ 3,665,389</u>	<u>\$ (10,376,131)</u>	<u>\$ (12,888,275)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general purposes	\$ 5,427,603	\$ 5,149,667	\$ 5,127,828	\$ 4,972,375
Property taxes, levied for debt service	7,903,772	7,533,683	6,779,063	6,599,440
Franchise, transit and hotel taxes	7,517,049	7,153,920	6,906,126	6,679,236
Interest and investment earnings	292,755	278,195	387,203	382,004
Other revenues	522,988	689,869	478,413	616,198
Transfers	(1,879,320)	(163,533)	22,440	22,440
Gain (loss) on disposition of capital assets	-	-	14,643	9,708
Special item - writedown note receivable	-	-	-	-
Total governmental activities	<u>19,784,847</u>	<u>20,641,801</u>	<u>19,715,716</u>	<u>19,281,401</u>
Business-type activities:				
Investment revenue	173,556	204,594	267,623	169,176
Other revenues	115,100	45,561	26,562	37,607
Transfers	1,879,320	163,533	(22,440)	(22,440)
Gain (loss) on disposition of capital assets	-	-	-	-
Special item - writedown note receivable	-	-	-	-
Total business-type activities	<u>2,167,976</u>	<u>413,688</u>	<u>271,745</u>	<u>184,343</u>
Total primary government	<u>\$ 21,952,823</u>	<u>\$ 21,055,489</u>	<u>\$ 19,987,461</u>	<u>\$ 19,465,744</u>
Change in Net Position				
Governmental activities	\$ 11,228,717	\$ 14,063,824	\$ 7,417,438	\$ 3,539,875
Business-type activities	8,455,219	10,657,054	2,193,892	3,037,594
Total primary government	<u>\$ 19,683,936</u>	<u>\$ 24,720,878</u>	<u>\$ 9,611,330</u>	<u>\$ 6,577,469</u>

Continued on page 137.

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ (15,436,209)	\$ (16,414,163)	\$ 6,906,386	\$ (12,902,120)	\$ (8,581,719)	\$ (7,293,905)
8,453	789,292	6,227,576	4,291,245	2,701,600	4,521,697
<u>\$ (15,427,756)</u>	<u>\$ (15,624,871)</u>	<u>\$ 13,133,962</u>	<u>\$ (8,610,875)</u>	<u>\$ (5,880,119)</u>	<u>\$ (2,772,208)</u>
\$ 4,843,914	\$ 4,650,115	\$ 4,507,213	\$ 4,364,739	\$ 4,121,436	\$ 3,974,389
7,053,024	6,947,574	6,066,111	5,023,395	4,452,170	4,328,909
6,681,467	6,120,632	5,250,229	4,772,969	4,205,444	3,926,043
563,385	1,170,778	1,936,619	2,495,667	1,516,730	957,629
386,794	368,873	313,359	289,210	338,626	229,332
22,000	22,000	22,400	22,400	22,400	22,400
(86,729)	(223,052)	1,010,243	21,422	5,223	(87,977)
-	-	-	-	-	(119,453)
<u>19,463,855</u>	<u>19,056,920</u>	<u>19,106,174</u>	<u>16,989,802</u>	<u>14,662,029</u>	<u>13,231,272</u>
235,283	493,062	982,010	931,154	424,907	299,826
65,692	41,683	480,214	29,988	18,937	29,306
(22,000)	(22,000)	(22,400)	(22,400)	(22,400)	(22,400)
-	-	39,871	-	-	(100,670)
-	-	-	-	-	(95,248)
<u>278,975</u>	<u>512,745</u>	<u>1,479,695</u>	<u>938,742</u>	<u>421,444</u>	<u>110,814</u>
<u>\$ 19,742,830</u>	<u>\$ 19,569,665</u>	<u>\$ 20,585,869</u>	<u>\$ 17,928,544</u>	<u>\$ 15,083,473</u>	<u>\$ 13,342,086</u>
\$ 4,027,646	\$ 2,642,757	\$ 26,012,560	\$ 4,087,682	\$ 6,080,310	\$ 5,937,367
287,428	1,302,037	7,707,271	5,229,987	3,123,044	4,632,511
<u>\$ 4,315,074</u>	<u>\$ 3,944,794</u>	<u>\$ 33,719,831</u>	<u>\$ 9,317,669</u>	<u>\$ 9,203,354</u>	<u>\$ 10,569,878</u>

CITY OF WILSONVILLE, OREGON

Fund Balance, Governmental Funds

Last Ten Fiscal Years

	Fiscal Year				
	2014	2013	2012	2011	2010
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	12,948,430
Nonspendable	262,760	179,474	154,591	278,160	-
Restricted	120,886	255,602	220,623	198,176	-
Committed	4,034,000	3,000,000	660,000	630,000	-
Assigned	6,098,472	6,103,072	7,729,767	7,449,762	-
Unassigned	4,406,127	5,253,764	5,240,118	4,938,489	-
Total general fund	14,922,245	14,791,912	14,005,099	13,494,587	12,948,430
All Other Governmental Funds					
Reserved	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	8,175,337
Capital projects funds	-	-	-	-	12,460,845
Debt service funds	-	-	-	-	8,421,698
Permanent fund	-	-	-	-	-
Nonspendable	18,255	655	31,330	60	-
Restricted	18,017,255	17,856,439	20,970,793	20,003,844	-
Committed	1,899,000	815,000	430,000	450,000	-
Assigned	12,335,197	11,510,687	13,245,593	14,690,925	-
Unassigned	-	(250,764)	(902,056)	(926,791)	-
Total all other governmental funds	32,269,707	29,932,017	33,775,660	34,218,038	29,057,880
Total governmental funds	\$ 47,191,952	\$ 44,723,929	\$ 47,780,759	\$ 47,712,625	\$ 42,006,310

Note: Effective Fiscal Year 2011 this schedule was modified due to the implementation of GASB54.

Continued on page 139.

