CITY OF ST. GEORGE, UT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

CITY OF ST. GEORGE, UT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2013

Prepared by Philip R. Peterson, CPA CGFM
Finance Director

CITY OF ST. GEORGE, UT
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013

TABLE OF CONTENTS

INTRODUCTORY SECTION

Page

Letter of Transmittal 5
City Officials 10
Organizational Chart 11

FINANCIAL SECTION

Independent Auditor's Report 13
Management's Discussion and Analysis 17
Basic Financial Statements:
Government-wide Financial Statements:
Statement of Net Position 33
Statement of Activities 34
Fund Financial Statements:
Balance Sheet - Governmental Funds 35
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 36
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 37
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund 38
Statement of Net Position - Proprietary Funds 40
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds 41
Statement of Cash Flows - Proprietary Funds 42
Statement of Net Position - Fiduciary Funds 43
Statement of Changes in Net Position - Fiduciary Funds 44
Notes to Financial Statements 45
Supplemental Information
Combining Balance Sheet - Nonmajor Governmental Funds 75
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds 79
Schedules of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual:
Dixie Center Operations - Special Revenue Fund - 83
Airport PFC Fees - Special Revenue Fund - 84
Economic Development - Special Revenue Fund - 85
Transportation Improvement - Special Revenue Fund - 86

CDBG Grant Fund - Special Revenue Fund 87
Museum Permanent Acquistion -Special Revenue Fund - 88
Johnson Dino Track Preservation - Special Revenue Fund 89
Housing Program - Special Revenue Fund 90
Ft. Pierce CDA Fund - Special Revenue Fund 91
Ft. Pierce EDA Fund - Special Revenue Fund 92
Economic Dev Agency #1 - Special Revenue Fund 93
Dixie Center EDA - Special Revenue Fund 94
SunTran Public Transit - Special Revenue Fund 95
Special Assessments - Debt Service Fund - 96
Recreation G.O. Bonds - Debt Service Fund - 97
Replacement Airport – Debt Service Fund - ……...98
Downtown Redevelopment - Capital Projects Fund - 99
Park Impact - Capital Projects Fund - 100
Streets Impact - Capital Projects Fund - 101
Capital Equipment – Capital Projects Fund - ……102
Drainage Impact - Capital Projects Fund - 103
Fire Impact - Capital Projects Fund - 104
Police Impact - Capital Projects Fund - 105
Street Bond – Capital Projects Fund - ……...106
2010 Flood Restoration - Capital Projects Fund - 107
2005 Flood Restoration – Capital Projects Fund - ……108
Combining Statement of Net Position - Nonmajor Proprietary Funds 109
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Nonmajor Proprietary Funds 110
Combining Statement of Cash Flows - Nonmajor Proprietary Funds 111
Capital Assets Used in the Operation of Governmental Funds:
Schedule by Source 112
Schedule by Function and Activity 113
Schedule of Changes by Function and Activity 114

STATISTICAL SECTION:
Electric Fund - Statistical Analysis 115
Water Fund - Statistical Analysis 116
Net Position by Component - Last Ten Fiscal Years 117
Changes in Net Position - Last Ten Fiscal Years 119
Governmental Activities Tax Revenue by Source- Last Ten Fiscal Years 120
Fund Balances of Governmental Funds - Last Ten Fiscal Years 121
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years 122
Sales Tax Payers by Sector - FY 2013 and FY 2004 123
Principal Taxable Properties - FY 2013 and FY 2004 124
Assessed Value and Est. Actual Value of Property - Last Ten Fiscal Years 125
Property Tax Rates Direct & Overlapping Governments - Last Ten Fiscal Years 126
Property Tax Levies and Collections - Last Ten Fiscal Years 127

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years 128
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years 129
Direct and Overlapping Governmental Activities Debt..... 130
Legal Debt Margin Information - Last Ten Fiscal Years 131
Revenue Bond Pledged Revenue Coverage - Last Ten Fiscal Years 132
Demographic and Economic Statistics - Last Ten Fiscal Years 133
Principal Employers - FY 2013 and FY 2004 134
Full-Time Government Employees by Function - Last Ten Fiscal Years 135

SINGLE AUDIT SECTION:
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards* 137
Schedule of Expenditures of Federal Awards..... 139
Notes to the Schedule of Expenditures of Federal Awards 140
Schedule of Findings & Questioned Costs 141
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 143
Independent Auditor's Report on Compliance and on Internal Controls over Compliance in Accordance with the *State of Utah Legal Compliance Audit Guide* 145
Schedule of Findings and Recommendations 149
Response to Findings and Recommendations..... 151
Summary Schedule of Prior Audit Findings 151

CONTINUING DISCLOSURE SECTION:
Excise Tax Revenue Bonds - Series 2004 153
General Obligation Parks & Rec Bonds - Series 2004 & 2010 155
Sewer Revenue Bonds - Series 2004 157
Water Utility Revenue Bonds 165
Washington County/St. George Interlocal Agency - Series 1997A 168
Electric Utility Revenue Bonds 169

THIS PAGE LEFT BLANK INTENTIONALLY

INTRODUCTORY SECTION

CITY OF ST. GEORGE
175 East 200 North
St. George, Utah 84770

October 25, 2013

To the Honorable Mayor, Members of the City Council,
Citizens of the City of St. George

It is with great pleasure that the Comprehensive Annual Financial Report (CAFR) for the City of St. George for the year ended June 30, 2013, is presented.

In addition to the fund financial information presented in the City's financial statements, this report includes government-wide financial statements. The government-wide financial statements include a Statement of Net Position that provides the total net position of the City including all capital assets (including infrastructure) and the Statement of Activities which shows the cost of providing government services.

State law requires that all local governments publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed Certified Public Accountants. This Comprehensive Annual Financial Report is hereby issued and submitted to you for the fiscal year ended June 30, 2013, in accordance with these requirements.

This report consists of management's representations concerning the finances of the City of St. George. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established an internal control framework that is designed to both protect the assets of the City from loss, theft, or misuse and to allow for the compiling of sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's internal control procedures have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of management's knowledge and belief, this financial report is complete and reliable in all material respects.

The City of St. George's financial statements have been audited by Hinton, Burdick, Hall, & Spilker, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of St. George for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and

CITY OF ST. GEORGE
175 East 200 North, St. George, Utah 84770
Phone: (435) 627-4000
www.sgcity.org

MAYOR
Daniel D. McArthur

CITY MANAGER
Gary S. Esplin

CITY COUNCIL
Gil Almquist
Gail Bunker, Jimmie Hughes
Benjamin Nickle, Jon Pike

disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of St. George's financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of 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 comprehensive annual financial report is presented in five sections:

1. ***The Introductory Section***, which is unaudited, includes this letter of transmittal and the City's organization chart.

2. ***The Financial Section***, which includes the MD&A, the basic financial statements, and the independent auditor's report on the financial statements.

3. ***The Statistical Section***, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

4. ***The Single Audit Section***, which includes all reports and schedules necessary in order for the City to comply with the Single Audit Act and U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments.

5. ***The Continuing Disclosure Section***, which includes various schedules necessary to meet the continuing disclosure requirements of various bond issues which the City has undertaken.

The financial reporting entity (the City) includes all funds of the primary government (i.e., the City of St. George as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The Downtown Redevelopment Agency component unit is reported in the statements as a capital projects fund while the Municipal Building Authority is reported as an enterprise fund.

State statutes detail the functions to be performed by State municipalities. Title 10 of the Utah Code generally sets out laws to provide for the incorporation, organization, and classification of cities and towns in proportion to population. The City of St. George is organized under general law and governed by a mayor and five city council members elected at large for staggered four-year terms. The Mayor presides over all meetings but casts no vote in the City Council except in the case of a tie. The City Manager is responsible for the day-to-day operations of the City as its chief operating officer. Department Heads are full-time employees

of the City and are responsible for day-to-day operations within the policy framework of the governing body. They report to the Mayor, City Manager, and the City Council.

The principal powers and duties of municipalities are to maintain law and order, abate nuisances, guard public health and sanitation, promote recreation, provide fire protection, and construct and maintain streets, sidewalks, waterworks and sewers. Municipalities also regulate commercial and residential development within their boundaries by means of zoning ordinances, building codes and licensing procedures.

ECONOMIC CONDITION AND OUTLOOK

The City of St. George, incorporated in 1862, is the county seat of Washington County, which county is located in the extreme southwest corner of the state of Utah. It is nestled in a picturesque valley surrounded by impressive sandstone cliffs. The backdrop is breathtaking with blue skies, clean air, and a friendly business environment which attracts over 2 million international visitors annually. The desert climate promotes year round recreation and leisure activities, which includes eight championship golf courses. Washington County is one of the fastest growing areas in Utah and the country and is expected to remain so well into the 21st century. The 2010 census showed a population of 72,897 which was an increase of 46.78% from the 2000 census.

"The City of St. George, once regarded as a retirement community, is quickly becoming a mecca for endurance sports, golf and softball. St. George hosts hundreds of sporting events each year, including the Huntsman World Senior Games, the NJCAA national fast pitch softball tournament, and the St. George Marathon, bringing hundreds of millions of dollars to the local economy." (relocateamerica.com)

During the fiscal year there were building permits issued for 660 residential units. It represents an increase of 24.3% which compares with an of 100% increase for the fiscal year ended June 30, 2012. The total valuation of building permits increased by 107% for the fiscal year in comparison with an increase of 46.58% in the fiscal year ended June 30, 2012. The major reason for this large percentage of increase was the permit for the Family Dollar distribution center which was constructed during this fiscal year. The building and construction portion of our economy is continuing to make a rebound from the down times of the last few years and we are cautiously optimistic about things turning around.

The City and Washington County continue to rank well nationally in many economic and quality of life surveys. CNN Money.com ranked the city in the top 100 small cities as the "Best Places to Live 2010"; Forbes.com ranks the city in the top 25 cities for "Best Places for Business and Careers"; and Fortune also ranks it as one of the "Great Places to Retire".

"2012-2013 saw continued growth at our new airport and the announcement of air service to Denver, as well as weekly charters using this incredible facility. Other projects completed include: (1) completion of the Dixie Drive Interchange in

partnership with the Utah Department of Transportation; (2) completion of Red Hills Parkway and associated trails and medians;(3) completion of the Dixie Drive and Riverside Drive widening project providing additional east west traffic capacity; (4) completion of the Mathis Bridge widening project; (5) completion of improvements to our flood control and trail system along the Santa Clara and Virgin Rivers, with only a couple of projects remaining to be completed; (6) completion of a new road adjacent to the Dixie Center connecting Riverside Drive to the new Dixie Drive Interchange; (7) completion of a major storm drain to the Virgin River; (8) completion of a pickleball facility which has been recognized on a State level for its stateof-the-art design and unique public/private partnership; (9) completion of upgrades, new landscaping and parking at the Tonaquint Park; (10) completion of improvements on 1450 South to 3000 East; (11) design is complete for improvements on 3000 East; (12) flood protection improvements to the Gap Wash will be completed by July 1; (13) reorganization of the Parks Division was completed to better facilitate the maintenance of our ever-increasing parks and trail system; (14) completion of a new software program in Finance for payroll and plans to have a new program to present our utility bills through email, as well as payrollcheck stubs; and (15) our Fleet Division was once again certified as an ASE Blue Seal Certified shop. Only 10% of fleets in the USA and only one other Utah city hold this certification." (City Manager's fiscal year 2014 budget message)

CASH MANAGEMENT

The Utah Money Management Act (MM Act) governs the investment of all public funds held by public treasurers in the state. It establishes criteria for the investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities, and investments in corporate securities carrying "top credit ratings."

The law requires all securities to be delivered versus payment to the Treasurer's safekeeping bank. It also requires diversification of investments. The City is currently complying with all of the provisions of the MM Act for all City operating funds. A significant portion of the City's funds are invested in the Utah Public Treasurer's Investment Fund (PTIF).

All deposits are held either by the City, its agent, or a financial institution's trust department in the City's name. All of the City's investments held during the year, and at year-end, are classified in the category of lowest credit risk as defined by the Government Accounting Standards Board.

RISK MANAGEMENT

The City is self-insured up to $250,000 for general liability, law enforcement liability, and auto liability with excess insurance up to $25,000. Property is covered by a blanket all risk policy with limits of up to $315,271,498. Traveler's Insurance administers the property insurance policies above the $25,000 that the City provides as self-insurance. State's Insurance provides liability coverage of up to $10 million per occurrence after a $250,000 self-insured retention.

The City has established an "Incident Report Form" to facilitate the timely reporting of employee, third party, or property related incidents that could result in financial expenditures.

PENSION BENEFITS PROVIDED

During the fiscal year ended June 30, 2013, the City participated in two separate retirement systems. One system is maintained by the Utah State Retirement Board which covers City, County, and State employees in the State of Utah. Those contributions above the State required rates are invested in a separate defined contribution plan administered by the International City Managers Association retirement trust.

ACKNOWLEDGMENTS

The preparation of this financial report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department and our independent auditors, Hinton, Burdick, Hall, & Spilker. Our thanks also to the City Treasurer, Manager of Budget and Financial Planning, Mayor and members of the City Council for their support and dedication to maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

Gary S. Esplin
City Manager

Philip R. Peterson, CPA CGFM
Finance Director

OFFICIALS
CITY OF ST. GEORGE, UTAH

Mayor Daniel D. McArthur

Council Member Gil Almquist

Council Member Benjamin Nickle

Council Member Jon Pike

Council Member Jimmie Hughes

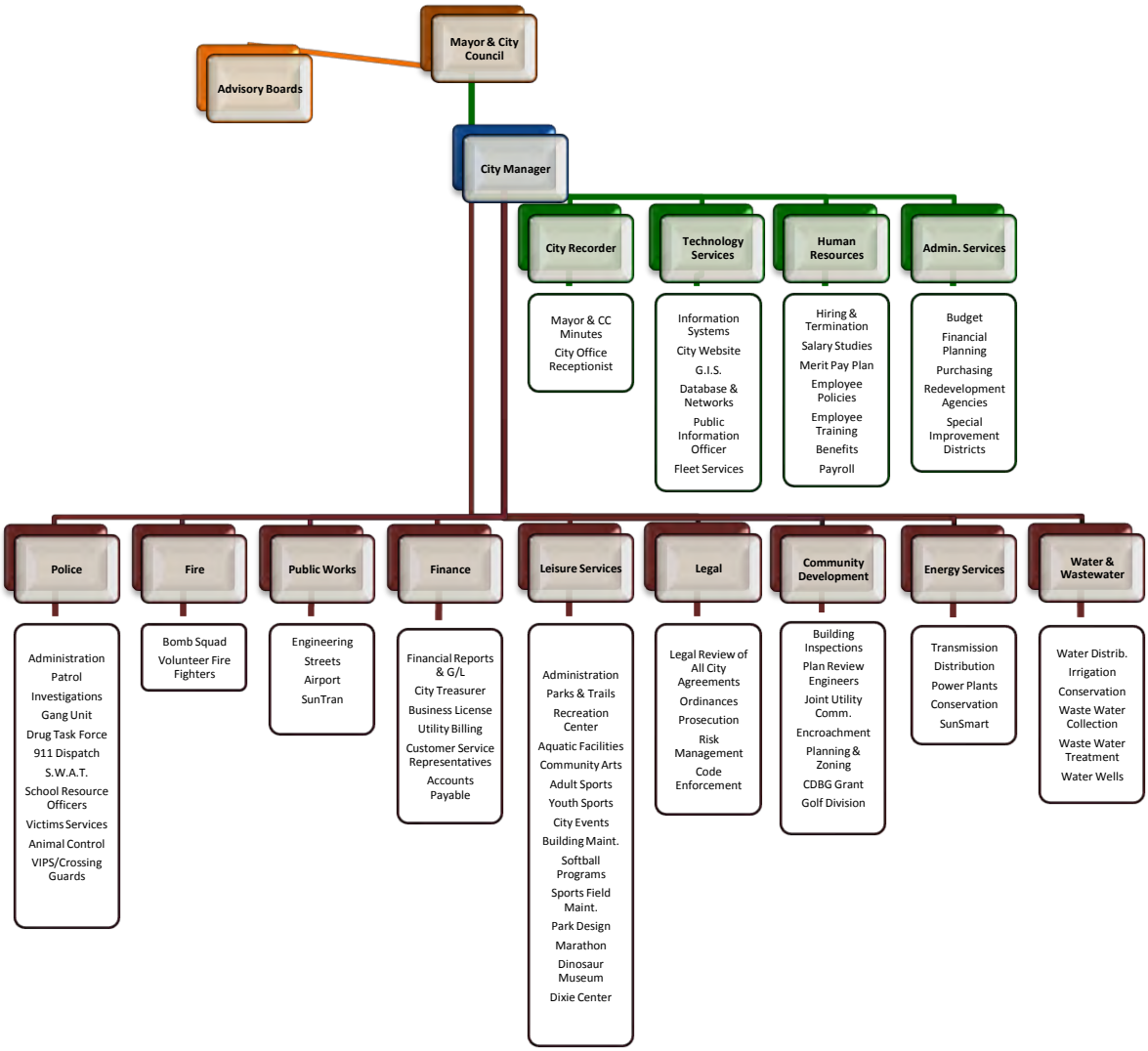
Council Member Gail Bunker

City Manager Gary S. Esplin

Shawn Guzman	*City Attorney*
Christina Fernandez	*City Recorder*
Tiffany LaJoice	*City Treasurer*
Phillip Solomon	*Energy Services Director*
Scott Taylor	*Water Services Director*
Marlon Stratton	*Chief of Police*
Robert Stoker	*Fire Chief*
Larry H. Bulloch	*Public Works Director*
Matthew Loo	*Community Development Director*
Kent Perkins	*Leisure Services Director*
Philip R. Peterson	*Finance Director*
Deanna Brklacich	*Budget & Financial Planning Manager*
Marc Mortensen	*Assistant to the City Manager*
Judith Mayfield	*Human Resources Manager*

City of St. George

Organizational Chart



THIS PAGE LEFT BLANK INTENTIONALLY

FINANCIAL SECTION

HINTONBURDICK
CPAs & ADVISORS

MEMBERS:
CHAD B. ATKINSON, CPA
KRIS J. BRAUNBERGER, CPA
DEAN R. BURDICK, CPA
ROBERT S. COX, CPA
TODD B. FELTNER, CPA
K. MARK FROST, CPA
KENNETH A. HINTON, CPA
MORRIS J. PEACOCK, CPA
PHILLIP S. PEINE, CPA
MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA

Independent Auditors' Report

The Honorable Mayor and
City Council
St. George, Utah

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 St. George City, Utah, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

CEDAR CITY • FLAGSTAFF • HURRICANE • MESQUITE • PHOENIX • RICHFIELD • ST. GEORGE
www.hintonburdick.com

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 St. George City, Utah, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the financial statements, in 2013, the City adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. George City, Utah's basic financial statements. The introductory section, combining and individual non-major fund financial statements, additional supplementary information, continuing disclosure section and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

Such 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. The information has been subjected to the auditing procedures applied in the audit of the basic

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 combining and individual nonmajor fund financial statements, other supplemental information, and the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, continuing disclosure section, and statistical section 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*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2013, on our consideration of the St. George City, Utah'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 St. George City, Utah's internal control over financial reporting and compliance.

HintonBurdick, PLLC

HintonBurdick, PLLC
St. George, Utah
September 27, 2013

THIS PAGE LEFT BLANK INTENTIONALLY

Management's Discussion and Analysis

As management of the City of St. George, we offer readers of the City of St. George's financial statements this narrative overview and analysis of the financial activities of the City of St. George for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 5-9 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of St. George exceeded its liabilities at the close of the most recent fiscal year by $538,699,029 (*net position*). Of this amount, $64,137,205 represents unrestricted net position, which may be used to meet the city's ongoing obligations to citizens and creditors.
- The City of St. George's total net position increased by $26,450,266as the economy continued to slowly improve. An adjustment to reduce prior net position of $567,766 is the result of the adoption of GASB 65, which called for the writing off of all unamortized issuance costs. Prior to the adoption of GASB 65, the issue costs were being amortized over the life of the bond issue.
- At the close of the current fiscal year, the City of St. George's governmental funds reported fund balances of $32,686,173, an increase of $9,276,292 in comparison with the prior year. This is an increase of 39.6%.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was $5,719,123. An increase of $2,547,637 or 80.33%. The unrestricted fund balance represents 12.25% of total general fund expenditures for the fiscal year ended June 30, 2013. It also represents 11.5% of total budgeted expenditures for the next fiscal year ended June 30, 2014. State law allows for a maximum fund balance of 25% so the City is well within any legal restrictions.
- The City of St George's total outstanding long-term liabilities decreased by $16,521,000. $10,832,000 in general long-term liabilities and $5,698,000 in business-type long term liabilities.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of St. George's basic financial statements. The City of St. George's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements.
The *government-wide financial statements* are designed to provide readers with a broad overview

of the City of St. George's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City of St. George's assets, liabilities, and deferred inflows/outflows of resources, 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 St. George is improving or deteriorating.

The *statement of activities* presents information showing how the City of St. George'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 for some items that will only result in cash flows in a future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of St. George that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of St. George include general government, public safety, highways & public improvements, parks, recreation and public property, and community and economic development. Interest on general long-term debt is also reported as a separate line item in the governmental activities category. The business-type activities of the City of St. George include utility funds for electric, water, regional wastewater treatment, local wastewater collection, drainage, and solid waste. In addition business-type activities are also reported for the golf course fund and the municipal building authority.

The government-wide financial statements can be found on pages 33 & 34 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 St. George, 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 St. George can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar

information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of St. George maintains twenty-nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the replacement airport capital projects fund, and the public works capital projects fund which are considered to be major funds. Data from the other twenty-six governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of St. George adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. In addition, budget comparison statements are also provided for each of the individual nonmajor governmental funds in the supplemental data section of this report.

The basic governmental fund financial statements can be found on pages 35-39 of this report.

Proprietary Funds. The City of St. George maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of St. George maintains eight different enterprise funds to account for its' Electric Utility, Water Utility, Regional Wastewater Treatment Utility, Refuse Collection, Municipal Building Authority, Drainage Utility, Wastewater Collection Utility, and Golf Courses. An *Internal Service fund* is used as an accounting device to accumulate and allocate costs internally among the City of St. George's various functions. The City of St. George uses an internal service fund to account for the management of its retained risks. This fund has been included in the *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric Utility, the Water Utility, and the Regional Wastewater Treatment Utility, which are considered to be major funds of the City of St. George. The internal service fund is presented as separate information on the proprietary fund statements. Individual fund data for the nonmajor proprietary funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic proprietary fund financial statements can be found on pages 40-42 of this report.

Fiduciary Funds. Fiduciary funds are used to account for the resources held for the benefit of

parties outside of the government. Fiduciary funds are *not* reported in the government-wide financial statements because the resources of those funds *are not* available to support the City of St. George's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City of St. George maintains as a fiduciary fund, the *Pension Trust fund.* This fund is used to report resources held in trust for retirees and beneficiaries covered by the secondary retirement system at the International City Managers Retirement Corporation.

The fiduciary fund financial statements can be found on pages 43-44 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on page 45-74 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds and nonmajor proprietary funds are presented immediately following the basic financial statements. Combining and individual fund statements and schedules can be found on page 75-82 of this report. Information on the General Fixed Assets of the city is also included in the supplemental data section and can be found on pages 112-114 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the City of St. George, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $538,699,029, at the close of the June 30, 2013 fiscal year.

CITY OF ST. GEORGE'S Net Position

	Governmental Activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	$47,741,592	$29,254,942	$60,019,123	$55,646,542	$107,760,715	$84,901,484
Capital Assets	329,164,586	324,238,544	266,370,231	271,825,712	595,534,817	596,064,256
Total Assets	376,906,178	353,493,486	326,389,354	327,472,254	703,295,532	680,965,740
Long-term liabilities outstanding	52,788,493	63,450,867	82,439,312	88,890,388	135,227,805	152,341,255
Other liabilities & deferred inflows	16,267,742	7,239,633	13,100,956	9,136,094	29,368,698	16,375,727
Total liabilities & deferred inflows	69,056,235	70,690,500	95,540,268	98,026,482	164,596,503	168,716,982

Net position:						
Net investment in capital assets	275,793,421	260,036,078	191,724,399	185,171,675	467,517,820	445,207,752
Restricted	894,095	1,108,756	6,149,909	6,072,081	7,044,004	7,180,837
Unrestricted	31,162,428	21,658,153	32,974,778	38,202,016	64,137,205	59,860,169
Total Net Position	$307,849,943	$282,802,987	$230,849,086	$229,445,772	$538,699,029	512,248,758

By far, the largest portion of the City of St. George's net position (85.6%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of St. George uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City of St. George's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of St. George's net position (1.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $64,137,205 is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City of St. George is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

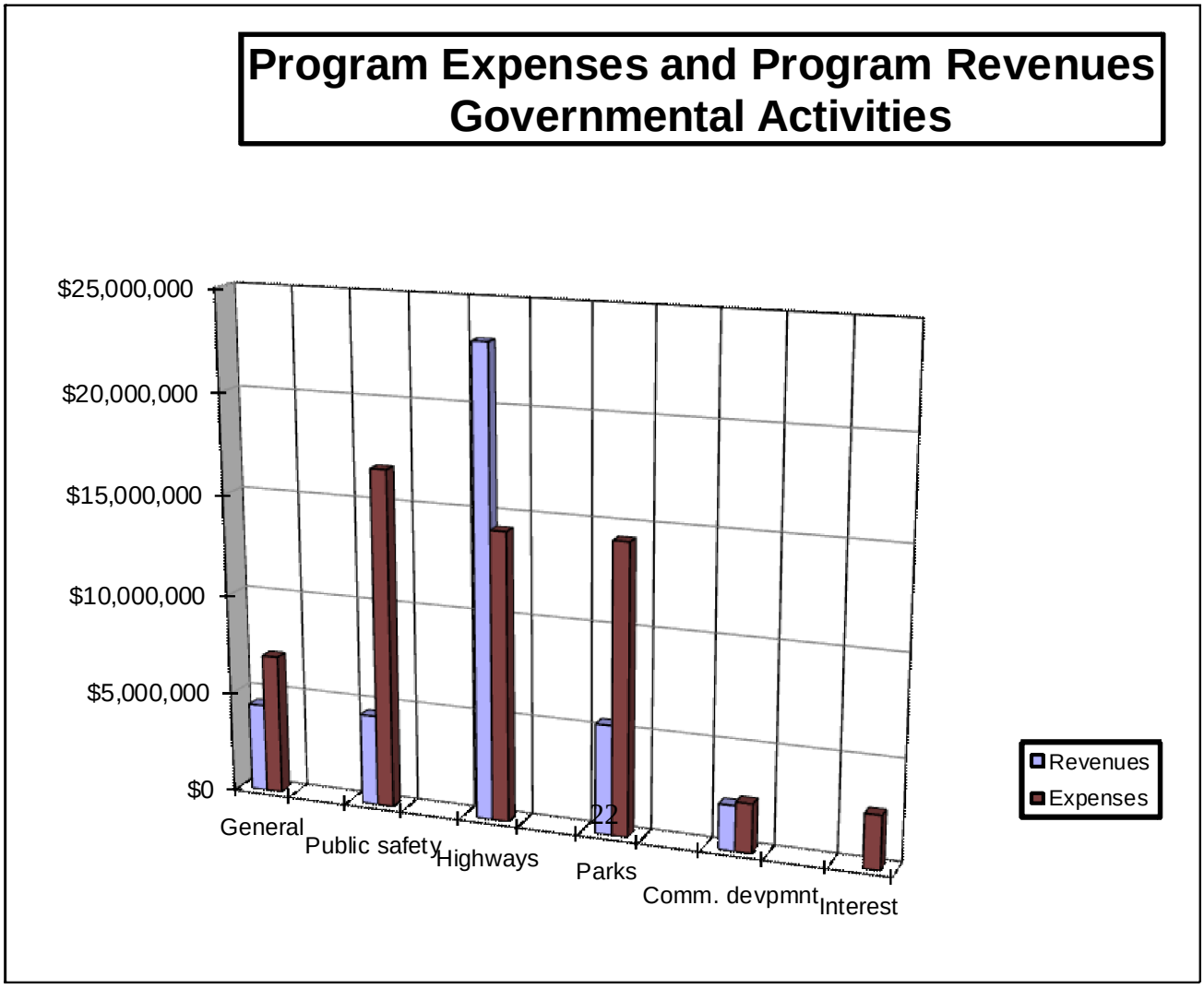
Overall, the City of St. George's overall net postion increased by $26,450,271 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

CITY OF ST. GEORGE'S Changes in Net Position

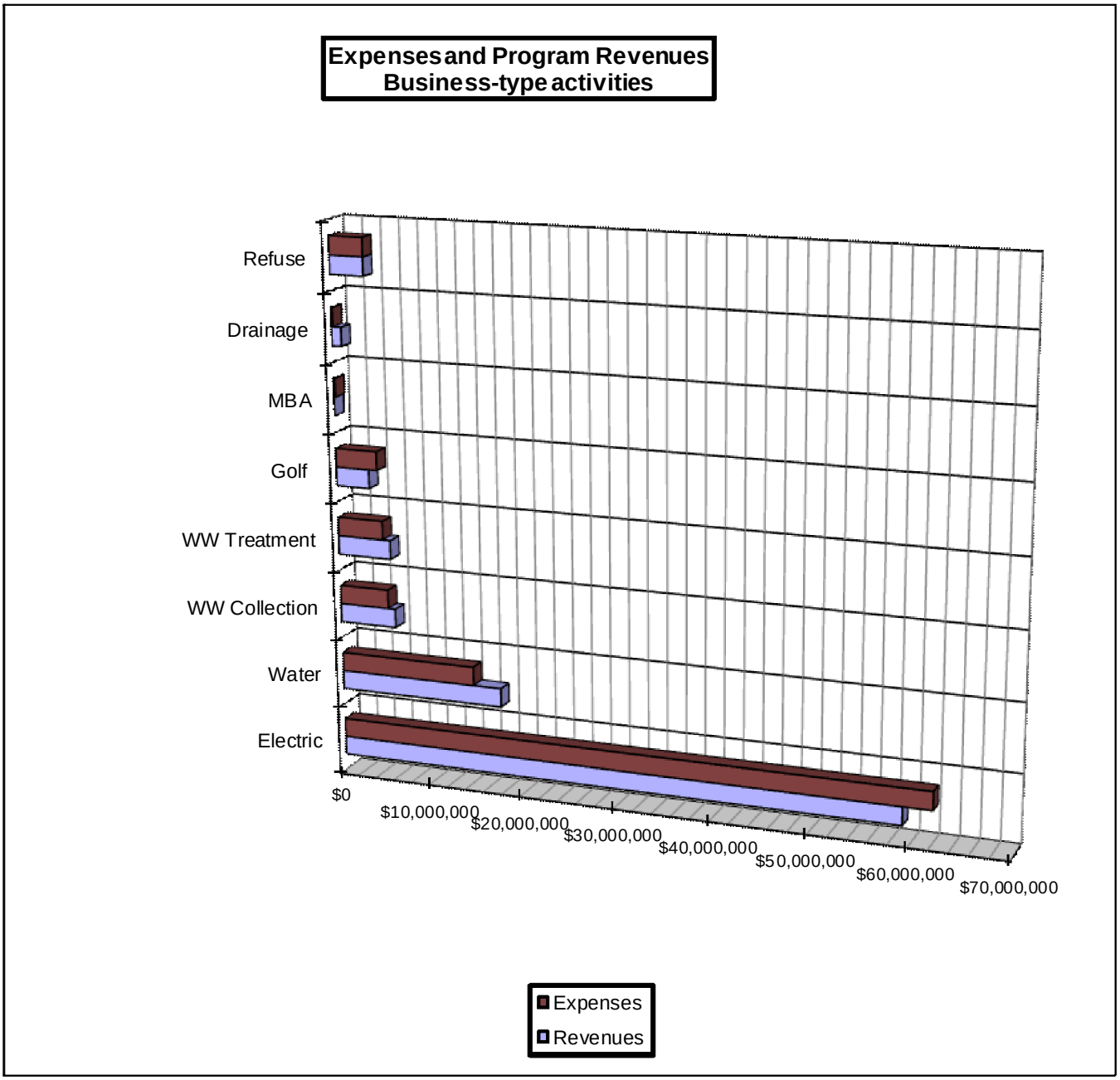
	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
Revenues:				
Program revenues:				
Charges for services	$13,592,024	$12,687,143	$96,225,281	$95,841,244
Operating grants & contributions	8,766,462	8,772,014	348,196	34,326
Capital grants & contributions	17,317,577	12,857,072	-	17,515,000
General revenues:				
Property taxes	13,002,679	12,413,536		
Other taxes	25,537,408	23,373,691		
Investment income	163,037	239,112	163,174	180,534
Other revenues	2,680,920	955,660	1,702,887	1,845,962

Total revenues	81,060,107	71,298,228	98,439,538	115,417,066	
Expenses					
General government	6,958,988	7,251,285			
Public safety	16,760,306	16,638,431			
Highways/public improvements	14,277,136	17,578,779			
Parks & recreation	14,306,302	12,343,515			
Community & Econ development	2,429,175	2,823,461			
Interest on long-term debt	2,655,987	3,134,135			
Electric			62,094,874	60,266,026	
Water			14,512,833	15,678,114	
Wastewater collection			5,272,826	7,774,659	
Wastewater treatment			4,893,677	5,292,428	
Golf courses			4,447,764	4,586,078	
Municipal building authority			137,664	141,564	
Drainage utility			121,735	110,511	
Refuse collection				3,612,344	3,493,449
Total expenses	57,387,894	59,769,606	95,093,717	97,342,829	
Increase in net position before transfers	23,672,213	11,528,622	3,345,821	18,074,237	
Transfers		1,374,742	1,872,834	(1,374,742)	(1,872,834)
Increase in net position	25,046,955	13,401,456	1,971,079	16,201,403	
Restatemnt of net position for GASB 65			(567,766)		
Net position beginning	282,802,987	269,401,529	229,445,776	213,244,370	
Net position ending	$307,849,943	$282,802,987	$230,849,086	$229,445,772	

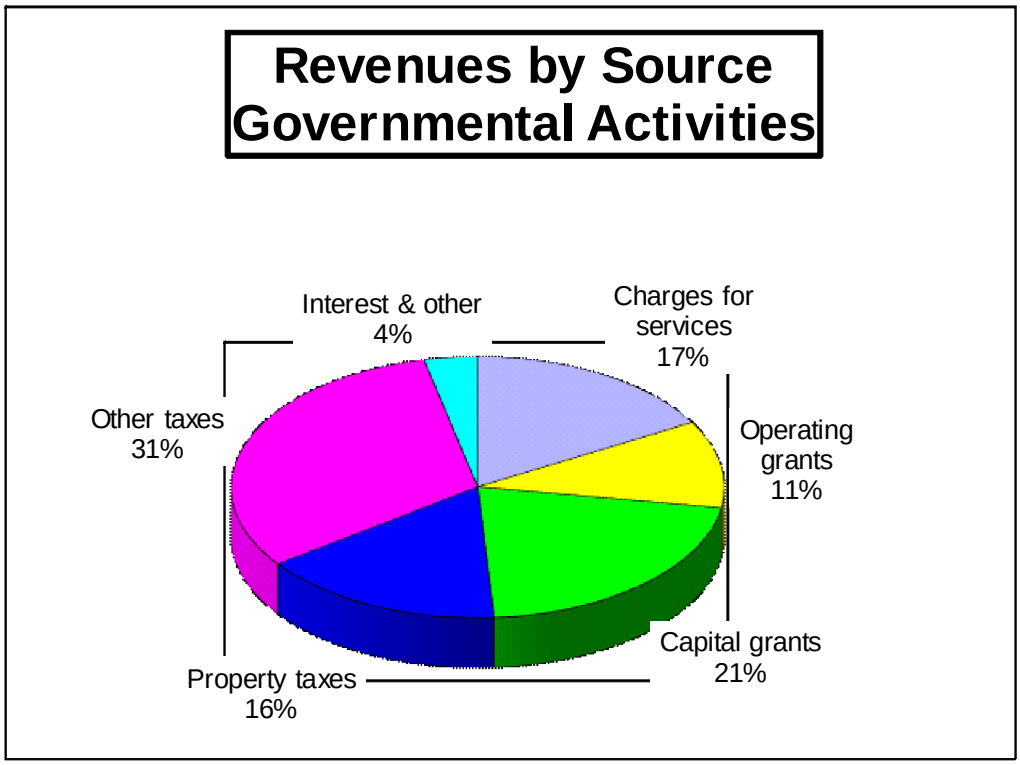
Governmental Activities. During the current fiscal year, net position for governmental activities increased $25,046,955 from the prior fiscal year for an ending balance of $307,849,943.



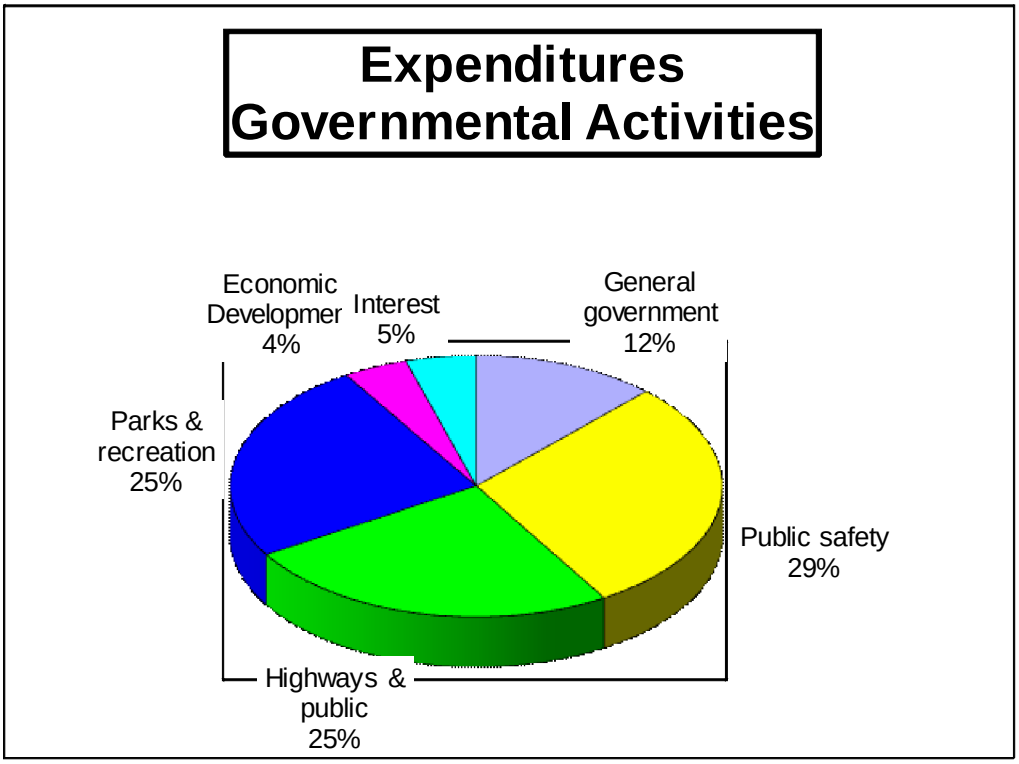
Business-type Activities. During the current fiscal year, net position for business-type activities increased $1,971,076 from the prior fiscal year. A restatement was then made for adoption of GASB 65 which required the elimination of amortization of bond issuance costs. After this adjustment the net position increase was reduced to $1,403,310 for an ending balance of $230,849,086.



Overall governmental revenues were up in comparison with the prior fiscal year by 15.62%. The largest reason for this is an increase of 34.69% in capital grants and contributions. The largest reason for this is the receiving of grant funds for the 2010 Flood Restoration Fund of $4,175,416. In addition the grants for the replacement airport continued to be received as anticipated because of the letter of intent signed with the FAA when the airport was constructed. A total of $11,107,734 was received this year for this purpose. Charges for services continued to rebound from the lower revenues of prior years of economic slowdown with an increase of 7%. Sales taxes also continued to rebound and an increase of 10% was noted in this largest revenue source for the General Fund. The following graph displays the total governmental revenues by source as reflected on the government-wide statement of activities.



Overall governmental expenditures as reflected on the government-wide statement of activities decreased by 4% when compared with the last fiscal year. Highways/public improvements decreased by 18.8% as the prior fiscal year included more capital projects which were completed in that fiscal year. While there were still a number of public improvements to the infrastructure made this year within the City, most were constructed and completed by the State of Utah. Parks, recreation & public property did increase by 15.9% from the prior fiscal year as several projects which will be discussed later in the individual fund portions were completed. The following graph shows the relationship of governmental expenditures for the current fiscal year as a percentage of total expenditures.



Overall business-type activity revenues were down from the prior fiscal year. However, the reason for this is because of the large capital contribution in fiscal year 2012 when the Washington County Water Conservancy District assumed $17,515,000 of City water revenue debt on the Quail Creek treatment plant. Without this item included in last year's revenues, total revenues for business-type activities were up .7%. The Electric Utility adopted a rate increase on July 1, 2012 and saw an increase of 5.7% in charges for services. The total dollar increase in revenues was $3,156,334. The Water Utility also adopted an increase at the same time and saw an increase of 15.8% in charges for services. The total dollar increase in water revenues was $2,381,272. However, to lessen the impact upon the citizens of the City, the wastewater fees were reduced at the same time because of the healthy financial postion of the Wastewater Treatment Fund. This resulted in a decrease of revenues in the Wastewater Treatment utility of 36.1%. The total dollar decrease was $3,219,423. However, the utility continues to maintain a healthy fund balance and exceeds all debt service requirements for the outstanding bonds which it is responsible for. The graph presented earlier displaying expenses and program revenues for business-type activities reflects that with the exception of Electric, Water, and Golf, all of the business-type activities produced either a breakeven or surplus earnings for the fiscal year.