Fiscal Year				
2009	2008	2007	2006	2005
\$ -	\$ -	\$ -	\$ -	\$ -
12,004,578	10,095,293	9,544,337	9,296,700	8,891,537
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
12,004,578	10,095,293	9,544,337	9,296,700	8,891,537
25,841	30,145	34,198	38,017	41,613
8,197,863	8,905,249	7,560,104	6,608,781	4,564,428
15,493,538	17,282,245	21,664,881	28,125,658	17,365,251
5,368,409	4,842,189	6,555,242	5,110,271	7,578,215
12,115	11,874	11,390	10,908	10,477
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
29,097,766	31,071,702	35,825,815	39,893,635	29,559,984
<u>\$ 41,102,344</u>	<u>\$ 41,166,995</u>	<u>\$ 45,370,152</u>	<u>\$ 49,190,335</u>	<u>\$ 38,451,521</u>

CITY OF WILSONVILLE, OREGON
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2014	2013	2012	2011
Revenues				
Taxes	\$ 20,822,581	\$ 19,821,949	\$ 18,687,975	\$ 18,301,829
Intergovernmental	4,040,465	7,912,876	4,572,155	3,442,467
Licenses and permits	2,590,587	2,095,744	1,754,771	1,698,896
Charges for services	2,387,261	1,967,389	2,159,615	2,029,357
System development fees	2,937,790	2,856,439	2,034,016	2,472,380
Fines and forfeitures	247,534	351,077	404,950	460,326
Special assessments	-	-	-	-
Investment revenue	287,606	271,444	361,238	360,167
Developer Reimbursement	-	-	981,390	1,053,423
Other revenues	1,294,611	743,195	321,441	482,929
Total Revenues	<u>34,608,435</u>	<u>36,020,113</u>	<u>31,277,551</u>	<u>30,301,774</u>
Expenditures				
Current operating				
General government	3,193,887	3,119,706	2,978,116	2,889,297
Public safety	3,932,008	3,830,566	3,759,006	3,752,705
Transportation*	4,420,600	4,305,685	4,163,757	4,101,501
Public works*	1,571,556	1,543,999	2,317,533	2,230,352
Culture and recreation	3,328,472	3,194,630	2,311,199	2,180,547
Community development	4,574,487	4,929,877	3,772,696	3,867,838
Debt service				
Principal	8,537,000	16,173,000	11,241,000	23,051,000
Interest	1,614,615	1,637,230	1,645,515	1,500,455
Capital outlay	<u>5,818,786</u>	<u>13,441,567</u>	<u>8,790,979</u>	<u>9,539,960</u>
Total expenditures	<u>36,991,411</u>	<u>52,176,260</u>	<u>40,979,801</u>	<u>53,113,655</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,382,976)</u>	<u>(16,156,147)</u>	<u>(9,702,250)</u>	<u>(22,811,881)</u>
Other financing sources (uses)				
Sale of capital assets	24,646	5,004	479,770	-
Issuance of debt	4,500,000	12,500,000	8,000,000	31,500,000
Proceeds of interfund loan	4,500,000	-	-	-
Payment of interfund loan	(4,500,000)	-	-	-
Transfers in	3,991,874	6,840,052	5,997,837	3,622,326
Transfers out	(3,665,521)	(6,245,739)	(4,707,223)	(3,597,846)
Refinanced Debt	-	-	-	-
Write down of note receivable	-	-	-	-
Total other financing sources (uses)	<u>4,850,999</u>	<u>13,099,317</u>	<u>9,770,384</u>	<u>31,524,480</u>
Net change in fund balance	<u>\$ 2,468,023</u>	<u>\$ (3,056,830)</u>	<u>\$ 68,134</u>	<u>\$ 8,712,599</u>
Debt service as a percentage				
of noncapital expenditures	29.04%	45.04%	38.92%	53.07%

*Fleet was moved from a Public Works function to a Transportation function in 2006-07.

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		Fiscal Year									
		2010	2009	2008	2007	2006	2005				
\$	18,563,276	\$	17,537,478	\$	15,705,805	\$	14,131,618	\$	12,805,208	\$	12,321,640
	3,667,223		2,862,897		3,839,498		2,991,919		3,481,442		5,223,270
	741,206		817,600		1,552,387		1,728,532		1,792,590		1,542,893
	3,137,518		3,628,028		3,335,662		3,081,490		2,822,659		3,721,549
	2,558,287		1,060,695		1,657,905		1,654,877		3,253,555		3,220,983
	293,007		287,000		330,149		317,579		311,545		265,556
	-		-		207,017		207,017		207,017		249,521
	563,524		1,170,779		1,936,617		2,495,671		1,516,728		957,629
	-		-		-		-		-		-
	1,132,553		381,987		259,347		245,509		264,026		198,820
	<u>30,656,594</u>		<u>27,746,464</u>		<u>28,824,387</u>		<u>26,854,212</u>		<u>26,454,770</u>		<u>27,701,861</u>
	2,702,120		2,736,250		2,460,157		2,431,499		2,431,504		2,615,706
	3,564,996		3,209,673		2,997,046		2,832,369		2,671,842		2,372,183
	4,760,206		4,531,414		3,468,681		3,160,327		2,340,002		2,084,935
	2,195,740		1,990,580		2,078,855		2,039,136		2,407,419		2,570,604
	2,053,931		1,748,050		1,488,135		1,532,199		1,487,159		1,411,128
	3,529,006		3,762,140		4,076,353		4,156,031		4,173,794		3,961,331
	2,702,000		5,215,176		6,610,552		2,528,157		6,725,960		1,665,156
	1,349,746		1,120,132		1,720,249		1,646,971		928,858		588,828
	<u>7,876,482</u>		<u>8,019,700</u>		<u>17,857,695</u>		<u>18,370,106</u>		<u>18,421,818</u>		<u>13,851,165</u>
	<u>30,734,227</u>		<u>32,333,115</u>		<u>42,757,723</u>		<u>38,696,795</u>		<u>41,588,356</u>		<u>31,121,036</u>
	<u>(77,633)</u>		<u>(4,586,651)</u>		<u>(13,933,336)</u>		<u>(11,842,583)</u>		<u>(15,133,586)</u>		<u>(3,419,175)</u>
	959,599		-		1,507,779		-		-		-
	-		31,000,000		8,200,000		8,000,000		25,850,000		2,000,000
	-		-		4,200,000		-		-		-
	-		-		(4,200,000)		-		-		-
	4,460,740		5,104,170		5,311,338		3,490,961		1,210,646		3,374,851
	(4,438,740)		(5,082,170)		(5,288,938)		(3,468,561)		(1,188,246)		(3,352,451)
	-		(26,500,000)		-		-		-		-
	-		-		-		-		-		(119,453)
	<u>981,599</u>		<u>4,522,000</u>		<u>9,730,179</u>		<u>8,022,400</u>		<u>25,872,400</u>		<u>1,902,947</u>
\$	<u>903,966</u>	\$	<u>(64,651)</u>	\$	<u>(4,203,157)</u>	\$	<u>(3,820,183)</u>	\$	<u>10,738,814</u>	\$	<u>(1,516,228)</u>
	16.59%		24.70%		31.53%		19.03%		32.45%		11.42%