Financial Analysis of Governmental Funds

As noted earlier, the City of St. George uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

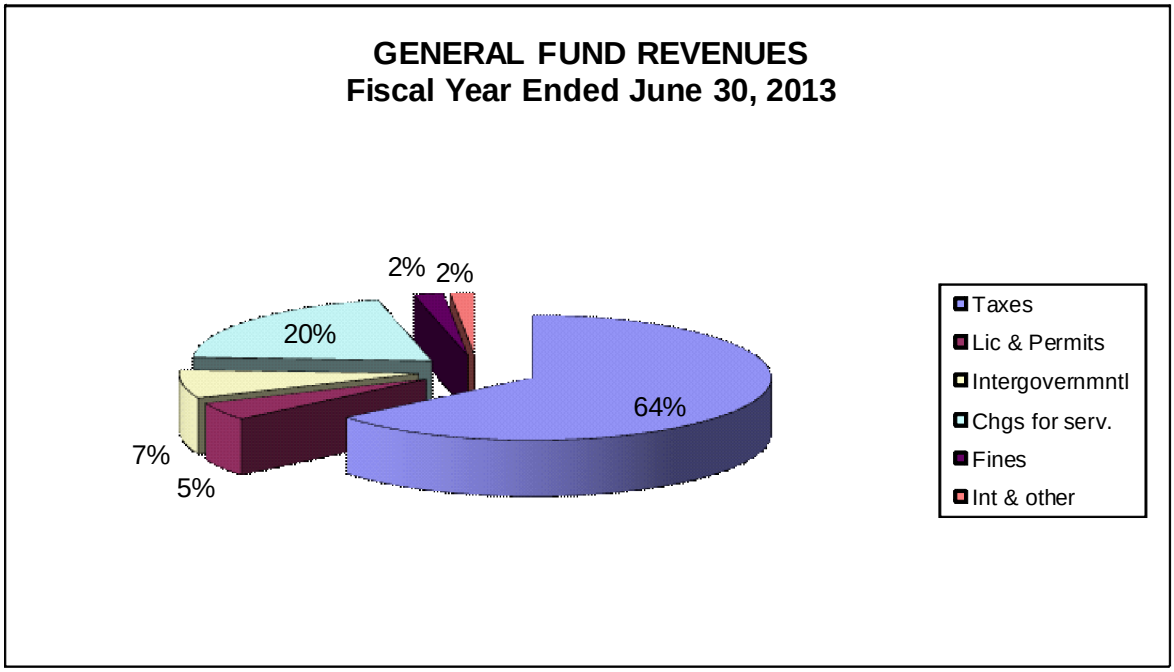
Governmental Funds. The focus of the City of St. George's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of St. George's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not been yet limited to use for a particular purpose by either an external party, the City of St. George itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of St. George's city council.

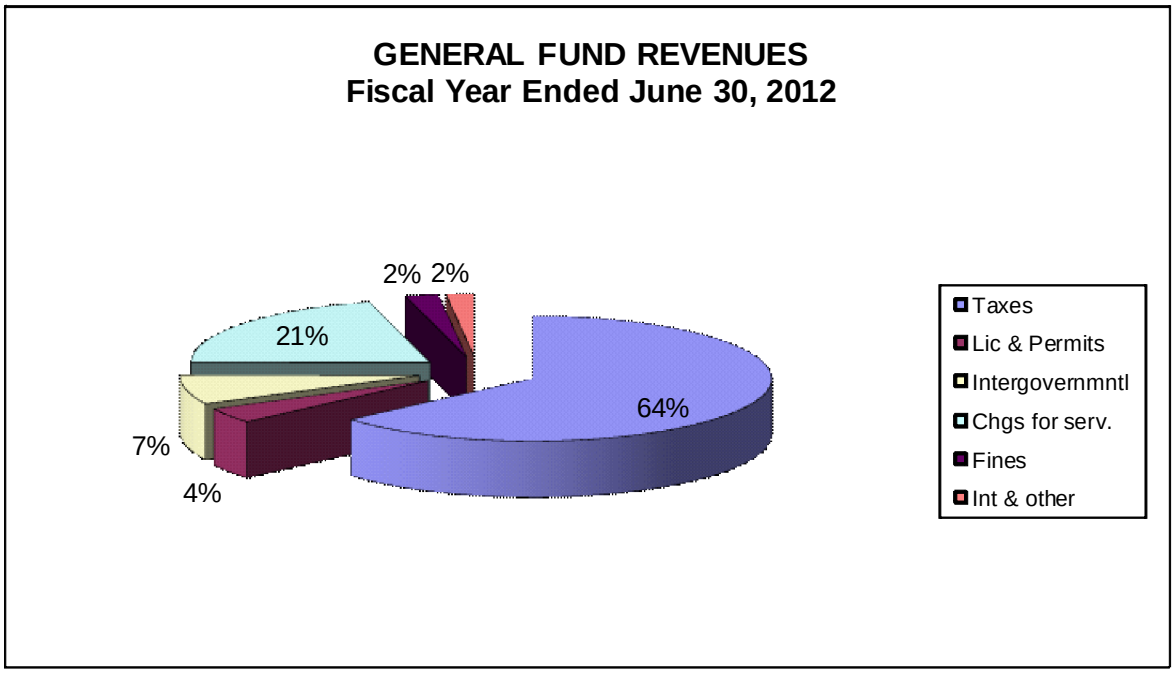
At June 30, 2013, the City of St. George's governmental funds reported combined fund balances of $32,686,172, an increase of $9,276,296 in comparison with the prior year. An increase of 39.6%.
The General Fund is the chief operating fund of the City of St. George. At the end of the current fiscal year, unassigned fund balance of the General Fund was $5,719,123 while total fund balance was $6,827,681. An increase of $2,547,637 in unassigned fund balance and an increase of $1,132,405 in total fund balance. A large portion of the increase to unassigned was the result of the payoff of a note receivable during the current fiscal year of $1,616,708. In 2012 fiscal year this amount was reflected as nonspendable fund balance. Unassigned fund balance in the General Fund represents 12.23% of total general fund expenditures for the fiscal year ended June 30, 2013 and 11.5% of total budgeted expenditures for the next fiscal year ended June 30, 2014. Total fund balance represents 13.7% of budgeted expenditures for the next fiscal year.

Total fund balance in all *governmental funds* increased by $9,276,296 (39.6%) during the fiscal year. As noted earlier, the General Fund increased $1,132,405; the Replacement Airport Capital Project Fund increased $5,430,059 as the project is now complete and the federal grants from the FAA continue to reimburse for those costs which were fronted by the City; the Capital Equipment Capital Project fund balance increased by $1,564,217 as a transfer of surplus revenues in the General Fund of $3,500,000 was made at year-end to this fund; and finally the other large increase was seen in the 2010 Flood Reconstruction Fund with an increase of $3,377,685 as the federal grants from FEMA began to be received to reimburse the City for costs which it has fronted for the flood related improvements in this fund. The largest decrease in fund balance were seen in the Street Bonds Capital Projects Fund with a decrease of $2,131,059 and the Transportation Improvement Special Revenue Fund with a decrease of $1,148,699. Both of these funds were used for the street and highway projects referred to in our earlier discussion on governmental expenditures. The Transportation Special Revenue fund still has positive fund balance of $2,672,092 while the Street Bond Capital Projects fund does now have a small deficit fund balance of just over $20,000.

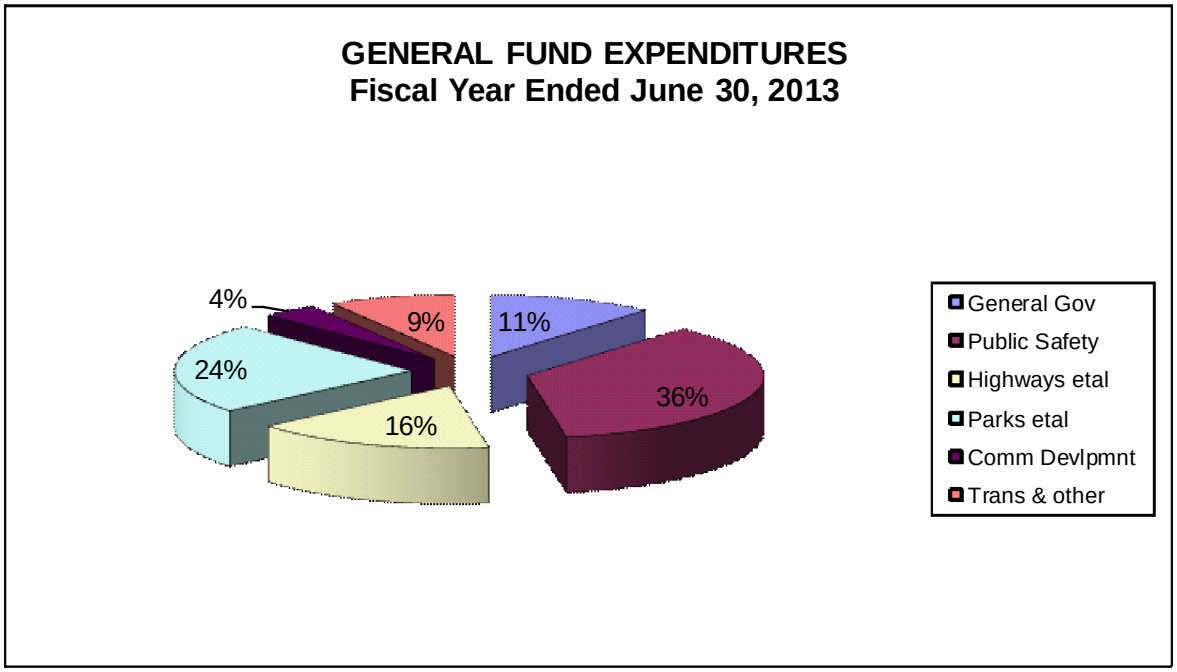
General Fund

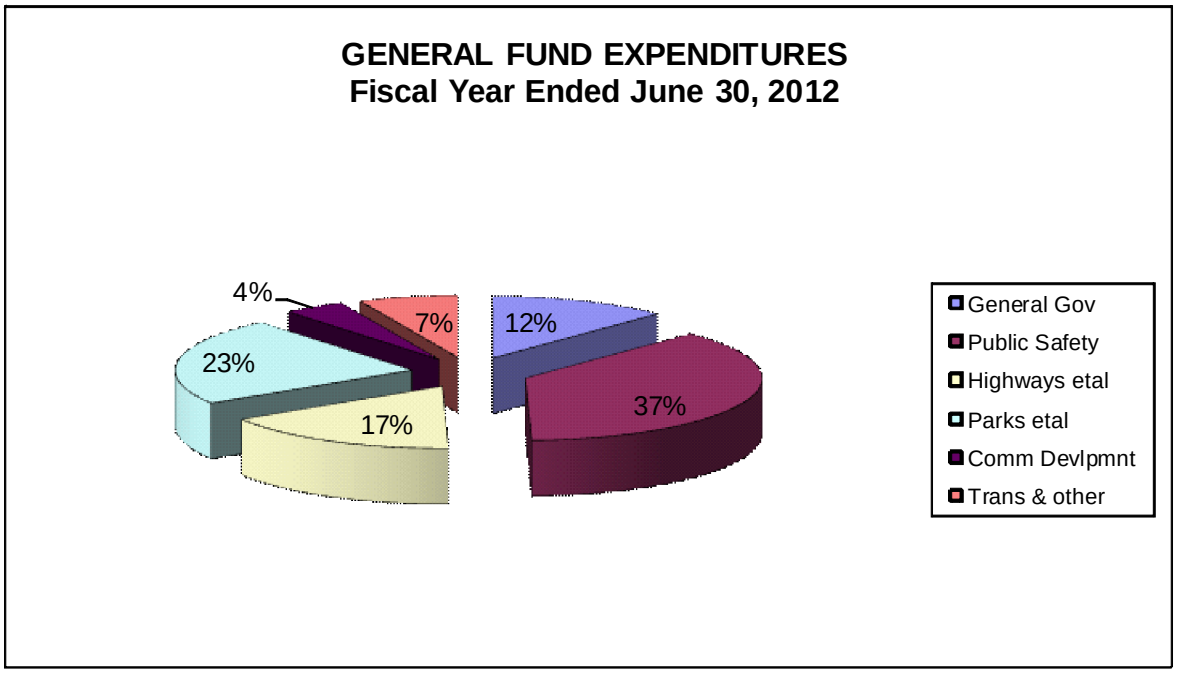
The following graphs display the total revenues in the General Fund by source for the fiscal years ended June 30, 2013 and June 30, 2012. As can be seen the percentages of the different sources are almost identical for each year.





These presentations show that the General Fund expenditures by function have not varied from the prior fiscal year, with the percentages being almost identical to each other.





During the fiscal year, the General Fund original budget was amended from an original budget expenditure total of $46,272,810 to a final budget of $49,126,264. These increases were made to respond to higher revenues than originally estimated. However, when the final expenditures for the fiscal year were completed they represented only an increase of $395,418 from the original

budget as some projects which had been projected with the budget increases were not able to be completed within the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - The City of St. George's investment in capital assets for its governmental and business-type activities as of June 30, 2013, amounts to $595,534,818 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, infrastructure (streets, sidewalks, etc.), and machinery and equipment. Total capital assets decreased by $529,441. This was the result of business-type net capital assets decreasing by $5,455,481 while governmental-type net fixed assets increased by $4,926,040.

Major capital asset events during the fiscal year included the following:

> $949,457 was spent for the purchase of the old Electric/Gaiety Theatre building and land on Tabernacle Street. The expenditure was made to continue the revitalization of the downtown area.
>
> $988,132 was spent for the construction of the Little Valley Pickleball Courts and Complex to add to the variety of recreation opportunities available to residents and visitors to the City.
>
> $594,237 was spent to complete the improvements to the Tonaquint Park.
>
> $578,610 was spent for a complete rebuild of the Sunset Park on the west side of the City.
>
> $927,164 was spent for the completion of the Mathis Bridge and Dixie Drive street project on the west side of the City.
>
> $1,205,386 was spent for the completion of the Riverside Drive reconstruction project on the east side of the City.
>
> $1,336,774 was spent for the continuing construction of the Main Street Storm Drain in the center part of the City.
>
> $1,201,053 was spent for the completion of (along with the Utah State Department of Transportation) the improvements to Red Hills Parkway in the center part of the City.
>
> $1,563,560 was spent in the Water Utility enterprise fund for various distribution and irrigation system improvements as well as the purchase of a vactor truck for cleaning lines.
>
> $2,014,286 was spent in the Electric Utility enterprise fund for various distribution system and generation improvements.

CITY OF ST. GEORGE'S CAPITAL ASSETS
(net of depreciation)

	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
Land	$86,553,089	$87,143,915		
Buildings	19,153,011	19,236,991		
Improvements	44,136,826	43,498,930		
Infrastructure	169,417,163	164,764,337		
Machinery & equipment	9,904,498	9,594,371		
Plant, prop. & equipment			$266,370,231	$271,825,712
Totals	$329,164,587	$324,238,544	$266,370,231	$271,825,712

Additional information on the City's capital assets can be found in the footnotes to this financial report and also the supplemental section.

Long-term debt - At June 30, 2013, the City has total bonded debt outstanding of $119,610,322. Of this amount $29,905,000 is considered to be general obligation debt and backed by the full faith and credit of the City and the remainder of $89,705,322 is debt which is secured solely by specific revenue sources.

CITY OF ST. GEORGE'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
General obligation bonds	$13,995,000	$14,760,000		
Sales tax revenue bonds	15,160,000	18,099,000		
Excise revenue bonds	750,000	1,470,000		
WCIA Capital lease bonds	3,637,660	3,907,540		
Federal subsidy excise bonds	9,398,000	9,644,000		
Special assessment debt with governmental commitment	-	317 000		
Revenue bonds			$80,307,322	$85,857,035
Total outstanding debt	$42,940,660	$48,197,540	$80,307,322	$85,857,035

The City's total debt decreased by $10,806,593 during the fiscal year as the only new debt issued was refunding debt for prior issues.

During the current fiscal year several bond issues of the City of St. George were reviewed by the ratings agencies Moody's, Fitch Ratings and Standard & Poors (S&P). On December 21, 2012

the City's Electric Revenue Bonds were downgraded by Moody's from A1 to Baa1. On July 26, 2013 Fitch Ratings affirmed the rating on the Series 2009 Sales Tax Revenue bonds at AA. The releases from the ratings agencies as it applies to these reviews have been posted to the EMMA website as is required by the continuing disclosure undertaking agreed to by the City of St. George. The following chart details the current ratings for outstanding debt obligations of the City of St. George which have been rated by the various ratings agencies.

	Moody's	S&P	Fitch
2004 General Obligation bonds		AA-	
2010 General Obligation bonds		AA-	
2009 Sales Tax Revenue bonds		AA	AA
2003 Excise Tax Revenue bonds		A+	
2011 Water Revenue refunding bonds		A+	A+
2012 Water Revenue refunding bonds		A+	
2005 Electric Revenue bonds	Baa1		
2008 Electric Revenue bonds	Baa1		

The City of St. George has complied with and will continue to comply with all continuing disclosure requirements for the various bond issues where continuing disclosure is required. This report contains a fourth section which contains the required continuing disclosure schedules.

State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total taxable value. The current limitation for the City of St. George is $288,664,052, which is significantly in excess of the City's outstanding general obligation debt. In addition, state statue allows for an additional 4% to be used for water, sewer, or electrical projects thus resulting in a debt limit of 8% of total taxable value. The current limitation for these water, sewer and electrical projects is thus $288,664,052, which again significantly exceeds the outstanding business-type activity debt. Thus the total debt limit is $577,328,104 while the total outstanding debt less resources restricted for debt service is $87,383,000. Thus resulting debt margin is $487,945,104. The statistical section has additional information on debt margin and demonstrates the calculation of this margin for the current fiscal year.

Additional information on the outstanding debt obligations of the City can be found in the footnotes to this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The unemployment rate for Washington County (of which St. George is the largest City) was 5.4% for the month ended August 2013 compared with a state unemployment rate of 4.7% and a national rate of 7.3%. This compares with a rate of 7.1% in 2012. (Source: Utah Dept of Workforce Services)

The General Fund budget for the fiscal year-ending June 30, 2014 is $48,701,807 and reflects an increase of 5.6% over the original budget for fiscal year June 30, 2013 and is basically flat in

comparison with the final amended budget for June 30, 2013. This optimism is a result of the increases which we have seen in sales taxes and also the rebounding building trades as more building permits continue to be issued than the prior year.

There are no rate increases in any of the business-type activities and no property tax or other increases in the governmental-type activities.

The City has undertaken a study to update the capital facilities plan of the City and review current impact fee schedules. It is anticipated that this study will be completed by the first quarter of 2014.

An additional installment of the Replacement Airport letter of intent for FAA assistance should be received the 2014 fiscal year and will be sufficient to reimburse all funds due to the Wastewater Treatment fund and remove the deficit balance in the Replacement Airport fund.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of St. George's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to:

City of St. George, Finance Director, 175 E. 200 N. St. George, UT 84770

CITY OF ST. GEORGE, UTAH
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash	$ 31,148,104	$ 22,532,278	$ 53,680,383
Restricted cash		6,149,909	6,149,909
Accounts receivable (net of allowance for doubtful accounts)	30,787,149	13,131,560	43,918,708
Inventory	112,346	2,355,272	2,467,618
Notes receivable	70,000	7,986	77,986
Internal Balances	(14,415,780)	14,415,780	
Bond discounts		1,426,337	1,426,337
Prepaid expenses	39,773	-	39,773
Capital assets (net of depreciation)			
Land	86,553,089		86,553,089
Buildings	19,153,011		19,153,011
Improvements	44,136,826		44,136,826
Infrastructure	169,417,163		169,417,163
Machinery & equipment	9,904,498		9,904,498
Plant, property, and equipment		266,370,231	266,370,231
Total assets	$ 376,906,178	$ 326,389,354	$ 703,295,532
LIABILITIES:			
Accrued liabilities	$ 1,937,294	$ 11,561,941	$ 13,499,235
Construction bonds held	682,700		682,700
Deposits payable		1,539,015	1,539,015
Deferred compensation	1,232,176		1,232,176
Interest payable	582,672		582,672
Unearned revenues	59,450		59,450
Notes payable:			
Due within one year	4,551,420		4,551,420
Due in more than one year	4,566,189		4,566,189
Bonds payable:			
Due within one year	4,885,000	6,163,000	11,048,000
Due in more than one year	34,418,000	74,144,322	108,562,322
Capital leases:			
Due within one year	289,440	176,025	465,465
Due in more than one year	3,348,220	455,870	3,804,090
Bond premiums	730,224	1,500,095	2,230,319
Total liabilities	57,282,785	95,540,268	152,823,053
DEFERRED INFLOWS OF RESOURCES			
Unavailable rev. - 2014 prop. tax levy	11,773,450		11,773,450
NET POSITION:			
Net investment in capital assets	275,793,421	191,724,399	467,517,820
Restricted for:			
Unspent bond/impact fees for const.		1,930,698	1,930,698
Debt service	894,095	4,219,211	5,113,306
Unrestricted	31,162,428	32,974,778	64,137,205
Total Net Position	$ 307,849,943	$ 230,849,086	$ 538,699,029

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

CITY OF ST. GEORGE, UTAH
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

		Program Revenues					
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Net Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	$ 6,958,988	$ 4,384,252	$ -	$ -	$ (2,574,736)		$ (2,574,736)
Public Safety	16,760,306	3,140,184	1,377,787	-	$ (12,242,333)		(12,242,333)
Highways & public improvements	14,277,136	1,069,481	4,759,496	17,272,505	$ 8,824,345		8,824,345
Parks, recreation & public property	14,306,302	3,172,012	2,215,146	45,072	$ (8,874,072)		(8,874,072)
Community & economic development	2,429,175	1,826,095	414,034		$ (189,046)		(189,046)
Interest on long-term debt	2,655,987				$ (2,655,987)		(2,655,987)
Total governmental activities	57,387,894	13,592,024	8,766,462	17,317,577	(17,711,828)	-	(17,711,828)
Business-type activities:							
Electric	62,094,874	58,818,104	295,887			(2,980,883)	(2,980,883)
Water	14,512,833	17,453,787	52,309			2,993,262	2,993,262
Regional wastewater treatment	4,893,677	5,697,355				803,677	803,677
Wastewater collection	5,272,826	6,059,619				786,794	786,794
Golf courses	4,447,764	3,568,384				(879,380)	(879,380)
Municipal bldg authority	137,664	-				(137,664)	(137,664)
Drainage Utility	121,735	1,006,497				884,762	884,762
Solid waste	3,612,344	3,621,535				9,191	9,191
Total business-type activities	95,093,717	96,225,281	348,196	-		1,479,758	1,479,758

General Revenues:			
Taxes:			
Property taxes levied for general purposes	11,063,336		11,063,336
Property taxes levied for debt service	1,939,343		1,939,343
Franchise taxes	6,624,225		6,624,225
General sales taxes & highway sales taxes	18,913,183		18,913,183
Business licenses	748,603		748,603
Investment income	163,037	163,174	326,210
Lease payments	(104,505)		(104,505)
Gain on sale of assets	1,329,377		1,329,377
Rents & concessions	261,639	1,355,480	1,617,119
Miscellaneous	445,806	347,407	793,213
Transfers	1,374,742	(1,374,742)	(0)
Total general revenues & transfers	42,758,785	491,318	43,250,103
Change in net position	25,046,956	1,971,076	27,018,032
Restatement of net postion for GASB 65		(567,766)	(567,766)
Net position - beginning	282,802,987	229,445,776	512,248,763
Net position - ending	$ 307,849,943	$ 230,849,086	$ 539,266,795

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

CITY OF ST. GEORGE, UT
GOVERNMENTAL FUNDS TYPE
BALANCE SHEET
JUNE 30, 2013

	General	Replacement Airport Capital Proj. Fund	Public Works Capital Proj. Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	$ 4,528,595	$ -	$ 634,088	$ 25,350,544	$ 30,513,227
Accounts receivable	11,480,435	10,950,000	112,283	8,244,430	30,787,149
Prepaid items	39,773				39,773
Inventory	112,346				112,346
Notes receivable	70,000				70,000
Due from other funds	500,000			7,971,161	8,471,161
Total assets	$ 16,731,150	$ 10,950,000	$ 746,371	$ 41,566,135	$ 69,993,656
LIABILITIES					
Liabilities:					
Construction bonds held	682,700		$ -	$ -	$ 682,700
Due to other funds	-	18,141,946		4,744,995	22,886,941
Accrued liabilities	1,161,319	135,464	439,209	168,950	1,904,942
Total liabilities	1,844,018	18,277,410	439,209	4,913,945	25,474,583
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - 2014 property tax levy	8,000,000			3,773,450	11,773,450
Unavailable revenues - city cache cards	59,450				59,450
Total deferred inflows of resources	8,059,450			3,773,450	11,832,900
Fund Balances (deficits):					
Nonspendable:					
Inventories & prepaids	152,119				152,119
Noncurrent receivables	570,000				570,000
Restricted for:					
Public safety programs	264,774				264,774
Cemetery perpetual care	121,665				121,665
Transportation programs				5,820,222	5,820,222
Housing & community development				680,135	680,135
Parks construction & development				2,928,220	2,928,220
Special revenue funds				797,875	797,875
Debt service fund				894,095	894,095
Capital projects fund				2,303,855	2,303,855
Assigned to:					
Special revenue funds				4,174,381	4,174,381
Capital projects fund			307,162	17,090,617	17,397,780
Unassigned:	5,719,123	(7,327,410)		(1,810,661)	(3,418,948)
Total fund balances (deficits)	6,827,681	(7,327,410)	307,162	32,878,740	32,686,173
Total liabilities, deferred inflows and fund balances	$ 16,731,150	$ 10,950,000	$ 746,371	$ 41,566,135	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	329,164,586
Long-term liabilities, including bonds payable and capital leases, are not due and payable in the current period and therefore are not reported in the funds.	(54,603,341)
Fund balance in Self-Insurance internal service fund	602,526
	$ 307,849,943

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

CITY OF ST. GEORGE, UT
GOVERNMENTAL FUNDS TYPE
STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	General	Replacement Airport Capital Proj. Fund	Public Works Capital Proj. Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues:					
Taxes & special assessments	$ 30,609,031	$ -	$ -	$8,932,239	$ 39,541,270
Licenses and permits	2,200,214			-	2,200,214
Intergovernmental	3,485,640	11,107,734		5,620,155	20,213,530
Charges for services	9,772,606			42,160	9,814,766
Fines & forfeitures	953,653			-	953,653
Investment income	64,097	-		97,035	161,133
Rents & concessions	61,846			199,793	261,639
Miscellaneous	73,143			401,735	474,878
Contributions from other sources	109,441				109,441
Capital development fees	-			3,381,482	3,381,482
Total revenues	47,329,670	11,107,734	-	18,674,600	77,112,004
Expenditures:					
Current:					
General government	5,287,619			208,626	5,496,246
Public safety	16,812,718			5,271	16,817,989
Highways & public improvements	7,701,982	(1,984)	1,855,192	2,125,724	11,680,913
Parks, recreation & public property	11,092,834			610,869	11,703,703
Community & economic development	1,761,570			632,060	2,393,630
Capital outlay	-		7,862,785	4,482,405	12,345,190
Debt service					
Capital leases	44,505			60,000	104,505
Principal	-	4,500,000	784,855	4,536,880	9,821,735
Interest & admin charges	-	764,659	48,136	2,084,197	2,896,991
Total expenditures	42,701,228	5,262,675	10,550,968	14,746,032	73,260,901
Excess (deficiency) of revenues over expenditures	4,628,443	5,845,059	(10,550,968)	3,928,568	3,851,103
Other financing sources (uses):					
Transfers in	393,281	85,000	9,719,419	8,461,561	18,659,261
Transfers out	(3,967,000)	(500,000)		(12,269,518)	(16,736,518)
Contributions from private sources			876,118	152,034	1,028,152
Proceeds from sale of capital assets	77,681			1,251,696	1,329,377
Contributions from other governments			70,000	1,074,922	1,144,922
Proceeds of refunding bonds				-	-
Premium on refunding bonds				-	-
Total other financing sources (uses)	(3,496,038)	(415,000)	10,665,537	(1,329,306)	5,425,193
Net change in fund balances	1,132,405	5,430,059	114,569	2,599,263	9,276,296
Fund balances, beginning of year,	5,695,275	(12,757,469)	192,593	30,279,477	23,409,876
Fund balances (deficit), end of year	$ 6,827,680	$ (7,327,410)	$ 307,162	$ 32,878,740	$ 32,686,172

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

CITY OF ST. GEORGE, UT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Net change in fund balances - total governmental funds	**$**	**9,276,296**
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures, and changes in fund balance because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		**4,926,040**
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		**10,541,730**
Bond premiums are revenues in the governmental funds in the year of issuance, but amortization of the liability in the government-wide statement of net position reduces interest expense in the government-wide statement of activities		**120,639**
Accrued Interest for Long-term debt is not reported as an expenditure for the current period while it is recorded in the statement of activities.		**168,928**
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		**(9,662)**
Internal service funds are used by management to charge the costs of self-insurance to individual funds. The net revenue of these activities of internal service funds is reported with governmental activities.		**22,985**
Change in net position of governmental activities	**$**	**25,046,956**

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

CITY OF ST. GEORGE, UTAH
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Taxes:				
General property taxes	$ 7,500,000	$ 7,700,000	$ 7,812,197	$ 112,197
Prior year's delinquent taxes	400,000	450,000	473,419	23,419
Fee-In-Lieu of Property taxes	1,200,000	1,200,000	1,198,151	(1,849)
General sales & use taxes	13,500,000	14,300,000	14,501,038	201,038
Franchise taxes	6,250,000	6,400,000	6,624,225	224,225
Total taxes	28,850,000	30,050,000	30,609,031	559,031
Licenses & permits:				
Business licenses & permits	693,500	693,500	748,603	55,103
Non-business licenses & permits	1,132,000	1,352,000	1,451,611	99,611
Total licenses & permits	1,825,500	2,045,500	2,200,214	154,714
Intergovernmental revenues:				
Federal grants	426,929	444,814	535,623	90,809
State grants	115,055	554,292	441,062	(113,230)
Class "C" roads	2,400,000	2,400,000	2,410,786	10,786
State liquor allotment	110,000	110,000	98,169	(11,831)
Total intergovernmental revenues	3,051,984	3,509,106	3,485,640	(23,466)
Charges for services:				
Enterprise funds	3,836,000	3,836,000	3,836,000	-
Public safety	2,104,177	2,147,165	2,186,531	39,366
Parks & public property	185,000	260,000	374,484	114,484
Cemetery	210,500	228,500	281,825	53,325
Recreation	2,170,600	2,289,317	2,249,891	(39,426)
Airport	800,000	800,000	799,468	(532)
Reuse Center	43,000	43,000	44,406	1,406
Total charges for services	9,349,277	9,603,982	9,772,606	168,624
Fines & forfeitures:				
Court fines & bail forfeitures	994,000	1,031,000	953,653	(77,347)
Miscellaneous:				
Interest	160,000	60,000	64,097	4,097
Rents & concessions	38,000	38,000	61,846	23,846
Other	75,500	75,500	73,143	(2,357)
Total miscellaneous	273,500	173,500	199,086	25,586
Total revenues	44,344,261	46,413,088	47,220,229	807,141
Other Financing Sources :				
Sales of capital assets	20,000	60,000	77,681	17,681
Contributions from others	85,000	136,500	109,441	(27,059)
Appropriated fund balance	-	1,524,016	-	(1,524,016)
Transfers from other funds	1,756,500	925,611	393,281	(532,330)
Total Other Financing Sources :	1,861,500	2,646,127	580,403	(2,065,724)
Total revenues & Other Financing Sources	$ 46,205,761	$ 49,059,215	$ 47,800,632	$ (1,258,583)

(continued)

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

CITY OF ST. GEORGE, UTAH
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
EXPENDITURES:	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
General government:				
City Council	$ 625,229	$ 657,729	$ 567,714	$ 90,015
City Manager	250,465	253,331	238,510	14,821
Human Resources	365,851	370,241	316,257	53,984
Administrative Services	418,215	445,040	427,490	17,550
Finance	1,423,590	1,453,431	1,452,592	839
Technology Services	1,265,910	1,309,435	1,303,050	6,385
Legal	1,124,314	1,143,290	982,005	161,285
Elections	-	-	-	-
Total general government	5,473,574	5,632,497	5,287,619	344,878
Public Safety:				
Police	10,679,232	10,879,260	10,558,738	320,522
Drug Task Force	147,929	170,917	141,226	29,691
Dispatch Center	2,329,248	2,962,268	2,687,904	274,364
Fire	3,682,162	3,731,023	3,424,850	306,173
Total public safety	16,838,571	17,743,468	16,812,718	930,750
Highways & public improvements:				
Public Works Administration	277,111	280,254	263,743	16,511
Streets	4,849,702	4,901,933	4,740,486	161,447
Fleet Maintenance	1,085,737	1,128,373	1,082,813	45,560
Engineering	632,998	644,125	599,369	44,756
Airport	786,675	967,579	1,015,571	(47,992)
Total highways & improvements	7,632,223	7,922,264	7,701,982	220,282
Parks, Recreation & Public Property:				
Building Maintenance	1,274,379	1,423,500	1,302,660	120,840
Parks and open spaces	4,864,178	5,023,642	4,600,311	423,331
Recreation & cultural arts	4,903,886	5,112,301	4,857,727	254,574
Cemetery	415,787	419,936	332,136	87,800
Total parks, recreation & public property	11,458,230	11,979,379	11,092,834	886,545
Community development	1,785,464	1,837,151	1,761,570	75,581
Debt service: Capital leases	44,505	44,505	44,505	-
Total expenditures	43,232,567	45,159,264	42,701,228	2,458,036
OTHER FINANCING USES				
Contributions to other funds	3,040,243	3,967,000	3,967,000	-
TOTAL EXPENDITURES & OTHER USES	46,272,810	49,126,264	46,668,228	2,458,036
Net change in fund balance	(67,049)	(67,049)	1,132,405	$ 1,199,454
Fund Balance at beginning of year	5,695,276	5,695,276	5,695,276	
Fund Balance at end of year	$ 5,628,227	$ 5,628,227	$ 6,827,681	

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

CITY OF ST. GEORGE, UTAH

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

JUNE 30, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities
	ELECTRIC UTILITIES	WATER UTILITIES	WASTEWTR TREATMENT	Non-Major Enterprise Funds	TOTALS 2013	Internal Service Fund
ASSETS						
Current assets:						
Cash	$ 8,037,550	$ (1,890,465)	$ 16,099,676	$ 285,518	$ 22,532,278	$ 634,878
Restricted cash		2,738,218	1,480,993	1,930,698	6,149,909	
Accts. receivable (net of allowance for uncollectibles of $1,677,125)	8,619,364	2,946,122	322,111	1,243,963	13,131,560	
Inventory	1,726,901	628,371			2,355,272	
Due from other funds			18,478,173		18,478,173	
Note receivable				7,986	7,986	
Bond discounts & insurance	1,103,776	213,172	40,467	68,924	1,426,337	
Prepaid expenses	-	-			-	
Total current assets	19,487,590	4,635,418	36,421,420	3,537,088	64,081,516	634,878
Capital assets net of accumulated depreciation	89,082,356	97,644,316	55,112,019	24,531,540	266,370,231	-
TOTAL ASSETS	108,569,947	102,279,733	91,533,438	28,068,629	330,451,747	634,878
LIABILITIES						
Current liabilities:						
Accrued liabilities	8,984,007	1,318,662	238,162	1,021,111	11,561,941	32,351
Bonds payable - short term	1,785,000	3,190,000	1,080,000	98,000	6,153,000	
Due to other funds - short term		-	-	4,062,393	4,062,393	
Note payable - short term		10,000			10,000	
Capital leases - short term				204,144	204,144	
Deposits payable	1,011,133	366,747		161,135	1,539,015	
Total current liabilities	11,780,139	4,885,409	1,318,162	5,546,783	23,530,493	32,351
Long-term liabilities:						
Bonds payable - long term	57,450,000	13,427,000	2,674,522.36	514,000	74,065,522	
Bond premiums	559,669	940,426	-		1,500,095	
Note payable - long term		78,800			78,800	
Capital leases - long term				427,751	427,751	
Total long-term liabilities	58,009,669	14,446,226	2,674,522	941,751	76,072,169	-
Total liabilities	69,789,808	19,331,635	3,992,684	6,488,534	99,602,662	32,351
NET POSITION						
Net Investment in capital assets	32,176,463	83,411,261	52,477,963	23,658,713	191,724,399	-
Restricted	-	2,738,218	1,480,993	1,930,698	6,149,909	-
Unrestricted	6,603,676	(3,201,381)	33,581,798	(4,009,316)	32,974,777	602,526
Total net position	$ 38,780,138	$ 82,948,098	$ 87,540,754	$ 21,580,095	$ 230,849,085	$ 602,526

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

CITY OF ST. GEORGE, UTAH
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION

PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities
	ELECTRIC UTILITIES	WATER UTILITIES	WASTEWTR TREATMENT	Non-Major Enterprise Funds	TOTALS 2013	Internal Service Fund
OPERATING REVENUES:						
Charges for services	$ 57,489,697	$ 16,447,677	$ 4,450,314	$ 13,527,836	$ 91,915,524	$ 548,252
Other operating revenues	1,328,407	1,006,109	1,247,041	728,199	4,309,756	
Total operating revenues	58,818,104	17,453,787	5,697,355	14,256,035	96,225,281	$ 548,252
OPERATING EXPENSES:						
Electricity purchased	40,599,715		435,052		41,034,767	
Natural gas purchased	4,127,857				4,127,857	
Water purchased		5,278,321			5,278,321	
Salary and wages	3,291,114	2,372,355	938,319	2,090,330	8,692,119	
Supplies	762,296	-	-	423,441	1,185,737	
Service vehicle expense	169,898	236,296	68,987	145,378	620,558	
Equipment rental	-	60,845	1,010	6,013	67,868	
Depreciation	6,377,950	2,570,458	1,502,153	955,859	11,406,420	
Payroll tax & employee benefits	1,259,135	1,031,893	395,433	906,079	3,592,540	
Office & dept. supplies	67,386	323,292	86,165	164,132	640,975	
Professional services	267,432	348,740	141,755	601,813	1,359,740	544
R. & M. - equipment	372,948	983,948	474,096	165,384	1,996,377	
R. & M. - buildings and grounds	25,382	88,758	15,494	767,716	897,351	
Insurance & surety bonds	218,745	137,478	56,967	49,755	462,945	
Travel	51,229	25,037	4,913	5,116	86,294	
Miscellaneous	555	470			1,030	
Interest expense	28,588				28,588	
Subscriptions & memberships	63,136	34,388	939	2,725	101,188	
Lease payments					-	
Claims paid			3,900			270,089
Insurance premiums						256,543
Contract labor				6,571,722	6,571,722	
Billing & administration	1,500,000	975,000	650,000	711,000	3,836,000	
Total operating expenses	59,183,366	14,467,280	4,775,182	13,566,465	91,992,292	527,176
Operating income (loss)	(365,261)	2,986,506	922,173	689,570	4,232,988	21,076
NON-OPERATING REVENUES (EXPENSES)						
Interest income	17,816	11,226	113,851	20,282	163,175	1,908
Rent	-	1,218,500	6,000	130,980	1,355,480	
Miscellaneous income	230,245	28,790	56,136	32,238	347,407	-
Federal grants	295,887	52,309			348,196	
Loss (gain) on bond refinancing	-	-		-	-	
Interest charges	(2,911,508)	(45,553)	(118,496)	(25,868)	(3,101,425)	
Total non-operating revenue (expense)	(2,367,561)	1,265,271	57,491	157,633	(887,166)	1,908
Income before transfers	(2,732,822)	4,251,778	979,664	847,203	3,345,822	22,985
Transfers (to) from other funds		500,000		(1,874,742)	(1,374,742)	
Additions to contributed capital					-	
Change in Net position	(2,732,822)	4,751,778	979,664	(1,027,539)	1,971,080	22,985
Restatement of net position for GASB 65	(310,392)	(209,555)	(31,277)	(16,542)	(567,766)	
Total net position - beginning	41,823,353	78,405,875	86,592,366	22,624,177	229,445,771	579,541
Total net position - ending	$ 38,780,139	$ 82,948,098	$ 87,540,753	$ 21,580,096	$ 230,849,085	$ 602,526

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

CITY OF ST. GEORGE, UTAH

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities
	ELECTRIC UTILITIES	WATER UTILITIES	WASTEWTR TREATMENT	Non-Major Enterprise Funds	TOTALS 2013	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	$ 60,916,227	$ 15,155,963	$ 5,616,338	13,222,588	$ 94,911,116	$ -
Receipts from interfund services provided						548,252
Payments to suppliers	(43,572,658)	(9,344,920)	(2,539,920)	(9,465,169)	(64,922,666)	
Payments to employees	(4,550,249)	(3,404,248)	(1,333,751)	(2,996,409)	(12,284,658)	
Payments for interfund services used						(522,806)
Net cash provided (used) by operating activities	12,793,320	2,406,795	1,742,668	761,009	17,703,792	25,446
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Rents received		1,218,500	6,000	130,980	1,355,480	
Miscellaneous non-operating income	230,245	28,790	56,136	32,238	347,407	
Interfund receivable/payable activity			(18,478,173)	3,562,390	(14,915,783)	
Federal operating grant	295,887	52,309			348,196	
Economic development transfer		500,000		(1,874,742)	(1,374,742)	
Net cash provided (used) by noncapital and related financing activities	526,132	1,799,599	(18,416,037)	1,850,865	(14,239,442)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from capital debt			-		-	
Purchases of capital assets	(2,014,286)	(1,563,560)	(1,968,047)	(405,046)	(5,950,939)	
Principal paid on capital debt	(1,730,000)	(2,681,713)	(1,040,000)	(98,000)	(5,549,713)	
Interest paid on capital debt	(2,911,508)	(45,553)	(118,496)	(25,868)	(3,101,425)	
Capital lease principal payments		-		(168,526)	(168,526)	
Capital contributions from other sources					-	
Gain (loss) on bond refinancing					-	
Federal grants					-	
Net cash provided (used) by capital and related financing activities	(6,655,794)	(4,290,826)	(3,126,543)	(697,440)	(14,770,603)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	17,816	11,226	113,851	20,282	163,175	1,908
Net increase (decrease)in cash and cash equivalents	6,681,473	(73,207)	(19,686,061)	1,934,718	(11,143,078)	27,354
Cash and equivalents including restricted cash of $6,072,081 at beginning of year	1,356,077	920,959	37,266,731	281,500	39,825,267	607,523
Cash and equivalents including restricted cash of $6,149,909 at end of year	$ 8,037,550	$ 847,752	$ 17,580,670	$ 2,216,218	$ 28,682,189	$ 634,877
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	(365,261)	2,986,506	922,173	689,570	4,232,988	21,076
Adjustments to reconcile net income from operations to net cash provided by operating activities:						
Depreciation	6,377,950	2,570,458	1,502,153	955,859	11,406,420	
Changes in assets & liabilities:						
Decrease (increase) in receivables	2,501,361	(2,664,571)	(81,016)	(1,198,577)	(1,442,803)	
Decrease (increase) in inventory	57,636	(30,766)			26,870	
Decrease (increase) in discounts	65,868	147,400	17,935	11,044	242,247	
(Decrease) increase in bond premiums	(38,131)	(621,075)	(73,631)		(732,837)	
Decrease (increase) in note receivable				3,994	3,994	
Decrease (increase) in prepaid exp.	1,024	1,024	-	-	2,048	
Increase (decrease) in deposits	(403,238)	366,747		161,135	124,644	
Increase (decrease) in accruals	4,596,112	(348,929)	(544,947)	137,982	3,840,218	4,369
Total adjustments	13,158,582	(579,712)	820,494	71,437	13,470,801	4,369
Net cash provided by operating activities:	$ 12,793,320	$ 2,406,795	$ 1,742,667	$ 761,008	$ 17,703,789	$ 25,445

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

CITY OF ST. GEORGE, UTAH
STATEMENT OF NET POSITION
FIDUCIARY FUNDS

JUNE 30, 2013

	PENSION TRUST
	**********
ASSETS	
Restricted cash and investments	$ 15,615,527
Total Assets	15,615,527
LIABILITIES	
Liabilities:	
Accrued liabilities	-
Total liabilities	-
NET POSITION	
Held in trust for pension benefits and other purposes	$ 15,615,527

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

CITY OF ST. GEORGE, UTAH
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	PENSION TRUST
	**********
ADDITIONS	
Retirement contributions	$ 256,098
Life insurance contributions	-
Certificate sales	-
Net increase in fair value of investments	1,396,459
Citizen donations	-
Total additions	1,652,557
DEDUCTIONS	
Administrative & general	278
Life insurance premiums	-
Retirement withdrawals	1,004,333
Total deductions	1,004,611
Change in net position	647,946
Net position - beginning of year	14,967,581
Net position - end of year	$ 15,615,527

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

I. Summary of significant accounting policies

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges to external customers for support.