CITY OF WILSONVILLE, OREGON

Program Revenues by Function

Last Ten Fiscal Years

	Fiscal Year				
	2014	2013	2012	2011	2010
Program Revenues					
Governmental activities:					
General government	\$ 822,639	\$ 653,034	\$ 611,014	\$ 587,408	\$ 632,343
Public safety	325,251	451,065	576,200	633,017	462,852
Transportation*	1,317,171	3,305,284	1,062,785	963,213	2,159,116
Public works*	15,614,308	14,582,252	7,316,025	5,870,786	5,218,171
Culture and recreation	2,358,943	2,154,838	2,036,397	1,444,819	1,323,936
Community development	3,057,239	2,594,270	2,663,637	2,328,205	1,359,674
Subtotal governmental activities	<u>23,495,551</u>	<u>23,740,743</u>	<u>14,266,058</u>	<u>11,827,448</u>	<u>11,156,092</u>
Business-type activities:					
Water	8,932,423	11,567,221	7,751,248	6,656,443	5,504,540
Sewer	11,554,572	8,194,564	7,094,096	6,559,246	4,973,346
Stormwater	2,978,437	3,052,480	1,987,464	1,263,932	1,982,921
Streetlights	658,900	601,332	492,237	400,055	375,483
Subtotal business-type activities	<u>24,124,332</u>	<u>23,415,597</u>	<u>17,325,045</u>	<u>14,879,676</u>	<u>12,836,290</u>
Total primary government	<u>\$ 47,619,883</u>	<u>\$ 47,156,340</u>	<u>\$ 31,591,103</u>	<u>\$ 26,707,124</u>	<u>\$ 23,992,382</u>

*Fleet was moved from a Public Works function to a Transportation function in 2006-07.

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	Fiscal Year				
<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	
\$ 695,136	\$ 635,487	\$ 607,723	\$ 555,729	\$ 545,975	
457,135	507,524	462,394	435,654	362,651	
2,435,814	1,579,076	2,035,873	1,271,140	2,475,212	
2,674,287	25,399,653	4,629,313	7,292,761	7,196,773	
897,471	997,114	1,385,476	1,215,785	1,297,096	
1,794,304	2,584,583	2,429,342	2,487,212	2,246,220	
8,954,147	31,703,437	11,550,121	13,258,281	14,123,927	
6,444,390	7,315,083	7,022,001	7,469,692	7,316,142	
4,705,275	5,965,237	5,962,187	3,753,023	4,036,280	
1,354,206	3,494,106	1,827,386	2,065,885	2,757,015	
464,639	648,580	490,520	499,305	475,537	
12,968,510	17,423,006	15,302,094	13,787,905	14,584,974	
\$ 21,922,657	\$ 49,126,443	\$ 26,852,215	\$ 28,708,901	\$ 19,940,864	

CITY OF WILSONVILLE, OREGON
General Governmental Revenues
Taxes, Licenses and Permits Breakdown
Last Ten Fiscal Years

Fiscal Year	Taxes					Licenses and Permits		
	Property Tax	Hotel/Motel Tax	Transit Tax	Franchise Taxes	Total	Business Licenses	Construction Permits	Total
04-05	\$ 8,395,595	\$ 189,537	\$ 2,082,524	\$ 1,653,984	\$ 12,321,640	\$ 126,387	\$ 1,416,506	\$ 1,542,893
05-06	8,599,764	207,002	2,233,915	1,764,527	12,805,208	125,300	1,667,290	1,792,590
06-07	9,358,648	267,651	2,543,971	1,961,348	14,131,618	136,398	1,592,134	1,728,532
07-08	10,455,577	275,369	2,792,901	2,181,958	15,705,805	150,147	1,402,239	1,552,386
08-09	11,416,846	218,608	3,412,030	2,489,994	17,537,478	146,831	670,769	817,600
09-10	11,881,810	193,106	3,781,052	2,707,308	18,563,276	118,090	619,492	737,582
10-11	11,622,593	214,109	3,893,919	2,571,208	18,301,829	148,304	1,550,593	1,698,897
11-12	11,781,849	208,890	4,048,569	2,648,667	18,687,975	127,587	1,627,184	1,754,771
12-13	12,668,030	242,369	3,990,885	2,920,665	19,821,949	127,817	1,967,928	2,095,744
13-14	13,305,532	272,866	4,342,353	2,901,830	20,822,581	159,029	2,431,558	2,590,587

Source: City Financial Database

CITY OF WILSONVILLE, OREGON

Assessed Value of Property

Last Ten Fiscal Years

Fiscal Year	Real Property	Manufactured Structures	Personal Property	Public Utility	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Real Market Value (RMV)	Assesed value as a percentage of RMV
04-05	\$ 1,645,091,994	\$ 6,108,411	\$ 141,609,215	\$ 49,394,909	\$ 1,842,204,529	\$ 5.0719	\$ 2,320,353,518	79.4%
05-06	1,760,110,345	6,013,226	143,594,111	50,816,040	1,960,533,722	4.8703	2,602,032,428	75.3%
06-07	1,849,153,556	5,070,954	148,056,561	51,751,100	2,054,032,171	5.0961	2,958,936,921	69.4%
07-08	1,990,701,518	3,804,826	148,204,758	53,135,980	2,195,847,082	5.3894	3,426,298,443	64.1%
08-09	2,118,528,768	2,587,776	154,814,762	57,317,440	2,333,248,746	5.5930	3,740,996,089	62.4%
09-10	2,238,849,237	2,109,242	146,408,186	73,413,350	2,460,780,015	5.3797	3,558,020,924	69.2%
10-11	2,297,751,878	1,477,037	138,643,379	64,906,300	2,502,778,594	5.1626	3,120,831,254	80.2%
11-12	2,356,793,428	1,488,886	127,983,237	64,488,750	2,550,754,301	5.1756	2,905,321,351	87.8%
12-13	2,431,588,350	1,443,509	140,544,804	59,271,200	2,632,847,863	5.5302	2,917,733,750	90.2%
13-14	2,553,479,774	1,354,850	142,768,534	60,386,090	2,757,989,248	5.3660	3,081,155,412	89.5%

Source: Assessment and Taxation Rolls, Clackamas and Washington Counties

CITY OF WILSONVILLE, OREGON
Consolidated Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

City Direct Rates ¹

	Fiscal Year	Basic Rate	Exempt Bond Rate	Urban Renewal Agency	Total Direct Rate
	04-05	\$ 2.2000	\$ 0.2215	\$ 2.6504	\$ 5.0719
	05-06	2.1780	0.1954	2.4969	4.8703
	06-07	2.1437	0.1802	2.7722	5.0961
	07-08	2.0873	0.1594	3.1427	5.3894
	08-09	2.0464	0.1500	3.3966	5.5930
	09-10	2.0295	0.1423	3.2079	5.3797
	10-11	2.0598	0.1399	2.9629	5.1626
	11-12	2.0590	0.1372	2.9794	5.1756
	12-13	1.9953	0.1292	3.4057	5.5302
	13-14	2.0173	0.1233	3.2254	5.3660
without urban renewal restatement of rates	13-14	2.5206	0.1540	-	2.6746