B. Reporting entity

The City of St. George is a municipal corporation governed by an elected mayor and a five-member governing council. Day to day operations are managed by a professional city manager. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are in substance, part of the City's primary government operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City.

Blended component unit. The Downtown Redevelopment Agency and the various other Economic Development Agencies (EDA)) and Community Development Agencies (CDA) serve all of the citizens of the City and is governed by a board comprised of the City's elected Mayor and Council. The tax rates, budgets, and bond issuance authorizations are approved by the City board and the City is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The agencies are reported as *special revenue funds* and do not issue separate financial statements.

C. Basis of presentation - government-wide financial statements

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

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund for billing and administration in the enterprise funds where the amounts are reasonably equivalent in value to the inter-fund services provided and other charges. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation - fund financial statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *replacement airport capital projects fund* accounts for the acquisition and construction of the replacement airport.

The *public works capital projects fund* accounts for the acquisition and construction of major public works (i.e., highways, streets, infrastructure, etc.) funded by governmental resources other than specific funds with restricted resources as to their use.

The City reports the following major enterprise funds:

The *electric utility fund* accounts for activities and operations of the City's electric distribution operations. It also includes some generation of electricity by the City itself.

The *water utility fund* accounts for the activities and operations of the City's water distribution operations.

The *wastewater treatment fund* accounts for the activities and operations of the regional wastewater treatment plant and regional collector lines which also serves Ivins, Santa Clara, and Washington with the City being the operator.

The City also reports the following fund types:

> An *internal service fund* accounts for the self-insurance activities of the various funds throughout the City.
>
> A *fiduciary fund* is maintained for the activities of the pension trust fund which accounts for the activities of the City's defined contribution plan.

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

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

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources.* The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial*

resources measurement focus and the *modified accrual basis of accounting.* 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. For grants and similar revenues this time line is 150 days. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisition of capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 150 days of year-end). All other revenue items are considered to be measureable and available only when the cash is received by the City.

The proprietary and pension trust are reported using the *economic resources measurement focus* and the *accrual basis of accounting.*

F. Budgetary information

1. *Budgetary basis of accounting*

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all City funds. In the *General Fund* control is maintained at the function level (i.e., general government, public safety, highways & improvements, parks & public property, etc.). All appropriations lapse at year-end.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level as stated above.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and

accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under the contract is expected in the next year) are re-appropriated as a part of the subsequent year's budget.

Although Utah State law requires the initial preparation and adoption of budgets for all City funds (both governmental & proprietary), it only requires the reporting of actual versus budgets for the General Fund and Major Special Revenue funds.

2. *Excess of expenditures over appropriations*

For the year ended June 30, 2013, expenditures in the General Fund were all within budget at the legal level of budgetary control (i.e., function level). Within the function level of highways & improvements, the airport department exceeded the budget by $47,992 as a result of the spending for the federal airport grant received for airport publicity and promotion of new flights.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. *Cash and cash equivalents*

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of twelve months or less from the date of acquisition. City policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the Utah State Treasurer's Investment Pool, and other investments as allowed by the State of Utah's Money Management Act. Investments are reported at fair value. The State Treasurer's Investment Pool operates in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the Pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The Pool is subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to or due from other funds". In the City Electric, Water, Wastewater Collection, Refuse Collection, and Drainage Utility funds, the City records utility revenues billed to customers when meters are read on a monthly basis. Unbilled service accounts receivable at June 30, 2013 were estimated based on July billings and are included in the operating revenues and accounts

receivable at year-end. An allowance for uncollectible accounts is recorded as bad debt expense (which reduces operating revenues per GAAP in the financial statements) equal to ½ of 1% of revenues in the Electric, Water, Wastewater Collection, Refuse Collection, and Drainage utility enterprise funds.

3. *Inventories and prepaid items*

Inventories of materials and supplies in the Electric and Water funds, consisting principally of materials used in the repair of the transmission and distribution systems are valued at cost and accounted for on a first-in, first-out basis (FIFO). Inventory in the General Fund is primarily supplies in the automotive/fleet division which are expended on a consumption basis. This inventory is likewise accounted for on a FIFO basis.

Certain payments to vendors for both goods and services reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

4. *Capital assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than $5,000 and an estimated useful life in excess of three years.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to determine the historical cost of these assets through a review of all prior accounting and purchasing records available at the time that GASB 34 was implemented. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the items or increase the estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the City are depreciated using the straight-line method over the following estimated useful lives:

Building and improvements	10 to 100 years
Infrastructure	15 to 100 years
Machinery & equipment	7 to 30 years

5. *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. At June 30, 2013 the City had no deferred outflows.

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 City 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 two sources: 1) The sale of City Cache Cards, which can be used in future periods at various recreational facilities within the City. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. 2) Property tax rates for the fiscal year ending June 30, 2014, are adopted in connection with the adoption of the 2014 budget in June 2013. Thus they become a valid levy/lein at that time. Accordingly, the estimated amount to be collected in the 2014 fiscal year is recorded as a receivable and a deferred inflow in the governmental funds for the fiscal year ended June 30, 2013. The amounts for the various funds are identified further on in these footnotes.

6. *Net position flow assumption*

Sometimes the City 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 City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied

7. *Fund balance flow assumptions*

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and

unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last

8. *Fund balance policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

H. Revenues and expenditures/expenses

1. *Program revenues*

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. *Tax revenues*

Property taxes are collected by the Washington County Treasurer and remitted to the City on a monthly basis. The July tax remittance is accrued as receivable at June 30th year end. Taxes are levied and are due and payable on November 1st and delinquent after November 30th of each year at which time they become liens if not paid. An accrual of uncollected current and prior year's property taxes beyond that which was received within 60 days after fiscal year end has not been made, as the amounts are not deemed to be material.

Sales taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all taxes received by the State for the period ended June 30th and thus due and payable to the City.

Franchise taxes are charged to various utility companies doing business with the City including telephone, cable television, gas utility, and electric utility companies. The fees are generally remitted on a monthly basis. Again an accrual has been made for all fees due and payable to the City at June 30th.

3. *Compensated absences*

For governmental funds, amounts of vested or accumulated vacation leave and comp time that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net assets and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the fund financial statements. Vested or accumulated vacation leave and comp time of proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees and are thus recorded in both the government-wide financial statements and the individual fund financial statements. In accordance with GAAP, no liability or expense/expenditure is recorded for non-vesting accumulating rights to receive sick pay benefits.

4. *Proprietary funds operating and nonoperating revenues and expenses*

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all of the City's enterprise funds are charges to customers for sales and services. The electric , water, wastewater collection, wastewater treatment, and drainage utility funds also recognize as operating revenue the portion of connection and impact fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues

and expenses.

5. *Long-term obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable debt. 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.

6. *Restricted assets*

Restricted assets are comprised of cash restricted for future payments of principal and interest on debt service as well as unexpended portions of bonds issued for capital construction purposes and unexpended impact fees.

II. ***Reconciliation of government-wide and fund financial statements***

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

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds." The details of this $329,164,586 are as follows:

Land	$ 86,553,089
Buildings	32,871,796
Less: Accumulated depreciation - buildings	(13,718,786)
Improvements	68,295,474
Less: Accumulated depreciation - imprmnts	(24,158,648)
Infrastructure	226,818,644
Less: Accumulated depreciation - infrastrte	(57,401,481)
Machinery & Equipment	28,830,830
Less: Accumulated depreciation - machinery & equip.	(18,926,332)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	$329,164,586

Another element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of the $54,603,341 difference are as follows:

Notes payable	$ 9,117,609
Bonds payable	39,303,000
Add: Issuance premium (to be amortized over life of debt)	730,224
Capital leases	3,637,660
Compensated absences	1,232,176
Interest payable on long-term debt	582,672
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	$54,603,341

The final element of that reconciliation explains that "internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position". The details of this $602,526 difference are as follows:

Net position of self-insurance internal service fund	$602,526

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceded depreciation expense in the current period." The details of this $4,926,040 difference are as follows:

Capital outlay	$14,512,243
Sale of capital assets	(1,297,808)
Depreciation expense	(8,288,395)
Net adjustment to increase net changes in fund balance-governmental funds to arrive at changes in net position of governmental activities	$4,926,040

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of

governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this $10,541,730 difference are as follows:

Principal repayments:	
General obligation debt	$ 765,000
Sales tax revenue bonds	2,939,000
Excise tax revenue bonds	966,000
Notes payable	5,284,850
Special assessment bonds	317,000
Capital leases	269,880
Net adjustment to increase changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$10,541,730

Another element of that reconciliation states that "bond premiums are revenues in the governmental funds in the year of issuance, but amortization of the liability in the government-wide statement of net position reduces interest expense in the government-wide statement of activities." The details of this $120,639 difference are as follows:

Amortization of bond premiums on general obligation bonds	$120,639

Another element of that reconciliation states that "accrued interest for long-term debt is not reported as an expenditure for the current period while it is recorded as an expenditure in the government-wide statement of activities. The increase in accrued interest during the current fiscal year was: $168,928

Another element of that reconciliation states that "compensated absences expenses reported in the government-side statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. The decrease in this amount for the current fiscal year was: $(9,662)

The final element of that reconciliation states that "internal service funds are used by management to charge the costs of self-insurance to individual funds. The net revenue of these activities of internal service funds is reported with governmental activities in the government-wide statement of activities." $22,985

III. Stewardship, compliance and accountability

A. Excess of expenditures over appropriations

For the fiscal year ended June 30, 2013, the Police Department Impact Capital Projects Fund expenditures exceeded appropriations by $135.

B. Deficit fund equity

At June 30, 2013 the Future Airport Capital Project fund, the Street Bond Capital Projects Fund, the 2010 Flood Restoration Fund, the Police Impact Fund, and the Drainage Utility Fund all had a deficit fund balance/position. In all but the Future Airport Capital Project fund, it is anticipated that the deficits will be eliminated this year thru increased revenues or spending cuts. The Future Airport project is a multi-year project which will result in deficits for the next few years as the sale of the current airport location, and several of the federal reimbursement grants will not be received until after the completion of the project. Other funds in the City are being used to pay for these costs until they are reimbursed in the future. The most notable fund is the Wastewater Treatment fund which is advancing the cash necessary to meet all current obligations of the Replacement Airport Capital Projects fund.

IV. Detailed Notes for All Funds

A. Cash deposits with financial institutions

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of June 30, 2013, the City's bank balance was $60,357,526 and $59,465,241 of that amount was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging or financial institution's trust department or agent, but not in the City's name.

At June 30, 2013, the City had the following cash & investments:

Investment Type	Fair Value	Percentage
U.S. Treasuries	$2,542,553	3.37%
State Treasurer's investment pool	56,482,488	74.87%
Bank certificates of deposit	475,194	.63%
Bank demand deposits (checking & saving)	330,071	.44%
Insurance company contracts (pension plan)	15,615,527	20.69%
Total fair value	$ 75,445,833	100.00

Interest Rate Risk

In accordance with the City's Investment Policy, the City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so securities mature to meet cash requirements for ongoing operations; and by investing operating funds primarily in shorter-term securities,

money market mutual funds, or similar investment pools. At June 30, 2013, the weighted average of maturities was 63.16 days. Further information on the state treasurer's investment pool is available on the Utah State Treasurer's website at www.treasurer.state.ut.us or by telephone at 801-538-1042.

Credit Risk

The City's Investment Policy and the Utah State Money Management Act (the Act) limits investments in commercial paper and corporate bonds to be rated by two nationally recognized statistical rating organizations (NRSROs), one of which must be Moody's Investors Service or Standard & Poor's. It is the City's policy to limit its investments in these investment types to "first tier" investments with ratings of "A" or higher as issued by NRSROs. Investments in U.S. Government guaranteed securities are exempt from a rating requirement, as are investments in the Utah Public Treasurer's Investment Fund (UPTIF).

Concentration of Credit Risk

The City's Investment Policy and the Act are explicit in how the City will diversify its investments by issuer. Diversification of investments with a single institution (issuer) must comply with applicable rules of the Act, specifically:

- No more than 20% of funds may be invested in any one permitted qualified out-of-state depository institution
- No more than 10% of the total portfolio with a single Commercial Paper or Corporate Notes issuer if the portfolio is $10,000,000 or less
- No more than $1,000,000 in a single Commercial Paper or Corporate Notes issuer if the portfolio is greater than $10,000,000 but less than $20,000,000
- No more than 5% of the total portfolio with a single Commercial Paper or Corporate Notes issuer if the portfolio is $20,000,000 or more
- May not exceed the maximum amount of funds allowed to be held by any qualified depository as reported quarterly by the State Council

Further, for issuers which are not covered by rules or statute, the City will restrict its investments to no more than 20% with a single issuer with the exception of funds invested with the UPTIF, U.S. Treasury securities, or funds held in trust (i.e. construction, sinking, or reserve bond funds, etc.).

As of June 30, 2013, no investments exceeded this policy.

B. Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectible accounts) line for certain funds and aggregated columns. Below is the detail of receivables for the governmental funds in the aggregate.

Receivables	General	Repl Airport Cap Proj Fund	Public Works Cap Proj Fund	Other Govn. Funds	Total
Accounts	$345,928		$112,283	$ 64,152	$ 522,363
FY 2013 Property taxes	306,628			144,195	450,823
FY 2014 Property taxes	8,000,000			3,773,450	11,773,450*
Grants	115,889	$10,950,000		3,104,745	14,170,634
Sales Taxes	2,576,548			782,941	3,359,489
Special Assessments				224,011	224,011
Transit room taxes				150,936	150,936
Franchise taxes	135,443				135,443
Total receivable	$11,480,436	$10,950,000	$112,283	$8,244,430	$30,787,149

* The 2014 Property taxes are levied in June 2013 for the fiscal year 2014 and thus are shown as receivable but also reflected as deferred inflows on the statement of net position.

Below is the detail of receivables for the proprietary funds in the aggregate.

Receivables	Electric	Water	Other Wastewater Treatment	Proprietary Funds	Total
Accounts	$9,425,348	$3,325,943	$322,111	$1,419,558	$14,492,960
Grants	295,887	19,838			315,725
Gross receivable	$9,721,235	$3,345,781	$322,111	$1,419,558	$14,808.685
Less: Allowance	(1,101,871)	(399,659)		(175,595)	(1,677,125)
Net Receivables	$8,619,364	$2,946,122	$322,111	$ 1,243,963	$13,131,560

C. Deposits

Enterprise fund deposits are deposits the City requires from residential renters and any business receiving a utility connection. The deposit is returnable after 3 years for residential and 2 years for business customers upon proof of good credit performance.

D. Capital assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$87,143,915	706,982	1,297,808	86,553,089

Capital assets being depreciated:

Buildings	31,920,052	951,744		32,871,796
Improvements	65,477,499	2,817,975		68,295,474
Infrastructure	218,700,166	8,118,478		226,818,644
Equipment, etc	26,913,766	1,917,065		28,830,831
Total capital assets being depreciated	343,011,483	13,805,262		356,816,745
Less accum. depreciation for:				
Buildings	12,683,061	1,035,725		13,718,786
Improvements	21,978,569	2,180,079		24,158,648
Infrastructure	53,935,828	3,465,653		57,401,481
Equipment etc	17,319,395	1,606,938		18,926,333
Total accum. depreciation	105,916,853	8,288,395		114,205,248
Total capital assets being depreciated, net	237,094,630	5,516,867		242,611,497
Governmental activities capital assets, net	$324,238,545	$ 6,223,849	$1,297,808	$329,164,586

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	30,561,922			30,561,922
Capital assets being depreciated:				
Buildings and systems	331,164,199	4,725,637		335,889,836
Improvements	18,028,379	39,051		18,067,430
Machinery & Equipment	21,796,132	1,186,251		22,982,383
Total capital assets being depreciated	370,988,710	5,950,939		376,939,650
Less accum. depreciation for:				
Buildings and systems	104,406,297	9,722,273		114,128,570
Improvements	7,216,590	783,228		7,999,818
Machinery & Equipment	18,102,032	900,920		19,002,952
Total accum. Depreciation	129,724,919	11,406,421		141,131,340
Total capital assets being depreciated, net	241,263,791	(5,455,482)		235,808,309
Business-type activities net capital assets	$271,825,713	(5,455,482)		$266,370,231

In the government-wide financial statements depreciation was charged as follows by program or activity:

Governmental activities:	
General government	$1,129,127
Public safety	891,785
Highways, streets, etc.	4,300,587
Parks, recreations, etc.	1,930,345
Community development	36,550
Total depreciation expense - governmental activities	$8,288,394
Business-type activities:	
Municipal building authority	$ 98,335
Water utility	2,570,458
Wastewater collection	422,209
Electric utility	6,377,950
Golf courses	435,315
Regional wastewater treatment	1,502,153
Total depreciation expense - business-type activities	$11,406,420

The City has followed the procedure of capitalizing large purchases of poles, transformers, pipes, etc. in the electric and water enterprise funds. Many of these materials are not used immediately upon purchase, but rather kept on hand in case of an emergency need. Upon inspection of these supplies, it was deemed to be more accurate to classify these assets as inventory rather than to capitalize them. Thus, an inventory count was performed and an appropriate amount of the fixed assets were classified as inventory.

E. Interfund receivables, payables, and transfers

At June 30, 2013, interfund balances due to or from other funds was as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Golf Course Fund	$ 500,000
Wastewater Treatment Fund	Replacement Airport Fund	$18,141,946
Wastewater Treatment Fund	Refuse Collection Fund	64,002
Wastewater Treatment Fund	Drainage Utility Fund	272,225
Economic Development Fund	Golf Course Fund	3,226,166
Capital Equip Capital Proj. Fund	Police Impact Fund	2,289
Capital Equip Capital Proj. Fund	Ft. Pierce EDA Fund	20,531
Capital Equip Capital Proj. Fund	Dixie Center EDA Fund	6,830
Capital Equip Capital Proj. Fund	Street Bonds Capital Proj Fund	21,450
Capital Equip Capital Proj. Fund	2010 Flood Reconstruction Fund	4,693,895

The General Fund receivable from the Golf Course Fund is a working capital loan to help with cash flow in the golf course fund.

The Wastewater Treatment fund receivable from the Replacement Airport Fund is a bridge loan to cover the time period before the remaining federal grants come in to fully fund the replacement airport. Approximately $11,000,000 of this will be repaid in fiscal year 2014 when the receivable in the replacement airport fund is received in cash. The balance will then be repaid in fiscal year 2015 with another installment of federal grants.

The other interfund payables represent negative cash balances in the respective funds and are being covered by the other receivable funds. It is anticipated that these are temporary in nature and will be repaid during the 2014 fiscal year.