Overlapping Rates ¹

Fiscal Year	Clackamas County	Clackamas County Urban Renewal Agency	Tualatin Valley Fire and Rescue	West Linn Wilsonville School District 3J	Clackamas County Community College	Clackamas ESD	Other ²	Total Direct and Overlapping
04-05	\$ 2.0612	\$ 0.1726	\$ 1.5939	\$ 7.6641	\$ 0.6618	\$ 0.3084	\$ 0.3044	\$ 17.8383
05-06	2.0386	0.1775	1.6081	7.9043	0.6456	0.3053	0.3267	17.8764
06-07	2.0016	0.1254	1.5848	7.8161	0.6034	0.3029	0.3209	17.8512
07-08	2.2303	0.0943	1.6017	7.5705	0.5957	0.2937	0.4656	18.2412
08-09	2.1864	0.1045	1.5529	7.2654	0.5834	0.2864	0.4319	18.0039
09-10	2.5131	0.1584	1.5976	7.7230	0.5589	0.2849	0.4680	18.6836
10-11	2.5444	0.1578	1.6040	8.0149	0.5553	0.2896	0.4439	18.7725
11-12	2.5480	0.1382	1.6510	8.0141	0.5404	0.2900	0.3556	18.7129
12-13	2.4683	0.1467	1.5967	7.8467	0.5347	0.2798	0.4287	18.8318
13-14	2.5055	0.0065	1.6016	7.8649	0.5489	0.2887	0.5150	18.6971

Rates are per \$1,000 of assessed value.

¹ Starting in 2003, urban renewal rates are separately stated. City and overlapping rates are reduced for for the effect of the separately stated urban renewal rates

² Other includes: Port of Portland, Metro, Vector Control and beginning in 2010 Clackamas Library and 4H Districts

Sources:

Taxation Rolls, Clackamas and Washington Counties
Rates are for tax code 003-023 within Clackamas County
Rates are net of reallocation due to urban renewal

CITY OF WILSONVILLE, OREGON

Principal Tax Payers

Current year and nine years ago

		2013-14		
Taxpayer	Type of Business	Assessed Taxes	Assessed Value	Percent of City AV*
Xerox Corporation	Color printers	\$ 1,362,134	\$ 75,949,274	2.6%
Mentor Graphics Corporation	CAD software systems	1,143,838	63,191,146	2.1%
Argyle Capital LLC	Shopping center	843,148	48,858,710	1.6%
Carlyle Group	Apartments	758,151	40,549,109	1.4%
Coca-Cola Bottling Company	Bottling & Distribution Center	612,011	34,261,005	1.2%
Sysco/Continental Food Service	Warehouse & Distribution Center	570,510	31,487,769	1.1%
Fred Meyer Stores Inc.	Grocery retail	559,121	30,660,150	1.0%
BIT Holdings	Hollywood Entertainment properties	543,238	30,127,115	1.0%
Wagner Donna	Property Management	508,619	28,216,696	1.0%
Senior Partners Portfolio LLC	Commercial property	488,041	29,990,461	1.0%
		<u>\$ 7,388,811</u>	<u>\$ 413,291,435</u>	<u>13.9%</u>

		2004-05		
Taxpayer	Type of Business	Assessed Taxes	Assessed Value	Percent of City AV**
Xerox Corporation	Color printers	\$ 1,228,746	\$ 73,047,006	4.0%
Mentor Graphics Corporation	CAD software systems	1,017,075	57,740,085	3.1%
Goodman Financial Services	Rental properties	506,378	28,617,343	1.6%
Village at Main Street	Property management	497,923	27,909,684	1.5%
Calwest Industrail Hldg LLC	Industrial	435,073	24,389,827	1.3%
Nike USA Inc.	Athletic wear distribution	416,723	24,825,178	1.3%
AMB Property LP	Industrial	394,178	22,342,355	1.2%
Specht Wilsonville LLC	Commercial property	341,492	19,143,765	1.0%
Eastern Western Corporation	Canyon Creek Apartments	330,678	18,628,150	1.0%
Capital Realty Corp	Town Center Shopping Center	322,017	18,821,469	1.0%
		<u>\$ 5,490,283</u>	<u>\$ 315,464,862</u>	<u>17.1%</u>

*Total City assessed valuation base for 2013-14 was \$ 2,963,131,498

**Total City assessed valuation base for 2003-04 was \$1,842,204,529.

Sources: Clackamas and Washington Counties Assessor's Offices

CITY OF WILSONVILLE, OREGON

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
04-05	\$ 8,628,462	\$ 8,402,131	97.38%	\$ 224,622	\$ 8,626,753	99.98%
05-06	8,827,926	8,614,064	97.58%	211,810	8,825,874	99.98%
06-07	9,661,412	9,403,305	97.33%	254,421	9,657,726	99.96%
07-08	10,870,774	10,505,261	96.64%	358,816	10,864,077	99.94%
08-09	11,933,979	11,432,862	95.80%	472,506	11,905,368	99.76%
09-10	12,235,865	11,466,269	93.71%	362,860	11,829,129	96.68%
10-11	11,983,119	11,222,902	93.66%	319,975	11,542,877	96.33%
11-12	12,205,591	11,477,423	94.03%	247,305	11,724,728	96.06%
12-13	13,388,794	12,341,681	92.18%	184,631	12,526,312	93.56%
13-14	13,665,828	12,956,170	94.81%	-	12,956,170	94.81%

Sources: Tax Turnover reports from Washington and Clackamas Counties

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CITY OF WILSONVILLE, OREGON
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities				
Fiscal Year	General Obligation Bonds	Special Assessment Bonds and Notes Payable	Urban Renewal Revenue Bonds and Notes Payable	Certificates of Participation
04-05	\$ 3,150,000	\$ 530,000	\$ 11,151,000	\$ 497,809
05-06	2,920,000	530,000	30,701,000	301,848
06-07	2,680,000	230,000	36,917,000	97,691
07-08	2,430,000	-	39,059,000	25,139
08-09	2,170,000	-	38,629,000	-
09-10	1,900,000	-	36,197,000	-
10-11	1,620,000	-	44,926,000	-
11-12	1,325,000	-	41,980,000	-
12-13	1,015,000	-	38,617,000	-
13-14	695,000	-	34,900,000	-

Note: Details regarding the City's outstanding debt can be found in the Notes to Basic Financial Statements

* Personal Income and population data can be found in the demographic statistics on page 160.

Continued on page 151.