In addition to the above amounts which will be repaid by the respective funds, transfers were made which will not be repaid. Such amounts for the fiscal year ended June 30, 2013 were as follows:

Fund Transferring Out	Fund Receiving Transfer	Amount
General Fund	Dixie Center Operations	$ 467,000
	Capital Projects Capital Equip	3,500,000
	Public Works Cap. Projects	500,000
Economic Development Fund	Golf Course Fund	563,725
	Airport Debt Serv Fund	13,850
Transportation Improvement	SunTran Public Transit Fund	350,000
	Public Works Capital Proj.	3,131,353
	Street Bond Cap. Proj. Fund	2,016,000
	General Fund	85,000
Airport PFC Fund	Replacement Airport	85,000
Capital Equipment Fund	Park Impact Fund	523,609
Street Bond Capital Proj. Fund	Public Works Capital Proj.	2,134,842
Park Impact Fund	General Fund	75,000
	Capital Projects Capital Equip	320,000
Drainage Impact Fund	Public Works Capital Proj.	1,025,196
Drainage Utility Fund	Public Works Capital Proj.	2,353,467
Drainage Utility Fund	General Fund	85,000
CDBG Special Revenue Fund	General Fund	45,581
	Park Impact Fund	85,000
Ft. Pierce EDA Fund	Housing Program Fund	104,494*
	General Fund	18,000
Ft. Pierce EDA Fund	Street Bond Cap Proj Fund	200,000
EDA #1 Fund	Housing Program Fund	66,608*
	General Fund	11,600
	Street Bond Cap Proj Fund	154,000
Dixie Center EDA Fund	General Fund	13,600
	Street Bond Cap Proj Fund	376,000
Ft. Pierce CDA Fund	General Fund	11,500

Ft. Pierce CDA Fund	Street Bond Cap Proj Fund	285,000
Replacement Airport Fund	Water Utility Fund	500,000
Street Impact Fund	Public Works Capital Proj.	574,560
	Total Interfund Transfers	$ 19,674,985

Total Interfund Transfers - Governmental Funds	18,296,243
Total Interfund Transfers - Enterprise Funds	1,378,742

These interfund transfers represent the participation by various funds in large capital projects throughout the City which are funded from multiple resources and from numerous funds and also to account for the payment of debt service with with similar circumstances.

*The transfers from the EDA funds to the Housing Program Fund are transfers of property tax increments received in the EDA funds but which are restricted as to use by the Olean Walker housing program within the State of Utah. The Housing Program Fund is thus accounted for as a special revenue fund because of the restrictions upon the funds use.

F. Long-term debt

General Obligation Bonds

The City has issued general obligation bonds to provide funds for the acquisition and construction of major parks and recreation capital facilities throughout the City. In a special election in 1996, the citizens authorized the issuance of up to $18 million in general obligation bonds. In January of 1997, the first installment of such bonds were issued for $12 million. In January of 1999, the balance of $6 million was issued. In fiscal year 2004, the City advance refunded $10,880,000 of the 1997 G O bonds due after August 1, 2007. These bonds totaled $11,645,000. In December of 2006 the City advance refunded $4,925,000 of the 1999 G O bonds due after August 1, 2012. These bonds totaled $5,140,000. On July 30, 2010, the City issued the Series 2010 General Obligation Refunding Bonds in a total amount of $5,395,000. The bonds were issued to take advantage of lower interest rates.

General obligation bonds are direct obligations of the City and pledge the full faith and credit of the City. The 2004 G O Refunding bonds totaling $11,645,000 were issued with annual installments of $690,000 to $1,420,000 thru August 1, 2021. The 2010 G O Refunding bonds totaling $5,395,000 were issued with annual installments of $70,000 to $1,805,000 thru August 1, 2023.

General obligation bonds currently outstanding at June 30, 2013 are as follows:

Governmental activities:

	Interest rates	Amount
2004 G.O. Parks & Recreation	4.00% to 5.00%	$ 8,910,000
2010 G.O. Parks & Recreation	2% to 4%	5,085,000
		$13,995,000

In addition, the City Downtown Redevelopment Agency has issued sales tax revenue bonds which were used for the refurbishing of a portion of the downtown part of the City. Such bonds are treated as general obligation debt by the City as they are guaranteed by the assessment and collection of property taxes in accordance with the redevelopment laws of the State of Utah. The 2011 Sales Tax Revenue bonds are due in annual installments of $455,000 to $870,000 thru June 15, 2015. At June, 30, 2013 the outstanding balance of this issue was as follows:

Governmental activities:

	Interest rates	Amount
2011 Sales Tax Revenue bonds	1.70%	$1,325,000

In the 2009 fiscal year, the City issued refunding sales tax revenue bonds totaling $22,485,000 for the purpose of refunding the 2007 Sales Tax Revenue bonds totaling $23,065,000 in order to take advantage of lower interest rates. The bonds are due in annual installments of $2,575,000 to $2,980,000 per year from November 1, 2009 thru November 1, 2017. They have an interest rate of 3.0% to 5.053%.

Governmental activities:

	Interest rates	Amount
2009 Sales Tax Revenue bonds	3.0% to 5.053%	$13,835,000

The City has another debt which it treats as general obligation type debt because of the nature of the debt and the revenues being used to fund the related debt service. In 2004, the City issued Excise Tax revenue bonds which are secured by the collection of Class "C" road funds in the General Fund. Such bonds were originally issued for $5,000,000 and were used for the construction of major capital asset facilities throughout the City in accordance with the allowed uses of Class "C" road funds as mandated by the State of Utah. The bonds are repaid in annual installments of $750,000 thru December 1, 2013. At June 30, 2013, the debt balance is a follows:

Governmental activities:

	Interest rates	Amount
2004 Excise Tax Revenue Bonds	4.38%	$750,000
Total City reflected General Obligation Debt		$29,905,000

Annual debt service requirements to maturity for the above reflected general obligation debt is as follows:

(In thousands of dollars)

Year ended June 30	Principal	Interest	Totals
2014	$4,620	$1,067	$ 5,687
2015	4,450	919	5,369
2016	3,740	781	4,521
2017	3,945	617	4,562
2018	4,165	449	4,614
2019-2024	8,985	1,204	10,189
Totals	$29,905	$5,037	$34,942

On December 15, 2009, the City issued additional bonds for the construction of the replacement airport. These bonds were issued in two series. The 2009A Excise Tax Revenue Bonds (Federally taxable-issuer subsidy Build America Bonds) totaled $3,504,000 dollars and have an interest rate of 7.95% and are due June 1, 2010 thru December 1, 2021 in amounts ranging from $264,000 per year to $381,000. The federal subsidy rate on the bonds is 35% of the interest paid by the issuer (ie: the City). At June 30, 2013 the balance of this bond issue is $2,675,000. The 2009B Excise Tax Revenue Bonds (Federally taxable-issuer subsidy Recovery Zone Bonds) totaled $6,723,000 and have an interest rate of 7.95% and are due December 1, 2021 thru June 1, 2024 in amounts ranging from $91,000 to a balloon payment on June 11, 2024 of $5,794,000. The federal subsidy rate on the bonds is 45% of the interest paid by the issuer (ie: the City). At June 30, 2013, the balance of this bond issue is the original issue amount of $6,723,000.

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

(in thousands of dollars)

Year Ended June 30	Principal	Gross Interest	Interest Subsidy	Net Totals
2014	$265	$742	$313	$694

Year Ended June 30	Principal	Gross Interest	Interest Subsidy	Net Totals
2015	281	721	306	696
2016	295	698	296	697
2017	311	674	286	699
2018	327	649	283	693
2019-2024	7,919	3,290	1,387	9,822
	$ 9,398	$6,774	$2,871	$13,301

The City has entered into an inter-local agreement with Washington County for the sharing of TRCC (convention, resort, etal.) taxes which will be the revenue source for the repayment of these bonds. The agreement guarantees an allocation of $700,000 annually

from the county.

Revenue bonds

The City has also issued bonds where the revenues and assets of the issuing fund are pledged as security for the bonds. Revenue bonds outstanding at June 30, 2013 by issue are as follows: (in thousands)

Bond Descrip.	Original Issue	Annual principal	Interest rates	Final Due Date	Amount
1998A MBA	$6,270	$80 to $100	4.5% to 4.7%	9/1/17	$ 450
2000 Woodward	350	$18 to $23	2.5%	4/1/21	162
Total Municipal Bldg	6,620				612
2013 Water	$3,637	$100 to $1191	1.26%	7/1/16	$ 3,637
2003 Water	12,325	$1045	5.0%	7/1/13	1,045
2011 Water	6,120	$715 to $830	2% to 3%	6/1/20	5,375
2012 Water	3,830	$235 to $405	2% to 3%	7/1/25	3,830
2004 Water	31,000	$1330 to $1400	5%	7/1/14	2,730
Total Water Utility	56,912				16,617
1993B Sewer	4,000	$275	3.5%	6/15/14	275
2004 Sewer	7,015	$805 to $935	5%	7/1/16	3,480
Total Wastewater Treatment	11,015				3,755
2005 Electric Rev	$17,280	$785 to $3,305	3.6% to 5%	6/01/25	$ 12,010
2008 Electric Rev	50,000	$1000 to $3,190	4.25% - 5%	6/01/38	47,225
Total Electric	$67,280				$ 59,235
Total Business-type activities	$141,827				$ 80,219

Revenue bond debt service requirements to maturity are as follows: (in thousands)

Year Ended June 30	Principal	Interest	Totals
2014	$ 6,153	$ 3,662	$ 9,815
2015	6,117	3,252	9,369
2016	5,107	3,050	8,157
2017	5,366	2,881	8,247
2018	3,350	2,725	6,075
2019-2023	15,716	11,574	27,290
2024-2028	12,565	8,082	20,647
2029-2033	11,345	5,382	16,727

2034-2038		14,500	2,246	16,746
	Totals	$ 80,219	$42,854	$123,073

In the current fiscal year, the City issued the 2013 Series Water Refunding bonds to pay and cancel the 2003 Series Water Bonds. The total bonds issued were $3,637,000. The proceeds of these bonds were then used to redeem the 2003 bonds on the due date of July 1, 2013 totaling $3,470,000. The issue was made to take advantage of lower interest rates. The total cash flows over the life of the new debt is $3,737,624 in comparison with $3,931,475. This represents a net present value savings of $188,800 after costs of issue.

In prior years, the City defeased certain outstanding bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the City's financial statements. At June 30, 2013, the following outstanding bonds are considered defeased:

1986A Water Revenue Bonds	$6,195,000
1986B Water Revenue Bonds	5,170,000
1991 Water Revenue Bonds	5,670,000
1995A Water Revenue Bonds	8,010,000
1987A Subordinated Water bonds	1,785,000
1996A Municipal Building Authority bonds	2,829,000
1996B Municipal Building Authority bonds	2,042,000
1996C Municipal Building Authority bonds	1,066,000
1997 G O Parks & Recreation bonds	10,880,000
1997A Sewer Revenue bonds	10,400,000
1993 Sewer Revenue bonds	4,115,000
2000 Golf Course Revenue bonds	2,633,552
1993 Water Revenue bonds	13,575,000
1999 MBA Crosby bonds	841,000
1999 G O Parks & Recreation bonds	4,925,000
2007 Sales Tax Revenue bonds	23,065,000
2004 Water Revenue bonds	21,035,000

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2013 was as follows: (in thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due in OneYr
Governmental activities:					
Bonds payable:					
G.O. Bonds	$ 14,760	$	$(765)	$13,995	$ 840

Sales Tax Bonds	18,099	-	(2,939)	15,160	3,030
Excise Bonds	1,470	-	(720)	750	750
Federal Subsidy bonds	9,644	-	(246)	9,398	265
Special assessment debt with governmental commitment	317	-	(317)	-	-
Total bonds payable	44,290	-	(4,987)	39,303	4,885
McArthur note	112	-	(20)	92	20
SITLA Note payable	12,744	-	(4,500)	8,244	3,750
UDOT SIB loan	1 546	-	(765)	781	781
WICA lease	3,908	-	(270)	3,638	289
Interest payable	752	-	(169)	583	
Unamortized premiums	851	-	(121)	730	
Vacation payable	1,223	9	(-)	1,232	-
Governmental activity long-term liabilities	$65,426	$ 9	$ (10,832)	$54,603	$9,725
Business-type activities:					
Bonds payable:					
Revenue bonds	$ 85,749	$3,637	$(9,167)	$ 80,219	6,153
Capital leases	800	-	(168)	632	176
Total business-type long-term liabilities	$86,549	$3,637	$(9,335)	$ 80,851	$6,329

G. Leases payable

The City has entered into a lease agreement as lessee for financing the acquisition of golf carts, mowers, and tractors in the golf course fund. These lease agreements qualify as capital leases for accounting purposes (title transfers at the end of the lease terms for a nominal $1 payment) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception and is being depreciated in the golf course fund. The value of the equipment is $1,348,246. Accumulated depreciation on this equipment totals $930,079.

The following is a schedule of future minimum lease payments under such capital leases, and the present value of net minimum lease payments at June 30, 2013.

Fiscal year ended	Golf Carts
June 30, 2014	$204,144
June 30, 2015	319,144
June 30, 2016	164,000
Total payments	687,288
Less amount representing interest	(55,393)
Present value of lease payments	$631,895

Washington County/St. George City Interlocal Agency

The Washington County/St. George City Interlocal Agency (the Agency) or WCIA was formed on January 6, 1997 by Washington County and St. George City pursuant to the Utah Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended. The Agency's purpose is to provide for the acquisition, construction, equipping and operation and maintenance of recreational, tourist, cultural and convention facilities. The interlocal agreement terminates after 30 years or such later date upon which all bonds of the Agency and other contractual obligations have been retired, but in no event later than 50 years after January 6, 1997.

The Agency's governing board consists of five members, two appointed by the Board of Washington County commissioners, two members appointed by the St. George City council and one member elected by the four Agency board members. Each member is entitled to one vote; however, budgeting and financing is not effective until approved by the Board of Commissioners and City Council. The Agency is considered a joint building or finance authority, as per GASB's Codification, Section J50.109. The Agency's separate financial statements are available by calling 435-628-7003.

The City subleases an undivided 38% interest in the convention center facilities from Washington County, which has a master lease for rental of the facilities owned by the Agency. The County will make base lease payments to the Agency equal to the Agency's bond payments over a period of 25 years. The County will receive from the City sublease payments totaling $10,179,096 over the 25 year period with annual payments ranging from $304,057 to $578,188. The Agency's right and interest in the facilities will be transferred to Washington County and St. George City upon payment by the County and the City of the then applicable purchase option price, or all the base rentals, or upon discharge of the lien on the Indenture.

The lease is considered a capital lease based on GASB's Codification, Section L.20.119-122 and FASB's Statement 13. The following is an annual schedule of future minimum lease payments and St. George City's sublease payments:(in thousands)

Fiscal year ended	Payments
June 30, 2014	$ 459
June 30, 2015	465
June 30, 2016	469
June 30, 2017	469

Fiscal year ended	Payments
June 30, 2018	476
2019-2023	2,322
Total remaining minimum lease payments	4,660
Less amount representing interest	(1,022)
Present value of net remaining minimum lease payments	$3,638

For the fiscal year ended June 30, 2013 expenditures were payments for O&M of $594,891 and debt service payments of $405,537.

H. Restatements and Reclassifications

The City implemented GASB statement no. 65, *Items Previously Reported as Assets and Liabilities.* The provisions of this statement require that bond issuance costs be expensed in the year they are incurred. Previously bond issuance costs had been treated as an asset and amortized over the life of the related debt. In order to implement GASB statement No. 65, bond issuance costs previously reported as assets had to be removed from the financial statements. This resulted in a restatement of beginning equity in the following funds. Assets were reduced by the same amounts.

Electric Utility:	$310,392
Water Utility:	$209,555
Wastewater Treatment Utility:	$ 31,277
Municipal Building Authority:	$ 16,542

I. Segment information

The City Municipal Building Authority issued revenue bonds for the construction of the police department building, the Museum & Opera House. Investors in the revenue bonds rely solely on the revenues generated by rents charged to other city funds (Police Impact Fund and General Fund) for the repayment of principal and interest on the bonds. Summary financial information for the municipal building authority is presented below.

CONDENSED STATEMENT OF NET POSITION

	MBA
Assets:	
Cash and investments	$230,757
Other assets (prepaids & deferred bond costs)	27,636
Capital assets	10,770,124
Less depreciation	(1,480,195)
Total assets	9,548,321
Liabilities:	
Accrued liabilities	7,918
Due to other funds	-
Noncurrent liabilities	612,000
Total liabilities	619,918
Net position:	
Net investment in capital assets	8,705,564
Restricted	-

Unrestricted	222,838
Total net position	$8,928,403

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	MBA
Charges for services	$ -
Depreciation expense	(98,336)
Other operating expenses	(13,461)
Operating income(loss)	(111,797)
Nonoperating revenues (expenses)	
Interest income	837
Rental income	127,005
Interest expense	(25,868)
Change in net position	(9,822)
Beginning net position	8,954,767
Restate net position for GASB 65	(16,542)
Ending net position	$8,928,403

CONDENSED STATEMENT OF CASH FLOWS

	MBA
Net cash provided (used) by:	
Operating activities	$ 12,787
Noncapital financing activities	127,005
Capital and related financing activities	(140,409)
Investing activities	837
Net increase (decrease)	220
Beginning cash & cash equivalents	230,536
Ending cash & cash equivalents (deficit)	$230,756

V. Other information

A. Risk management

The City, effective July 1, 1991, is self-insured up to $250,000 for general liability, law enforcement liability, and auto liability with excess insurance up to $25,000. Property is covered by a blanket all risk policy with limits of up to $241,112,583. Traveler's Insurance administers the insurance policies above what the City provides as self-insurance.

	6/30/13	6/30/12
Unpaid claims beginning of fiscal year	$ 27,983	$ 5,691
Incurred claims	270,089	322,238
Claim payments	(265,721)	(299,946)
Unpaid claims, end of fiscal year	$ 32,351	$ 27,983

B. Contingent liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City. A contingent liability of less than $250,000 is estimated to be possible.

C. Jointly governed organization

The City, in conjunction with 38 other governmental entities that provide for the purchase and transmission of electrical services, created the Utah Association of Municipal Power System (UAMPS). UAMPS owns an interest in various power generation entities as well as coordinates the purchase of additional power on the open spot-market. The UAMPS board is comprised of one member from each participating entity (dependent on the particular projects which an entity elects to participate in). Except for minimum purchase requirements, no participant has any obligation, entitlement, or residual interest. The City's electrical utility fund purchased power totaling $5,974,609 during the fiscal year ended June 30, 2013.

D. Conduit debt obligations

From time to time, the City has issued Industrial Revenue Bonds (IRBs) to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be for the public interest. The bonds are secured by the property financed and are payable solely from payments received on underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2013, there had been twenty-five series of Industrial Revenue Bonds issued. The aggregate principal amount payable could not be determined; however, their original issue amounts totaled $77.8 million.

E. Commitments/subsequent events

1) On September 19, 2013, the City Council authorized the issuance and sale of not more than $10 million aggregate principal amount of franchise tax revenue bonds, Series 2013.

F. Downtown Redevelopment Fund required disclosures

In accordance with Section 17A-2-12117(3), the City's redevelopment agency (a component unit which is included as a capital project fund in this financial report) is required to disclose the following information:

1) The tax increment collected by the agency for each project area.
   A) The Downtown Redevelopment agency for the City is one project area.
   The total tax increment collected was $571,812

2) The amount of tax increment paid to any taxing agency pursuant to Section 17A-2-1258.
   A) No amounts were paid to others.

3) The outstanding principal of bonds and other loans incurred to finance projects in the area.
   A) 2011 Sales Tax Revenue bonds $1,325,000

4) The actual amount expended for:
   A) acquisition of property $0
   B) site improvements or preparation costs $47,229
   C) installation of public utilities or other public improvements $0
   D) administrative costs of the agency $23,496
   E) debt service payments $479,158

G. Employee retirement systems and pension plans

<u>Defined Benefit Pension Plan</u>

The City of St. George contributes to the Local Government Contributory Retirement System and Local Governmental Noncontributory Retirement System, Public Safety Retirement System for employers with Social Security coverage, Firefighters Retirement System which are for employers with Social Security coverage; all of which are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Utah Retirement Systems provide refunds, retirement benefits, annual cost of living allowances and death benefits to plan members and

beneficiaries in accordance with retirement statutes established and amended by the state legislature.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, Public Safety Retirement System for employers with Social Security coverage, and Firefighters Retirement System which are for employers with Social Security coverage. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 S, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy: Plan members are required to contribute a percent of their covered salary (all or part may be paid by the employer) to the respective systems to which they belong. During the current fiscal year, the City paid the following for the employees; 6.0% to the Contributory and 15.05% to the Firefighter's Retirement Systems respectively. The City of St. George is required to contribute a percent of covered salary to the respective systems, 12.03% to the Contributory Tier 1, 12.74% to the Contributory Tier 2, 16.04% to the Noncontributory, 30.45% to the Public Safety Noncontributory Tier 1, 19.25% to the Public Safety Noncontributory Tier 2. and 2.66% to the Firefighter's system. The contribution rates are the actuarially determined rates and are approved by the Board as authorized by Chapter 49.

The City of St. George contributions to the various systems for the years ending June 30, 2013, 2012, and 2011 respectively were; for the Contributory System, $148,180, $57,495, and $28,242; for the Noncontributory System, $2,820,257, $2,510,230, and $2,366,650; for the Public Safety Noncontributory, $1,450,326, $1,309,421, and $1,270,953; and for the Firefighters System, $250,845, $218,348, and $204,343 respectively. The contributions were equal to the required contributions for each year.

Defined Contribution Plan

The City also provides pension benefits for all its full-time employees through a defined contribution plan administered by ICMA Retirement Corporation. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. The contribution rates established by the City Council are 3.30% for non-exempt employees covered by the Contributory Tier 2, 0% for non-exempt employees covered by the Non-contributory, and 16.05% for department heads exempt from the State Systems.

The contributions to the plan totaled $256,098 which represents all required contributions. Because it is a defined contribution plan, all amounts are vested and there is no unfunded liability.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency. The City of St. George has adopted Governmental Accounting Standards Board Statement 32 (GASB No. 32), "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". This has resulted in the reporting of the 457 Plans as a "Trust Fund" rather than previously as an "Agency Fund". Now all of the assets and income of the 457 Plan are held in trust for the exclusive benefit of the participants or their beneficiaries rather than the assets of the City. The plan is invested with and administered by the Utah State Retirement Systems and the ICMA.

SUPPLEMENTAL DATA

City of St. George, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2013

	Special Revenue Funds						
Assets	**Dixie Center Ops**	**Airport PFC Fees**	**Economic Development**	**Transportation Improvement**	**CDBG Grant Fund**	**Museum Acquis. Fund**	**Johnson Farm Dinosaur Tracks**
Cash and investments	$ 366,886	$ 230,660	$ 860,478	$ 1,889,151	$ 30,177	$ 30,359	$ 65,344
Receivables:							
Accounts	150,936	13,475		782,941	27,386		
Due from other funds			3,226,166				
Total assets	$ 517,821	$ 244,135	$ 4,086,644	$ 2,672,092	$ 57,563	$ 30,359	$ 65,344
Liabilities:							
Accounts payable	$ -	$ -	$ 7,965	$ -	$ 12,000	$ -	$ -
Due to other funds							
Total liabilities	-		7,965	-	12,000	-	-
Deferred Inflows of Resources:							
Unavailable revenues - 2014 Property Tax Levy							
	-	-	-	-	-	-	-
Fund balances:							
Restricted for:							
Public safety programs							
Transportation programs		244,135		2,672,092			
Housing & comm. Devlpmnt							
Parks construction & devlpmnt							
Special revenue funds	517,821				45,563		
Debt service funds							
Capital project funds							
Assigned to:							
Special revenue funds			4,078,679			30,359	65,344
Capital project funds							
Unassigned							
Total fund balances	517,821	244,135	4,078,679	2,672,092	45,563	30,359	65,344
Total liabilities, deferred inflows and fund balances	$ 517,821	$ 244,135	$ 4,086,644	$ 2,672,092	$ 57,563	$ 30,359	$ 65,344

(continued)

City of St. George, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2013
(continued)

	Special Revenue Funds					
Assets	**Affordable Housing Program**	**Ft. Pierce CDA Fund**	**Ft Pierce EDA Fund**	**Econ Devlpmnt Agency #1**	**Dixie Center Area EDA Fund**	**SunTran Public Transit**
Cash and investments	$ 680,135	$ 15,741	$ -	$ 161,114	$ -	$ 211,350
Receivables:						
Accounts		652,019	518,987	300,278	400,404	175,650
Due from other funds						
Total assets	$ 680,135	$ 667,760	$ 518,987	$ 461,392	$ 400,404	$ 387,000
Liabilities:						
Accounts payable	$ -	$ -	$ 12,190	$ -	$ -	$ 7,917
Due to other funds			20,531		6,830	
Total liabilities	-	-	32,721	-	6,830	7,917
Deferred Inflows of Resources:						
Unavailable revenues - 2014 Property Tax Levy		636,000	480,000	270,000	388,500	
	-	636,000	480,000	270,000	388,500	-
Fund balances:						
Restricted for:						
Public safety programs						
Transportation programs						379,082
Housing & comm. Devlpmnt	680,135					
Parks construction & devlpmnt						
Special revenue funds		31,760	6,265	191,392	5,074	
Debt service funds						
Capital project funds						
Assigned to:						
Special revenue funds						
Capital project funds						
Unassigned						
Total fund balances	680,135	31,760	6,265	191,392	5,074	379,082
Total liabilities, deferred inflows and fund balances	$ 680,135	$ 667,760	$ 518,987	$ 461,392	$ 400,404	$ 387,000

(continued)

City of St. George, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2013
(continued)

	Debt Service			Capital Projects Funds				
Assets	**Special Assessments**	**Recreation Bond D.S.**	**Airport Bond D.S.**	**Downtown RDA**	**Park Impact**	**Street Impact**	**Capital Equipment**	**Drainage Impact**
Cash and investments	$ 30,045	$ 246,266	$ 394,230	$ 604,275	$ 3,008,793	$ 2,524,912	$ 12,291,169	$ 1,659,258
Receivables:								
Accounts	224,011	1,413,200		669,855	-		7,964	-
Due from other funds				-	-	-	4,744,995	-
Total assets	$ 254,056	$ 1,659,466	$ 394,230	$ 1,274,131	$ 3,008,793	$ 2,524,912	$ 17,044,128	$ 1,659,258
Liabilities:								
Accounts payable	$ 458	$ -	$ -	$ 43,783	$ 80,573	$ -	$ 3,711	$ -
Due to other funds				-	-	-		-
Total liabilities	458	-	-	43,783	80,573	-	3,711	-
Deferred Inflows of Resources:								
Unavailable revenues - 2014 Property Tax Levy		1,413,200		585,750				
	-	1,413,200	-	585,750	-	-	-	-
Fund balances:								
Restricted for:								
Public safety programs								
Transportation programs						2,524,912		
Housing & comm. Devlpmnt								
Parks construction & devlpmnt					2,928,220			
Special revenue funds				-	-	-		-
Debt service funds	253,599	246,266	394,230	-	-	-		-
Capital project funds				644,597				1,659,258
Assigned to:								
Special revenue funds								
Capital project funds							17,040,417	
Unassigned								
Total fund balances	253,599	246,266	394,230 -	644,597	2,928,220	2,524,912	17,040,417	1,659,258
Total liabilities, deferred inflows and fund balances	$ 254,056	$ 1,659,466	$ 394,230	$ 1,274,131	$ 3,008,793	$ 2,524,912	$ 17,044,128	$ 1,659,258

(continued)

City of St. George, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2013

	Capital Projects Funds					
Assets	**Fire Dept Impact**	**Police Impact**	**Street Bonds Capital Proj.**	**2010 Flood Reconstruction**	**2012 Flood Reconstruction**	**Totals**
Cash and investments	$ 15,635	$ -	$ -	$ -	$ 34,566	$ 25,350,544
Receivables:						
Accounts	-	-		2,907,325	-	8,244,430
Due from other funds	-	-		-	-	7,971,161
Total assets	$ 15,635	$ -	$ -	$ 2,907,325	$ 34,566	$ 41,566,135
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ 352	$ -	$ 168,950
Due to other funds	-	2,289	21,450	4,693,895	-	4,744,995
Total liabilities	-	2,289	21,450	4,694,247	-	4,913,945
Deferred Inflows of Resources:						
Unavailable revenues - 2014 Property Tax Levy						3,773,450
	-	-	-	-	-	3,773,450
Fund balances (deficits):						
Restricted for:						
Public safety programs						-
Transportation programs						5,820,222
Housing & comm. Devlpmnt						680,135
Parks construction & devlpmnt						2,928,220
Special revenue funds	-	-	-	-	-	797,875
Debt service funds	-	-	-	-	-	894,095
Capital project funds						2,303,855
Assigned to:						
Special revenue funds						4,174,381
Capital project funds	15,635				34,566	17,090,617
Unassigned		(2,289)	(21,450)	(1,786,922)		(1,810,661)
Total fund balances (deficits)	15,635	(2,289)	(21,450)	(1,786,922)	34,566	32,878,740
Total liabilities, deferred inflows and fund balances	$ 15,635	$ (0)	$ (0)	$ 2,907,325	$ 34,566	$ 41,566,135

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Special Revenue Funds						
	Dixie Center Operations	Airport PFC Fees	Economic Development	Transportation Improvement	CDBG Grant Fund	Museum Acquis Fund	Johnson Farm Dinosaur Tracks
Revenues:							
Taxes & fees	$ 477,023	$ 206,572	$ -	$ 4,412,145	$ -	$ 28,165	$ -
Assessments							
Intergovernmental					414,034		
Investment income	1,090	898	19,784	22,052	21	120	317
Capital development fees							
Charges for services							-
Rents & royalties			185,000				
Other					66,000		
Total revenues	478,113	207,471	204,784	4,434,196	480,055	28,285	317
Expenditures:							
Current:							
General government			76,928		4,563		
Public Safety							
Highways & improvements		544		543			
Parks, recreation etc	594,891					542	9,584
Community & Econ Developmnt					302,714		
Operating Lease payments							
Debt service:							
Principal on long-term debt	269,880						
Interest on long-term debt	135,657						
Capital outlay:			39,733	113,534	-	20,300	
Total expenditures	1,000,428	544	116,662	114,077	307,277	20,842	9,584
Excess (deficiency) of revenues over expenditures	(522,315)	206,927	88,122	4,320,119	172,777	7,443	(9,267)
Other financing sources (uses):							
Transfers in	467,000		-				
Transfers out		(85,000)	(577,575)	(5,582,353)	(130,581)		
Proceeds of refunding bonds							
Premium on refunding bonds							
Property sales			-				
Contributions from private sources				113,534			
Contributions from other governmnts	374,922						
Total other financing sources (uses)	841,922	(85,000)	(577,575)	(5,468,819)	(130,581)	-	-
Net change in fund balances	319,607	121,927	(489,453)	(1,148,699)	42,196	7,443	(9,267)
Fund balances, beginning of year	198,214	122,208	4,568,132	3,820,791	3,367	22,916	74,611
Fund balances, end of year	$517,821	$244,135	$4,078,679	$2,672,092	$45,563	$30,359	$65,344

(continued)

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(continued)

	Special Revenue Funds					
	Affordable Housing Program	Ft. Pierce CDA Fund	Ft Pierce EDA Fund	Econ Devlpmnt Agency #1	Dixie Center Area EDA Fund	SunTran Public Transit
Revenues:						
Taxes & fees	$ -	$ 334,492	$ 522,471	$ 333,042	$ 389,564	$ 180,042
Assessments						
Intergovernmental						597,580
Investment income	2,168	835	578	1,213	710	
Capital development fees						
Charges for services						
Rents & royalties						
Other						3,405
Total revenues	2,168	335,327	523,050	334,255	390,274	781,027
Expenditures:						
Current:						
General government		544	545	545	545	
Public Safety						
Highways & improvements						1,210,409
Parks, recreation etc						
Community & Econ Developmnt	21,618	49,877	198,879	58,972		
Operating Lease payments						
Debt service:						
Principal on long-term debt						
Interest on long-term debt						
Capital outlay:		-				
Total expenditures	21,618	50,421	199,424	59,516	545	1,210,409
Excess (deficiency) of revenues over expenditures	(19,450)	284,906	323,626	274,739	389,729	(429,382)
Other financing sources (uses):						
Transfers in	171,102					350,000
Transfers out		(296,500)	(322,494)	(232,208)	(389,600)	
Proceeds of refunding bonds						
Premium on refunding bonds						
Property sales	25,000					
Contributions from private sources						
Contributions from other governmnts						
Total other financing sources (uses)	196,102	(296,500)	(322,494)	(232,208)	(389,600)	350,000
Net change in fund balances	176,652	(11,594)	1,132	42,531	129	(79,382)
Fund balances, beginning of year	503,483	43,354	5,133	148,861	4,945	458,464
Fund balances, end of year	$680,135	$31,760	$6,265	$191,392	$5,074	$379,082

(continued)

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(continued)

	Debt Service			Capital Projects Funds				
	Special Assessments	Recreation Bond D.S.	Airport Bond D.S.	Downtown RDA	Park Impact	Street Impact	Capital Equipment	Drainage Impact
Revenues:								
Taxes	$ -	$ 1,367,531	$ -	$ 571,812	$ -	$ -	$ -	$ -
Assessments	109,381			-		-		-
Intergovernmental			306,232	-	6,572	-	-	-
Investment income	3,190	291	2,339	2,496	8,996	11,941		10,916
Capital development fees				-	1,840,224	799,786		438,540
Charges for services							42,160	
Rents & royalties				-	-	-	14,793	-
Other				25,667	-	85,577	221,087	-
Total revenues	112,571	1,367,822	308,571	599,974	1,855,792	897,304	278,039	449,456
Expenditures:								
Current:								
General government	7,468			23,496			93,208	
Public Safety								
Highways & improvements			1,801			13,935		12,447
Parks, recreation etc		2,775			3,078			
Community & Econ Developmnt				-				
Operating Lease payments								
Debt service:								
Principal on long-term debt	317,000	765,000	246,000	449,000				
Interest on long-term debt	13,092	602,531	761,809	30,158				
Capital outlay:	-	-	-	47,229	1,062,248	5,088	3,182,201	12,072
Total expenditures	337,560	1,370,306	1,009,610	549,883	1,065,326	19,023	3,275,409	24,519
Excess (deficiency) of revenues over expenditures	(224,989)	(2,484)	(701,039)	50,091	790,466	878,281	(2,997,370)	424,938
Other financing sources (uses):								
Transfers in			13,850		608,609	-	3,820,000	
Transfers out					(395,000)	(574,560)	(523,609)	(1,025,196)
Proceeds of refunding bonds				-				
Premium on refunding bonds					-	-		-
Property sales							1,226,696	
Contributions from private sources							38,500	
Contributions from other governmnts			700,000					
Total other financing sources (uses)	-	-	713,850	-	213,609	(574,560)	4,561,587	(1,025,196)
Net change in fund balances	(224,989)	(2,484)	12,811	50,091	1,004,075	303,720	1,564,217	(600,259)
Fund balances, beginning of year	478,588	248,750	381,419	594,506	1,924,145	2,221,192	15,476,200	2,259,517
Fund balances, end of year	$253,599	$246,266	$394,230	$644,597	$2,928,220	$2,524,912	$17,040,417	$1,659,258

(continued)

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Capital Projects Funds					
	Fire Dept Impact	Police Impact	Street Bonds Cap. Proj.	2010 Flood Reconstruction	2012 Flood Reconstruction	Total
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 8,822,858
Assessments	-	-	-	-	-	109,381
Intergovernmental	-	-	-	4,175,416	120,322	5,620,155
Investment income	5	-	7,076	-	-	97,035
Capital development fees	218,886	84,046	-	-	-	3,381,482
Charges for services						42,160
Rents & royalties	-	-	-	-	-	199,793
Other	-	-		-	-	401,735
Total revenues	218,891	84,046	7,076	4,175,416	120,322	18,674,600
Expenditures:						
Current:						
General government				785		208,626
Public Safety	2,636	2,635				5,271
Highways & improvements			3,343	796,946	85,756	2,125,724
Parks, recreation etc						610,869
Community & Econ Developmnt						632,060
Operating Lease payments		60,000				60,000
Debt service:						
Principal on long-term debt			2,490,000			4,536,880
Interest on long-term debt			540,950			2,084,197
Capital outlay:	-			-	-	4,482,405
Total expenditures	2,636	62,635	3,034,293	797,731	85,756	14,746,032
Excess (deficiency) of revenues over expenditures	216,255	21,411	(3,027,217)	3,377,685	34,566	3,928,568
Other financing sources (uses):						
Transfers in	-	-	3,031,000	-		8,461,561
Transfers out	-	-	(2,134,842)	-	-	(12,269,518)
Proceeds of refunding bonds						-
Premium on refunding bonds	-	-				-
Property sales						1,251,696
Contributions from private sources						152,034
Contributions from other governmnts						1,074,922
Total other financing sources (uses)	-	-	896,158	-	-	(1,329,306)
Net change in fund balances	216,255	21,411	(2,131,059)	3,377,685	34,566	2,599,263
Fund balances, beginning of year	(200,620)	(23,700)	2,109,609	(5,164,607)	-	30,279,478
Fund balances, end of year	$15,635	($2,289)	($21,450)	($1,786,922)	$34,566	$32,878,741

CITY OF ST. GEORGE, UT
DIXIE CENTER OPERATIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Business license innkeeper fees	$ 462,000	$ 462,000	$ 477,023	$ 15,023
Interest income	-	-	1,090	1,090
Miscellaneous revenues			-	-
Total revenues	462,000	462,000	478,113	16,113
EXPENDITURES:				
Current:				
Parks, recreation, etc.	681,988	681,988	594,891	87,097
Debt service:				
Principal	269,880	269,880	269,880	-
Interest	189,080	189,080	135,657	53,423
Capital outlay:			-	-
Total expenditures	1,140,948	1,140,948	1,000,428	140,520
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(678,948)	(678,948)	(522,315)	156,633
OTHER FINANCING SOURCES (USES):				
Contributions from other governments	462,688	462,688	374,922	(87,766)
Proceeds from property sales			-	-
Transfers from other funds	467,000	467,000	467,000	-
Total other financing sources(uses)	929,688	929,688	841,922	(87,766)
EXCESS OF REVENUES OVER EXPENDITURES & OTHER FINANCING SOURCES (USES):	250,740	250,740	319,607	$ 68,867
Fund balance at beginning of year	198,214	198,214	198,214	
Fund balance at end of year	$ 448,954	$ 448,954	$ 517,821	

CITY OF ST. GEORGE, UT
AIRPORT PFC FEES - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Passenger facility charges	$ 190,000	$ 190,000	$ 206,572	$ 16,572
Interest income	1,000	1,000	898	(102)
Total revenues	191,000	191,000	207,471	16,471
EXPENDITURES:				
Current:				
Highways & public improvements	1,000	1,000	544	456
Capital projects:				
Improvements				
Property purchases			-	-
Equipment purchases	-			-
Total expenditures	1,000	1,000	544	456
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	190,000	190,000	206,927	16,927
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(85,000)	(85,000)	(85,000)	-
Appropriated fund balance			-	-
Total other financing sources (uses):	(85,000)	(85,000)	(85,000)	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	105,000	105,000	121,927	$16,927
Fund balance at beginning of year	122,208	122,208	122,208	
Fund balance at end of year	$ 227,208	$ 227,208	$ 244,135	

CITY OF ST. GEORGE, UT
ECONOMIC DEVELOPMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Interest income	$ 10,000	$ 10,000	$ 19,784	$ 9,784
Rent	175,000	245,000	185,000	(60,000)
Intergovernmental revenues				
Total revenues	185,000	255,000	204,784	(50,216)
EXPENDITURES:				
Current:				
General government	50,000	101,500	76,928	24,572
Capital projects:				
Land purchases				
Improvements		55,000	39,733	15,267
Total expenditures	50,000	156,500	116,662	39,838
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	135,000	98,500	88,122	(10,378)
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance		426,000		(426,000)
Sale of property			-	-
Transfers from other funds		-	-	-
Transfers to other funds	(225,000)	(614,500)	(577,575)	36,925
Total other financing sources(uses)	(225,000)	(188,500)	(577,575)	(389,075)
EXCESS OF REVENUES OVER EXPENDITURES & OTHER FINANCING SOURCES (USES):	(90,000)	(90,000)	(489,453)	$ (399,453)
Fund balance at beginning of year	4,568,132	4,568,132	4,568,132	
Fund balance at end of year	$ 4,478,132	$ 4,478,132	$ 4,078,679	

CITY OF ST. GEORGE, UT
TRANSPORTATION IMPROVEMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Highway sales taxes	$ 3,800,000	$ 4,021,600	$ 4,412,145	$ 390,545
Interest income	15,000	15,000	22,052	7,052
Total revenues	3,815,000	4,036,600	4,434,196	397,596
EXPENDITURES:				
Current:				
Highways and public improvements	20,000	20,000	543	19,457
Capital projects:				
Improvements		113,600	113,534	66
Total expenditures	20,000	133,600	114,077	19,523
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,795,000	3,903,000	4,320,119	417,119
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(7,077,000)	(7,710,000)	(5,582,353)	2,127,647
Contributions from private sources	-	92,000	113,534	21,534
Appropriated fund balance		433,000		(433,000)
Total other financing sources(uses)	(7,077,000)	(7,185,000)	(5,468,819)	1,716,181
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(3,282,000)	(3,282,000)	(1,148,699)	$ 2,133,301
Fund balance at beginning of year	3,820,791	3,820,791	3,820,791	
Fund balance at end of year	$ 538,791	$ 538,791	$ 2,672,092	

CITY OF ST. GEORGE, UTAH

CDBG GRANT FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Intergovernmental revenues	$ 494,629	$ 579,629	$ 414,034	$ (165,595)
Other income		60,000	66,000	6,000
Interest income			21	21
Total revenues	494,629	639,629	480,055	(159,574)
EXPENDITURES:				
Current:				
General government	10,000	10,000	4,563	5,437
Community & economic development	403,629	463,629	302,714	160,915
Capital projects:	-	-	-	
Improvements			-	-
Total expenditures	413,629	473,629	307,277	166,352
Excess (Deficiency) of expenditures over revenues	81,000	166,000	172,777	6,777
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance			-	-
Bonds sold		-	-	-
Transfer to other funds	(81,000)	(166,000)	(130,581)	35,419
EXCESS(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	-	-	42,196	$ 42,196
Fund balance at beginning of year	3,367	3,367	3,367	
Fund balance at end of year	$ 3,367	$ 3,367	$ 45,563	

CITY OF ST. GEORGE, UT
MUSEUM PERMANENT ACQUISITIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Fees and donations	$ 33,000	$ 33,500	$ 28,165	$ (5,335)
Interest income	250	250	120	(130)
Total revenues	33,250	33,750	28,285	(5,465)
EXPENDITURES:				
Current:				
General government				
Parks, recreation, etc.	550	550	542	8
Capital projects:				
Improvements	20,000	20,500	20,300	200
Total expenditures	20,550	21,050	20,842	208
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	12,700	12,700	7,443	(5,257)
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	-	-	-	-
Appropriated fund balance			-	-
Total other financing sources(uses)	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	12,700	12,700	7,443	$ (5,257)
Fund balance at beginning of year	22,916	22,916	22,916	
Fund balance at end of year	$ 35,616	$ 35,616	$ 30,359	