Business-Type Activities

	Water Revenue Bonds	Sewer FF&C Bonds	Water FF&C Bonds	Total Primary Government	Percentage of Personal Income*	Per Capita*
\$	12,270,000	\$ 5,740,904	\$ 8,710,694	\$ 42,050,407	6.51%	\$ 2,588
	12,168,474	5,355,918	8,349,272	60,326,512	8.71%	3,654
	11,401,083	4,934,149	7,966,029	64,225,952	8.65%	3,804
	10,598,692	4,467,380	7,875,000	64,455,211	8.27%	3,703
	9,751,301	3,980,611	7,395,000	61,925,912	7.91%	3,452
	9,028,910	8,473,842	6,895,000	62,494,752	7.71%	3,468
	8,271,519	9,300,995	6,380,000	70,498,514	8.42%	3,896
	7,484,128	42,660,378	5,845,000	99,294,506	10.51%	5,075
	6,661,737	41,425,913	5,285,000	93,004,650	N/A	4,533
	5,814,346	39,161,448	4,710,000	85,280,794	N/A	3,957

CITY OF WILSONVILLE, OREGON
Ratio of Net General Obligation Bonded Debt
To Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population¹	*Assessed Value²	Gross Bonded Debt	Less Debt Service Money Available³	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
04-05	16,250	\$ 1,842,204,529	\$ 3,150,000	\$ 158,047	\$ 2,991,953	0.16%	\$ 184.12
05-06	16,510	1,960,533,722	2,920,000	222,976	2,697,024	0.14%	163.36
06-07	16,885	2,054,032,171	2,680,000	222,951	2,457,049	0.12%	145.52
07-08	17,405	2,195,847,082	2,430,000	198,772	2,231,228	0.10%	128.19
08-09	17,940	2,333,248,746	2,170,000	181,690	1,988,310	0.09%	110.83
09-10	18,020	2,460,780,015	1,900,000	171,832	1,728,168	0.07%	95.90
10-11	18,095	2,502,778,594	1,620,000	159,580	1,460,420	0.06%	80.71
11-12	19,565	2,550,754,301	1,325,000	132,649	1,192,351	0.05%	60.94
12-13	20,515	2,632,847,863	1,015,000	99,149	915,851	0.03%	44.64
13-14	21,550	2,757,989,248	695,000	66,599	628,401	0.02%	29.16

* Includes Urban Renewal Increment

¹ From table *Demographic Statistics*

² From table *Assessed Value of Property*

³ Ending fund balances

CITY OF WILSONVILLE, OREGON
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt
to Total General Governmental Expenditures

Last Ten Fiscal Years

Fiscal Year	Principal	Interest ¹	Total Debt Service	Total General Governmental Expenditures ²	Ratio of Debt Service to Governmental Expenditures
04-05	\$ 220,000	\$ 147,710	\$ 367,710	\$ 31,121,036	1.18%
05-06	230,000	138,910	368,910	41,588,356	0.89%
06-07	240,000	129,710	369,710	38,696,795	0.96%
07-08	250,000	120,110	370,110	42,757,723	0.87%
08-09	260,000	110,110	370,110	32,333,115	1.14%
09-10	270,000	99,450	369,450	30,734,227	1.20%
10-11	280,000	87,975	367,975	53,113,655	0.69%
11-12	295,000	75,935	370,935	40,979,801	0.91%
12-13	310,000	62,660	372,660	52,176,260	0.71%
13-14	340,000	33,360	373,360	36,991,411	1.01%

¹ Excludes bond issuance and other costs

² Totals from *Changes in Fund Balance of Governmental Funds* table

CITY OF WILSONVILLE, OREGON

Computation of Legal Debt Margin

Last ten fiscal years

	Fiscal Year				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total real market value	<u>\$ 2,757,989,248</u>	<u>\$ 2,632,847,863</u>	<u>\$ 2,917,733,750</u>	<u>\$ 3,120,831,254</u>	<u>\$ 3,558,020,924</u>
Legal Debt Margin:					
Debt limitation:					
3 percent of total real market value	<u>\$ 82,739,677</u>	<u>\$ 78,985,436</u>	<u>\$ 87,532,013</u>	<u>\$ 93,624,938</u>	<u>\$ 106,740,628</u>
Debt applicable to limitation:					
General obligation bonded debt	695,000	1,015,000	1,015,000	1,620,000	1,900,000
Less: Amount available for repayment of general obligation bonds	<u>(66,599)</u>	<u>(99,149)</u>	<u>(99,149)</u>	<u>(152,857)</u>	<u>(171,832)</u>
Total debt applicable to limitation	<u>628,401</u>	<u>915,851</u>	<u>915,851</u>	<u>1,467,143</u>	<u>1,728,168</u>
Legal Debt Margin	<u>\$ 82,111,276</u>	<u>\$ 78,069,585</u>	<u>\$ 86,616,162</u>	<u>\$ 92,157,795</u>	<u>\$ 105,012,460</u>
Total net debt applicable to the limit as a percentage of debt limit	0.76%	1.16%	1.05%	1.57%	1.62%

Continued on page 155.

Fiscal Year				
<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<u>\$ 3,740,996,089</u>	<u>\$ 3,426,298,443</u>	<u>\$ 2,958,936,921</u>	<u>\$ 2,602,032,428</u>	<u>\$ 2,320,353,518</u>
<u>\$ 112,229,883</u>	<u>\$ 102,788,953</u>	<u>\$ 88,768,108</u>	<u>\$ 78,060,973</u>	<u>\$ 69,610,606</u>
2,170,000	2,430,000	2,680,000	2,920,000	3,150,000
<u>(181,690)</u>	<u>(198,772)</u>	<u>(222,951)</u>	<u>(222,976)</u>	<u>(158,047)</u>
<u>1,988,310</u>	<u>2,231,228</u>	<u>2,457,049</u>	<u>2,697,024</u>	<u>2,991,953</u>
<u>\$ 110,241,573</u>	<u>\$ 100,557,725</u>	<u>\$ 86,311,059</u>	<u>\$ 75,363,949</u>	<u>\$ 66,618,653</u>
1.77%	2.17%	2.77%	3.46%	4.30%

CITY OF WILSONVILLE, OREGON
Computation of Direct and Overlapping Debt
Governmental Activities

June 30, 2014

Jurisdiction	Debt Outstanding	Percentage Applicable to Government¹	Amount Applicable to Government
Direct:			
City of Wilsonville	\$ 35,595,000	100.00%	\$ 35,595,000
Overlapping:			
Clackamas County	105,205,000	5.65%	5,947,449
Clackamas County ESD	24,190,000	6.26%	1,513,834
Clackamas County School District No. 3J	186,589,645	32.80%	61,198,791
Clackamas County School District No. 86	77,457,992	13.43%	10,402,531
Clackamas County Community College	70,005,000	7.74%	5,415,797
Metro	254,820,000	1.58%	4,032,017
Northwest Regional ESD	5,125,000	0.29%	14,765
Port of Portland	66,738,667	1.45%	969,579
Portland Community College	486,300,000	0.24%	1,152,045
Washington County	92,635,000	0.57%	524,499
Tualatin Valley Fire & Rescue	55,600,000	5.38%	2,991,224
Washington County School District No. 88J	109,238,213	7.37%	8,048,999
Total Overlapping	<u>1,533,904,517</u>		<u>102,211,530</u>
Total Debt	<u>\$ 1,569,499,517</u>		<u>\$ 137,806,530</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹The percentage applicable to government is determined on the assessed value of the overlapping districts. The numerator is the City's assessed value and the denominator is the assessed value of the overlapping district.

Source: Oregon State Treasury, Debt Management Division

CITY OF WILSONVILLE, OREGON

Revenue Bond Coverage

Sewer Fund

Last Ten Fiscal Years

Fiscal Year	Gross Revenues ¹	Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirements ³			Coverage
				Principal	Interest	Total	
04-05	\$ 2,889,244	\$ 2,127,207	\$ 762,037	\$ 382,139	\$ 309,651	\$ 691,790	1.10
05-06	3,299,254	2,266,417	1,032,837	403,179	302,167	705,346	1.46
06-07	5,066,725	2,587,239	2,479,486	415,000	199,530	614,530	4.03
07-08	4,980,834	2,510,902	2,469,932	460,000	189,017	649,017	3.81
08-09	4,789,267	2,665,793	2,123,474	480,000	170,055	650,055	3.27
09-10	4,979,409	2,883,911	2,095,498	500,000	198,622	698,622	3.00
10-11	5,544,145	2,521,736	3,022,409	520,000	214,972	734,972	4.11
11-12	6,623,862	2,686,945	3,936,917	540,000	924,245	1,464,245	2.69
12-13	7,192,162	2,526,259	4,665,903	1,160,000	1,428,245	2,588,245	1.80
13-14	8,105,552	2,862,090	5,243,462	2,190,000	1,390,851	3,580,851	1.46

¹ Total revenues includes interest and applicable system development charges

² Total operating expenses exclusive of depreciation and amortization

³ Includes principal and interest of revenue bonds and note payable, excludes refunded bonds

Note: There is no pledged revenue coverage requirement for the bonds outstanding as of April 2006.

CITY OF WILSONVILLE, OREGON

Revenue Bond Coverage

Water Fund

Last Ten Fiscal Years

1.10 Coverage Requirement

Fiscal Year	Gross Revenues¹	Operating Expenses²	Net Revenues	Debt Service⁵	Coverage Test
04-05	\$ 4,936,627	\$ 2,582,296	\$ 2,354,331	\$ 1,303,908	1.81
05-06	5,473,682	3,028,078	2,445,604	1,131,161	2.16
06-07	6,020,525	2,235,682	3,784,843	1,272,455	2.97
07-08	6,219,203	3,051,970	3,167,233	1,270,011	2.49
08-09	5,519,892	3,134,288	2,385,604	1,277,651	1.87
09-10	5,086,008	3,044,334	2,041,674	1,113,151	1.83
10-11	5,092,813	3,180,505	1,912,308	1,112,951	1.72
11-12	5,700,484	2,906,300	2,794,184	1,112,551	2.51
12-13	6,880,192	3,473,667	3,406,525	1,113,459	3.06
13-14	6,836,067	3,781,662	3,054,405	1,108,389	2.76

¹ Gross revenues include all revenues from operations and interest. It excludes system development charges, bond proceeds, and taxes.

² Operating expenses include costs of operating and maintaining the water system.

It excludes depreciation, capital expenditures, debt service payments, and franchise fees.

³ System Development Charges are amounts used for debt and funding rate stabilization account.

⁴ Debt service reported on a cash basis.

⁵ There is no pledged revenue coverage requirement for Junior Lien Debt outstanding as of December 2007.

Continued on page 159.

Senior Lien Covenant					Junior Lien Covenant	
1.25 Coverage Requirement						
System	Rate	Net				
Development	Stabilization	Revenues		Coverage	Debt	Combined
Charges ³	Account	w/ SDC &		Test	Service ⁴	Coverage
(SDCs)	Transfer (to) from	Stabilization				(1.25 test) ⁵
\$ 350,000	-	\$ 2,704,331		2.07	\$ 819,658	1.27
350,000	-	2,795,604		2.47	819,158	1.43
350,000	-	4,134,843		3.25	822,908	1.97
350,000	-	3,517,233		2.77	964,673	
350,000	-	2,735,604		2.14	773,948	
350,000	-	2,391,674		2.15	775,083	
350,000	-	2,262,308		2.03	770,544	
350,000	-	3,144,184		2.83	770,331	
350,000	-	3,756,525		3.37	772,456	
350,000	-	3,404,405		3.07	765,559	

CITY OF WILSONVILLE, OREGON

Demographic Statistics

Last Ten Fiscal Years

Fiscal Year	Population¹	Personal Income²	*Per Capita Personal Income³	*Median Household Buying Income⁴	*Median Age⁴	School Enrollment⁵	*Unemployment Rate⁶
04-05	16,250	\$ 645,596,250	\$ 39,729	\$ 56,416	38.5	7,946	5.90%
05-06	16,510	692,990,740	41,974	54,480	38.1	8,080	5.00%
06-07	16,885	742,349,025	43,965	56,000	38.3	8,141	4.60%
07-08	17,405	779,796,215	44,803	61,220	39.0	8,332	5.50%
08-09	17,940	783,009,240	43,646	59,709	38.9	8,281	11.20%
09-10	18,020	810,071,080	44,954	63,093	39.0	8,373	10.60%
10-11	18,095	837,346,125	46,275	62,030	39.4	8,436	9.10%
11-12	19,565	944,715,590	48,286	58,055	40.9	8,441	7.70%
12-13	20,515	N/A	N/A	63,951	40.6	8,728	6.90%
13-14	21,550	N/A	N/A	N/A	N/A	9,010	6.00%

Sources:

¹ Center for Population Research and Census, PSU; www.pdx.edu/prc/annualorpopulation.html

² Estimation; Calculated, Population multiplied by Per Capita Personal Income.

³ Bureau of Economic Analysis; <http://www.bea.gov/regional/reis> Portland, OR MSA

⁴ Center for Population Research and Census; 2000 www.census.gov/acs

⁵ Total combined enrollment for West Linn/Wilsonville School District.

⁶ State of Oregon, Labor Market Information, Portland Office

*Clackamas County

N/A: Data was not available for this year

CITY OF WILSONVILLE, OREGON
Top Fifteen Water System Customers
by units of consumption as of June 30, 2014

Customer	Account Type	Percentage of Total Consumption
Coca Cola	Industrial	7.81%
Oregon Department of Corrections	Public	5.96%
Madison at Bridge Creek	Multi-Family	2.35%
Xerox	Industrial	2.05%
Madison at Boulder Creek	Multi-Family	1.93%
Canyon Creek Apartments	Multi-Family	1.92%
Fujimi Corporation	Industrial	1.63%
CTL Properties	Multi-Family	1.60%
Wilsonville Summit Apts	Multi-Family	1.59%
Berkshire Court Apartments	Multi-Family	1.58%
Holland Residential	Multi-Family	1.38%
KWDS	Multi-Family	1.35%
CRP Holland Brenchley Estates	Multi-Family	1.28%
CH2M Hill	Public	1.27%
Village Residential II - LLC	Multi-Family	1.14%

Source: City Utility Database

CITY OF WILSONVILLE, OREGON

Principal Employers

Current year and seven years ago

		2013-14	
Employer	Type of Business	Number of Employees	Percentage of total City employment*
Stream International Inc	Customer and technical support	1,153	7.1%
Mentor Graphics Corporation	CAD software systems	964	5.9%
Xerox Corporation	Copiers and printers	706	4.3%
Rockwell Collins	Aerospace technology	584	3.6%
Sysco/Continental Food Service	Warehouse & distribution center	476	2.9%
Precision Interconnect	Electronic machinery	355	2.2%
Flir Systems Inc.	Thermal imaging/infrared equipment	331	2.0%
Coca Cola Bottling Company	Beverage distribution	285	1.7%
Fred Meyer Grocery	Grocery retail	275	1.7%
Costco	Wholesale retail	240	1.5%
		5,369	32.9%

		2006-07	
Employer	Type of Business	Number of Employees	Percentage of total City employment**
Xerox Corporation	Copiers and printers	1,666	11.0%
Mentor Graphics Corporation	CAD software systems	1,113	7.3%
Hollywood Entertainment	Video rental distribution	759	5.0%
Precision Interconnect	Electronic machinery	614	4.1%
Sysco Food Services	Warehouse & distribution center	445	2.9%
Fry's Electronics	Retail	278	1.8%
Rite Aid Distribution Center	Retail & distribution center	266	1.8%
InFocus Corporation	Data/Video Projectors	250	1.6%
Nike USA, Inc.	Athletic wear distribution	240	1.6%
Oregon Glass Company	Misc. Manufacturing	230	1.5%
		5,861	38.7%

* Total city employment for 2012-13 was 16,300

**Total city employment for 2006-07 was 15,156

Source: City Business License Database

CITY OF WILSONVILLE, OREGON
Full-time Equivalent City Government Employees by Function/Program
Last ten fiscal years

Function/Program	Full-time equivalent employees based on adopted budget									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government										
Administration	5.00	4.50	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00
Finance	9.40	9.15	8.90	8.90	8.85	8.80	8.75	8.75	8.75	8.75
Information Systems	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
Geographic Information Systems	1.50	1.50	1.50	1.50	1.00	1.00	1.00	1.00	0.00	0.00
Legal	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Human Resources/Risk Management	2.85	2.85	2.85	2.85	2.82	2.82	2.90	2.90	2.90	2.91
	24.75	24.00	25.25	25.25	23.67	23.62	23.65	23.65	23.65	23.66
Community Development										
Administration ³	4.50	6.50	6.50	6.00	8.40	8.40	7.75	7.20	7.20	7.00
Engineering	9.00	9.00	10.00	10.00	11.00	11.00	11.00	10.00	8.60	8.00
Building Inspections	5.60	5.10	5.10	5.10	6.35	6.35	6.35	6.00	6.00	5.00
Planning	7.60	7.00	7.00	7.50	8.50	8.50	8.50	8.30	8.30	7.30
Stormwater/Natural Resources ³	2.00	3.00	3.00	3.00	1.00	1.00	0.00	0.00	0.00	0.00
	28.70	30.60	31.60	31.60	35.25	35.25	33.60	31.50	30.10	27.30
Public Works										
Administration	3.50	4.50	5.50	5.50	5.00	5.00	5.00	5.00	4.00	4.00
Buildings Maintenance ²	5.50	4.25	4.25	4.25	3.25	4.75	4.50	10.00	7.50	6.50
Parks Maintenance ²	0.00	7.25	7.00	7.00	7.00	6.00	5.50	0.00	0.00	0.00
Roads	4.05	3.75	3.75	3.75	3.75	3.25	2.75	2.50	2.50	2.50
Water Distribution and Sales	4.88	5.33	4.58	4.58	4.33	4.33	4.00	4.00	4.00	4.00
Stormwater Maintenance	1.94	1.84	1.84	1.84	1.84	1.84	2.25	2.00	2.00	1.50
Wastewater Collection ⁴	2.13	1.83	8.16	8.16	8.16	7.83	7.50	7.50	7.50	8.50
Industrial Pretreatment	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fleet ¹	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50	5.50
	23.00	29.75	36.08	36.08	34.33	34.00	32.50	32.00	34.00	33.50
Transportation										
SMART Transit	36.07	36.44	36.19	35.69	35.29	34.29	28.77	28.17	28.77	24.92
Fleet ¹	6.60	6.50	7.00	7.00	7.00	7.00	5.50	5.50	0.00	0.00
	42.67	42.94	43.19	42.69	42.29	41.29	34.27	33.67	28.77	24.92
Parks & Recreation										
General Services ⁵	4.05	8.10	8.00	8.00	7.70	7.97	7.97	8.20	7.90	7.90
Senior Programs ⁵	4.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Parks Maintenance ²	8.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	16.35	8.10	8.00	8.00	7.70	7.97	7.97	8.20	7.90	7.90
Library										
	16.46	16.46	16.26	16.26	16.26	12.12	12.12	14.44	14.44	14.44
	16.46	16.46	16.26	16.26	16.26	12.12	12.12	14.44	14.44	14.44
Public Safety										
Municipal Court	1.50	2.00	2.00	2.00	2.00	2.00	1.95	1.90	1.90	1.90
	1.50	2.00	2.00	2.00	2.00	2.00	1.95	1.90	1.90	1.90
Total Full-time equivalents	153.43	137.39	146.12	145.62	145.24	144.13	133.94	130.92	126.32	119.18

¹ Fleet was moved from a Public Works function to a Transportation function in 2006-07.

² Prior to FY2008, Building and Park Maintenance were reported as one program. In FY2013-14 Parks Maintenance was moved from Public Works to Parks & Recreation

³ 2 FTE moved from Community Development Admin to renamed Stormwater/Natural Resources Program in 2010-11.

⁴ Wastewater Treatment (now contracted) is removed from Wastewater Collection effective FY 2013.

⁵ Community Services were split into General Services and Senior Programs in FY2013-14

Source: City's Adopted Budget for relevant year.

CITY OF WILSONVILLE, OREGON

Operating Indicators by Function

Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2014	2013	2012	2011
Governmental activities:				
General				
Total Employment	16,300	14,518	14,450	13,555
Reported Wages	\$ 868,470,652	\$ 798,177,084	\$ 809,713,768	\$ 778,783,722
Transportation				
Ridership	N/A	351,374	370,526	344,723
Cost Per Passenger	N/A	\$ 10.91	\$ 8.92	\$ 8.62
Culture and Recreation				
Library physical item circulation	N/A	515,595	518,290	507,074
Library e-book/downloadable circulation	N/A	11,263	9,489	7,916
Library volunteer hours	N/A	11,540	12,929	12,556
Library program attendance	N/A	26,776	31,485	N/A
Activities/classes offered for youth	N/A	73	75	81
Participants aged 0-18	N/A	1,886	2,126	2,385
Meals served on site for seniors	N/A	6,500	6,208	6,193
Home-delivered meals for seniors	N/A	6,500	6,362	6,185
Community Development				
Number of commercial permits	79	281	235	322
Value of commercial permits	\$ 8,949,456	\$ 65,866,867	\$ 44,406,434	\$ 60,461,916
Number of residential permits	57	465	443	63
Value of residential permits	\$ 11,166,176	\$ 60,817,484	\$ 51,818,359	\$ 9,300,787
Business-type activities:				
Water				
Annual Water Usage (Gallons)	911,433,512	945,427,120	832,927,920	839,998,016
Average Daily Water Usage (Gallons)	2,497,078	2,590,211	2,281,994	2,301,364

Source: Various City Departments

Continued on page 165.

		Fiscal Year					
2010	2009	2008	2007	2006	2005		
	13,809	14,612	15,143	15,156	15,176	N/A	
\$	756,210,456	\$ 682,405,944	\$ 846,333,721	\$ 770,900,133	\$ 744,638,433	\$ 694,174,543	
	306,421	312,309	295,266	285,827	305,809	279,369	
\$	9.42	\$ 9.52	\$ 8.92	\$ 8.40	\$ 7.60	\$ 9.10	
	509,008	491,908	490,042	492,979	498,128	477,577	
	N/A	N/A	N/A	N/A	N/A	N/A	
	12,512	12,061	11,008	10,626	10,329	10,056	
	N/A	N/A	N/A	N/A	N/A	N/A	
	98	130	110	94	199	223	
	2,287	2,894	3,200	3,289	3,608	3,195	
	7,505	6,439	6,935	7,610	8,536	9,347	
	6,617	6,021	6,400	6,727	6,370	7,269	
	181	269	214	233	261	226	
\$	20,490,409	\$ 20,681,082	\$ 41,083,420	\$ 16,041,835	\$ 42,122,768	\$ 25,847,803	
	45	74	175	410	199	342	
\$	8,664,297	\$ 12,692,759	\$ 22,466,225	\$ 49,770,593	\$ 45,687,205	\$ 40,604,606	
	884,517,480	947,572,384	947,421,288	1,013,785,344	990,096,184	890,683,244	
	2,423,336	2,596,089	2,595,675	2,777,494	2,712,592	2,440,228	

CITY OF WILSONVILLE, OREGON

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities:										
General Government										
Acreage in city limits	4,746	4,746	4,746	4,746	4,746	4,746	4,712	4,712	4,712	4,383
Public Works										
Number of city maintained parks	12	11	10	10	10	10	10	10	9	9
Number of partially city maintained parks	1	1	1	1	1	1	1	1	1	1
Park acreage*	187	185	201	201	201	201	201	201	166	166
Open space Acreage*	28	28	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of soccer fields	3	3	3	3	3	3	3	3	3	3
Number of baseball fields	5	5	5	5	5	5	5	5	5	5
Number of picnic shelters	10	9	8	8	8	8	8	8	7	6
Number of playgrounds	10	9	9	9	9	9	9	9	8	8
Miles of trails (in undeveloped areas of parks)	6	6	6	6	6	6	6	6	6	6
Miles of paths (in developed areas of parks)	5	5	5	5	5	5	5	5	5	5
Number of bridges	8	8	8	8	8	6	6	5	5	5
Number of tennis courts	2	2	2	2	2	2	2	2	2	2
Number of basketball courts	5	5	5	5	5	5	5	5	5	5
Number of skate parks	1	1	1	1	1	1	1	1	1	1
Number of dog exercise areas	1	1	1	1	1	1	1	1	1	1
Number of water features	4	3	3	3	3	3	3	3	2	1
Number of river docks	1	1	1	1	1	1	1	1	1	1
Streets										
Miles of streets	70	67	66	66	66	65.6	65.6	64.3	62.2	59.8
Signal lighted intersections	27	27	24	24	23	N/A	N/A	N/A	N/A	N/A
Freeway interchanges	3	3	3	3	3	N/A	N/A	N/A	N/A	N/A
Number of bridges	4	4	4	4	4	N/A	N/A	N/A	N/A	N/A
Number of foot bridges	1	1	1	1	1	N/A	N/A	N/A	N/A	N/A
Business-type activities:										
Water										
Water storage capacity (millions of gallons)	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2
Miles of public water lines	90	85	85	77	76	76	76	73	73	72
Number of reservoirs	4	4	4	4	4	N/A	N/A	N/A	N/A	N/A
Number of wells	8	8	8	8	N/A	N/A	N/A	N/A	N/A	N/A
Sewer										
Miles of public sanitary sewer lines	73	73	73	73	72	72	72	67	64	52
Number of lift stations	8	8	8	8	N/A	N/A	N/A	N/A	N/A	N/A
Stormwater										
Miles of public stormwater lines	70	66	65	65	65	59	58	53	49	47
Public stormwater catchbasins	1,862	1,862	1,823	1,823	1,673	N/A	N/A	N/A	N/A	N/A
Public manholes	1,727	1,727	1,723	1,723	N/A	N/A	N/A	N/A	N/A	N/A
Number of detention ponds	10	10	10	10	N/A	N/A	N/A	N/A	N/A	N/A
Streetlights										
Number of streetlights (estimate)	2379	2311	2268	2213	2206	2066	2052	1971	1811	1750
Number of streetlight poles	2214	2144	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Prior to 2013 Park Acreage and Open space Acreages were combined

Source: Various City Departments/Capital Assets

COMPLIANCE SECTION

- **Independent Auditor's Report
Required by Oregon State Regulations**





GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Honorable Mayor, Members of the City Council, and the City Manager
City of Wilsonville
29799 SW Town Center Loop East
Wilsonville, Oregon 97070

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Wilsonville, Oregon as of and for the year ended June 30, 2014, and have issued our report thereon dated November 10, 2014.

Compliance and Other Matters

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, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **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 provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except the City had overexpenditures of appropriations as noted in the notes to the financial statements.

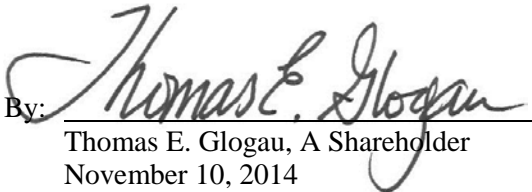
Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Restriction on Use

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

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Thomas E. Glogau, A Shareholder
November 10, 2014