CITY OF ST. GEORGE, UTAH

JOHNSON DINO TRACK PRESERVATION - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Admission fees	$ -	$ -	$ -	$ -
Other revenues	-	-	-	-
Investment income	500	500	317	(183)
	500	500	317	(183)
EXPENDITURES:				
Current				
Parks, recreation, etc.	16,700	16,700	9,584	7,116
Capital projects:				
Improvements				-
Total expenditures	16,700	16,700	9,584	7,116
Excess (Deficiency) of expenditures over revenues	(16,200)	(16,200)	(9,267)	6,933
OTHER FINANCING SOURCES:				
Appropriated fund balance	-	-		-
Contributions from private sources		-	-	-
Transfers from other funds	-	-		-
Total other financing sources:	-	-	-	-
EXCESS(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(16,200)	(16,200)	(9,267)	$ 6,933
Fund balance at beginning of year	74,611	74,611	74,611	
Fund balance at end of year	$ 58,411	$ 58,411	$ 65,344	

CITY OF ST. GEORGE, UTAH

HOUSING PROGRAMS - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Charges for services	$ -	$ -	$ -	$ -
Interest income	2,000	2,000	2,168	168
Total revenues	2,000	2,000	2,168	168
EXPENDITURES:				
Current:				
Community and economic improvements	41,000	41,000	21,618	19,382
Land Purchases	400,000	400,000	-	400,000
Building Construction	-	-	-	-
Total expenditures	441,000	441,000	21,618	419,382
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(439,000)	(439,000)	(19,450)	419,550
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	216,000	216,000	171,102	(44,898)
Sale of property			25,000	25,000
Total other financing sources (uses):	216,000	216,000	196,102	(19,898)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(223,000)	(223,000)	176,652	$ 399,652
Fund balance at beginning of year	503,483	503,483	503,483	
Fund balance at end of year	$ 280,483	$ 280,483	$ 680,135	

CITY OF ST. GEORGE, UTAH

FT. PIERCE CDA - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Economic development taxes	$ 800,000	$ 800,000	$ 334,492	$ (465,508)
Interest income	2,000	2,000	835	(1,165)
Total revenues	802,000	802,000	335,327	(466,673)
EXPENDITURES:				
Current:				
General government	1,000	1,000	544	456
Community & Economic development	30,000	30,000	49,877	(19,877)
Capital Outlay:				
Improvements	-	20,000		20,000
Total expenditures	31,000	51,000	50,421	579
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	771,000	751,000	284,906	(466,094)
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(496,000)	(496,000)	(296,500)	199,500
Appropriated fund balance		20,000	-	(20,000)
Total other financing sources (uses):	(496,000)	(476,000)	(296,500)	179,500
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	275,000	275,000	(11,594)	$ (286,594)
Fund balance at beginning of year	43,354	43,354	43,354	
Fund balance at end of year	$ 318,354	$ 318,354	$ 31,760	

CITY OF ST. GEORGE, UT
FT PIERCE EDA FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Economic development taxes	$ 900,000	$ 900,000	$ 522,471	$ (377,529)
Interest income	500	500	578	78
Total revenues	900,500	900,500	523,050	(377,450)
EXPENDITURES:				
Current:				
Professional & technical services	1,000	1,000	545	455
Community & economic development	210,000	210,000	198,879	11,121
Housing programs				-
Total expenditures	211,000	211,000	199,424	11,576
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	689,500	689,500	323,626	(365,874)
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance				-
Transfers to other funds	(489,500)	(489,500)	(322,494)	167,006
Total other financing sources (uses):	(489,500)	(489,500)	(322,494)	167,006
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	200,000	200,000	1,132	$ (198,868)
Fund balance at beginning of year	5,133	5,133	5,133	
Fund balance at end of year	$ 205,133	$ 205,133	$ 6,265	

CITY OF ST. GEORGE, UT
ECONOMIC DEVELOPMENT AGENCY #1 - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Economic development taxes	$ 575,000	$ 575,000	$ 333,042	$ (241,959)
Interest income	1,000	1,000	1,213	213
Total revenues	576,000	576,000	334,255	(241,745)
EXPENDITURES:				
Current:				
General government	1,000	1,000	545	455
Community & economic development	135,700	135,700	58,972	76,728
Housing programs			-	-
Total expenditures	136,700	136,700	59,516	77,184
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	439,300	439,300	274,739	(164,561)
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	-	-	-	-
Transfers to other funds	(243,300)	(243,300)	(232,208)	11,092
Total other financing sources (uses):	(243,300)	(243,300)	(232,208)	11,092
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	196,000	196,000	42,531	$ (153,469)
Fund balance at beginning of year	148,861	148,861	148,861	
Fund balance at end of year	$ 344,861	$ 344,861	$ 191,392	

CITY OF ST. GEORGE, UT
DIXIE CENTER AREA EDA FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Economic development taxes	$ 450,000	$ 480,000	$ 389,564	$ (90,436)
Interest income	1,000	1,000	710	(290)
Total revenues	451,000	481,000	390,274	(90,726)
EXPENDITURES:				
Current:				
Professional & technical fees	1,000	1,000	545	455
Community & economic development				
Capital outlay:			-	-
Total expenditures	1,000	1,000	545	455
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	450,000	480,000	389,729	(90,271)
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(284,200)	(314,200)	(389,600)	(75,400)
Transfers from other funds			-	-
Total other financing sources (uses):	(284,200)	(314,200)	(389,600)	(75,400)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	165,800	165,800	129	$ (165,671)
Fund balance at beginning of year	4,945	4,945	4,945	
Fund balance at end of year	$ 170,745	$ 170,745	$ 5,074	

CITY OF ST. GEORGE, UT
SUNTRAN PUBLIC TRANSIT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Transit fares	$ 150,000	$ 150,000	$ 180,197	$ 30,197
Intergovernmental revenues	752,000	752,000	597,580	(154,420)
Advertising fees	7,500	7,500	3,250	(4,250)
Total revenues	909,500	909,500	781,027	(128,473)
EXPENDITURES:				
Current:				
Highways & public improvements	1,345,270	1,345,270	1,210,409	134,861
Capital projects:				
Improvements	100,000	100,000	-	100,000
Total expenditures	1,445,270	1,445,270	1,210,409	234,861
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(535,770)	(535,770)	(429,382)	106,388
OTHER FINANCING SOURCES (USES):				
Transfers to other funds				-
Appropriated fund balance				-
Transfers from other funds	350,000	350,000	350,000	-
Total other financing sources(uses)	350,000	350,000	350,000	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(185,770)	(185,770)	(79,382)	$ 106,388
Fund balance at beginning of year	458,464	458,464	458,464	
Fund balance at end of year	$ 272,694	$ 272,694	$ 379,082	

CITY OF ST. GEORGE, UT
SPECIAL ASSESSMENTS - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Special assessments collected	$ 125,000	$ 125,000	$ 109,381	$ (15,619)
Miscellaneous revenues				
Interest income	10,000	10,000	3,190	(6,810)
Total revenues	135,000	135,000	112,571	(22,429)
EXPENDITURES:				
General:				
General government	11,500	11,500	7,468	4,032
Debt service:				
Principal	317,000	317,000	317,000	-
Interest & other charges	13,154	13,154	13,092	62
Total expenditures	341,654	341,654	337,560	4,094
Excess (deficiency) of revenues over (under) expenditures	(206,654)	(206,654)	(224,989)	(18,335)
OTHER FINANCING SOURCES (USES):				
Transfers to other funds				
Sale of property	-	-	-	0
Total other financing sources (uses):	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(206,654)	(206,654)	(224,989)	($18,335)
Fund balance at beginning of year	478,588	478,588	478,588	
Fund balance at end of year	$ 271,934	$ 271,934	$ 253,599	

CITY OF ST. GEORGE, UT
RECREATION G.O. BONDS - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Current property taxes	$ 1,367,531	$ 1,367,531	$ 1,367,531	$ -
Interest income	300	300	291	(9)
Total revenues	1,367,831	1,367,831	1,367,822	(9)
EXPENDITURES:				
General:				
Parks, recreation, etc.	3,500	3,500	2,775	725
Debt service:				
Principal	765,000	765,000	765,000	
Interest & other charges	602,531	602,531	602,531	(0)
Total expenditures	1,371,031	1,371,031	1,370,306	725
Excess (deficiency) of revenues over (under) expenditures	(3,200)	(3,200)	(2,484)	716
OTHER FINANCING SOURCES (USES):				
Transfers to other funds			-	
Appropriated fund balance		-	-	0
Loss on bond refunding			-	-
Total other financing sources (uses):	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(3,200)	(3,200)	(2,484)	$716
Fund balance at beginning of year	248,750	248,750	248,750	
Fund balance at end of year	$ 245,550	$ 245,550	$ 246,266	

CITY OF ST. GEORGE, UT
REPLACEMENT AIRPORT BONDS - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Tax rebates on bonds	$ 320,081	$ 306,581	$ 306,232	$ (349)
Interest income	2,000	2,000	2,339	339
Total revenues	322,081	308,581	308,571	(10)
EXPENDITURES:				
General:				
Highways and public improvements	2,500	2,500	1,801	699
Debt service:				
Principal	246,000	246,000	246,000	
Interest & other charges	761,809	761,809	761,809	
Total expenditures	1,010,309	1,010,309	1,009,610	699
Excess (deficiency) of revenues over (under) expenditures	(688,228)	(701,728)	(701,039)	689
OTHER FINANCING SOURCES (USES):				
Transfers from other funds		13,500	13,850	350
Contributions from other governments	700,000	700,000	700,000	-
Appropriated fund balances	-		-	
Loss on bond refunding			-	-
Total other financing sources (uses):	700,000	713,500	713,850	350
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	11,772	11,772	12,811	$1,039
Fund balance at beginning of year	381,419	381,419	381,419	
Fund balance at end of year	$ 393,191	$ 393,191	$ 394,230	

CITY OF ST. GEORGE, UT

DOWNTOWN REDEVELOPMENT - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Redevelopment taxes	$ 825,000	$ 825,000	$ 571,812	$ (253,188)
Miscellaneous	67,500	29,000	25,667	(3,333)
Interest income	2,500	2,500	2,496	(4)
Total revenues	895,000	856,500	599,974	(256,526)
EXPENDITURES:				
Current:				
General government	62,500	49,000	23,496	25,504
Capital projects:				
Improvements		50,000	47,229	2,771
Land purchases				-
Equipment purchases				-
Debt service:				
Bond principal	449,000	449,000	449,000	-
Interest	30,158	30,158	30,158	-
Lease payments	-	-	-	-
Total expenditures	541,658	578,158	549,883	28,275
Excess (deficiency) revenues over (under) expenditures:	353,342	278,342	50,091	(228,251)
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance		75,000	-	(75,000)
Total other financing sources (uses)	-	75,000	-	(75,000)
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	353,342	353,342	50,091	$ (303,251)
Fund balance at beginning of year	594,506	594,506	594,506	
Fund balance at end of year	$ 947,848	$ 947,848	$ 644,597	

CITY OF ST. GEORGE, UTAH

PARK IMPACT - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Capital development fees	$ 1,200,000	$ 1,371,875	$ 1,840,224	$ 468,349
Intergovernmental	75,000	75,000	6,572	(68,428)
Interest income	2,000	2,000	8,996	6,996
Total revenues	1,277,000	1,448,875	1,855,792	406,917
EXPENDITURES:				
Current:				
Parks, recreation, etc	20,000	20,000	3,078	16,922
Capital projects:				
Improvements	2,890,072	2,855,077	1,062,248	1,792,829
Property purchases			-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,910,072	2,875,077	1,065,326	1,809,752
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,633,072)	(1,426,202)	790,466	2,216,668
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	145,000	718,795	608,609	(110,186)
Transfers to other funds	(75,000)	(395,000)	(395,000)	-
Contributions from private sources			-	-
Appropriated fund balance		(460,665)	-	460,665
Total other financing sources (uses):	70,000	(136,870)	213,609	350,479
EXCESS REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(1,563,072)	(1,563,072)	1,004,075	$2,567,147
Fund balance at beginning of year	1,924,145	1,924,145	1,924,145	
Fund balance at end of year	$ 361,073	$ 361,073	$ 2,928,220	

CITY OF ST. GEORGE, UTAH

STREET IMPACT - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Capital development fees	$ 650,000	$ 650,000	$ 799,786	$ 149,786
Interest income	10,000	10,000	11,941	1,941
Other			85,577	85,577
Total revenues	660,000	660,000	897,304	237,304
EXPENDITURES:				
Current:				
Highways and public improvements	15,000	15,000	13,935	1,065
Capital projects:				
Improvements	100,000	100,000	5,088	94,912
Total expenditures	115,000	115,000	19,023	95,977
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	545,000	545,000	878,281	333,281
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance		(40,000)		40,000
Transfers to other funds	(1,640,000)	(1,600,000)	(574,560)	1,025,440
Total other financing sources (uses):	(1,640,000)	(1,640,000)	(574,560)	1,065,440
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(1,095,000)	(1,095,000)	303,720	$ 1,398,720
Fund balance at beginning of year	2,221,192	2,221,192	2,221,192	
Fund balance at end of year	$ 1,126,192	$ 1,126,192	$ 2,524,912	

CITY OF ST. GEORGE, UTAH

CAPITAL EQUIPMENT - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for services	42,800	42,800	42,160	(640)
Rents & royalties	7,200	7,200	14,793	7,593
Miscellaneous revenues		221,100	221,087	(13)
Total revenues	50,000	271,100	278,039	6,939
EXPENDITURES:				
Current:				
General government	70,000	70,000	93,208	(23,208)
Capital projects:				
Improvements	1,434,000	3,801,500	2,941,741	859,759
Property purchases		240,500	240,460	40
Total expenditures	1,504,000	4,112,000	3,275,409	836,591
Excess (Deficiency) of expenditures over revenues	(1,454,000)	(3,840,900)	(2,997,370)	843,530
OTHER FINANCING SOURCES:				
Transfers from other funds	2,573,243	3,820,000	3,820,000	-
Transfers to other funds	(1,554,500)	(2,204,906)	(523,609)	1,681,297
Appropriated fund balance		563,549		(563,549)
Sale of property		1,227,000	1,226,696	(304)
Contributions from private sources	60,000	60,000	38,500	(21,500)
Total other financing sources (uses):	1,078,743	3,465,643	4,561,587	1,095,944
EXCESS(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(375,257)	(375,257)	1,564,217	1,939,474
Fund balance at beginning of year	15,476,200	15,476,200	15,476,200	
Fund balance at end of year	$ 15,100,943	$ 15,100,943	$ 17,040,417	

CITY OF ST. GEORGE, UTAH

DRAINAGE IMPACT - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Capital development fees	$ 250,000	$ 250,000	$ 438,540	$ 188,540
Interest income	10,000	10,000	10,916	916
Total revenues	260,000	260,000	449,456	189,456
EXPENDITURES:				
Current:				
Highways & public improvements	15,000	15,000	12,447	2,553
Capital projects:				
Land purchases	-	-		-
Improvements	-	-	12,072	(12,072)
Total expenditures	15,000	15,000	24,519	(9,519)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	245,000	245,000	424,938	179,938
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(1,520,000)	(1,520,000)	(1,025,196)	494,804
Transfers from other funds			-	-
Appropriated fund balance			-	-
Total other financing sources(uses)	(1,520,000)	(1,520,000)	(1,025,196)	494,804
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(1,275,000)	(1,275,000)	(600,258)	$ 674,742
Fund balance at beginning of year	2,259,517	2,259,517	2,259,517	
Fund balance at end of year	$ 984,517	$ 984,517	$ 1,659,259	

CITY OF ST. GEORGE, UTAH

FIRE DEPT IMPACT - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Capital development fees	$ 160,000	$ 160,000	$ 218,886	$ 58,886
Interest income	-	-	5	5
Total revenues	160,000	160,000	218,891	58,891
EXPENDITURES:				
Current:				
Public safety	5,000	5,000	2,636	2,364
Capital Projects:				
Building Construction	-	-	-	-
Total expenditures	5,000	5,000	2,636	2,364
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	155,000	155,000	216,255	61,255
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	-	-	-
Appropriated fund balance	-	-	-	-
Total other financing sources (uses):	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	155,000	155,000	216,255	$ 61,255
Fund balance at beginning of year	(200,620)	(200,620)	(200,620)	
Fund balance at end of year	$ (45,620)	$ (45,620)	$ 15,635	

CITY OF ST. GEORGE, UTAH

POLICE DEPT IMPACT - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Capital development fees	$ 75,000	$ 75,000	$ 84,046	$ 9,046
Interest income	-	-		-
Total revenues	75,000	75,000	84,046	9,046
EXPENDITURES:				
Current:				
General government	2,500	2,500	2,635	(135)
Lease payments	60,000	60,000	60,000	-
Total expenditures	62,500	62,500	62,635	(135)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	12,500	12,500	21,411	8,911
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	-		-
Appropriated fund balance	-	-		-
Total other financing sources (uses):	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	12,500	12,500	21,411	$ 8,911
Fund balance at beginning of year	(23,700)	(23,700)	(23,700)	
Fund balance at end of year	$ (11,200)	$ (11,200)	$ (2,289)	

CITY OF ST. GEORGE, UTAH

STREET BOND - CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Interest earnings	$ 15,000	$ 15,000	$ 7,076	$ (7,924)
Property sales	-	-	-	-
Sundry revenues			-	-
Total revenues	15,000	15,000	7,076	(7,924)
EXPENDITURES:				
Current:				
Highways & public improvements	4,000	4,000	3,343	657
Debt Service:				
Principal payments	2,490,000	2,490,000	2,490,000	-
Interest payments	540,950	540,950	540,950	-
Total expenditures	3,034,950	3,034,950	3,034,293	657
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,019,950)	(3,019,950)	(3,027,217)	(7,267)
OTHER FINANCING SOURCES (USES):				
Operating transfers in	3,031,000	3,031,000	3,031,000	-
Transfers to other funds	(1,980,000)	(2,134,900)	(2,134,842)	58
Contributions from private sources			-	-
Contributions from other governments		-	-	
Appropriated fund balance		154,900	-	(154,900)
Total other financing sources (uses)	1,051,000	1,051,000	896,158	(154,842)
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,968,950)	(1,968,950)	(2,131,059)	$ (162,109)
Fund balance at beginning of year	2,109,609	2,109,609	2,109,609	
Fund balance at end of year	$140,659	$140,659	($21,450)	

CITY OF ST. GEORGE, UTAH

2010 FLOOD RESTORATION - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Intergovernmental revenues	$ 1,462,500	$ 1,462,500	$ 4,175,416	$ 2,712,916
Interest income			-	-
Total revenues	1,462,500	1,462,500	4,175,416	2,712,916
EXPENDITURES:				
Professional & technical fees	10,000	10,000	785	9,215
Highways and public improvements	1,940,000	1,940,000	796,946	1,143,054
Total expenditures	1,950,000	1,950,000	797,731	1,152,269
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(487,500)	(487,500)	3,377,685	3,865,185
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	230,000	230,000	-	(230,000)
Sale of bonds	-	-		-
Total other financing sources (uses):	230,000	230,000	-	(230,000)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES):	(257,500)	(257,500)	3,377,685	$ 3,635,185
Fund balance at beginning of year	(5,164,607)	(5,164,607)	(5,164,607)	
Fund balance at end of year	$ (5,422,107)	$ (5,422,107)	$ (1,786,922)	

CITY OF ST. GEORGE, UTAH

2012 FLOOD RESTORATION - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
Intergovernmental	$ -	$ 228,000	$ 120,322	$ (107,678)
Interest income				
Other income				
Total revenues	-	228,000	120,322	(107,678)
EXPENDITURES:				
Current:				
Highways and public improvments		304,000	85,756	218,244
Capital projects:				
Improvements	-	-	-	-
Property purchases				
Total expenditures	-	304,000	85,756	218,244
Excess (Deficiency) of expenditures over revenues	-	(76,000)	34,566	110,566
OTHER FINANCING SOURCES:				
Transfers from other funds		76,000	-	(76,000)
Appropriated fund balance	-	-	-	-
EXCESS(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	-	-	34,566	$ 34,566
Fund balance at beginning of year	-	-	-	
Fund balance at end of year	$ -	$ -	$ 34,566	

City of St. George, UT
NonMajor Proprietary Funds
Combining Statement of Net Position
June 30, 2013

	Business-type Activities Enterprise Funds					
Assets	**Refuse Collection**	**Municipal Building Authority**	**Drainage Utility**	**Wastewater Collection**	**Golf Courses**	**Total Non-Major**
Cash and investments	$ -	$ 230,757	$ -	$ 54,761	$ -	$ 285,518
Restricted cash				1,930,698		1,930,698
Accounts Receivable - net of uncollectible reserve	406,436		183,171	643,933	10,423	1,243,963
Notes Receivable				7,986		7,986
Furniture, Fixtures, & equip		10,770,124		11,958,183	18,576,029	41,304,335
Less depreciation		(1,480,195)		(7,122,268)	(8,170,332)	(16,772,795)
Prepaid expenses		27,636			41,288	68,924
Total assets	406,436	9,548,321	183,171	7,473,292	10,457,409	28,068,629
Liabilities						
Liabilities:						
Accrued liabilities	$ 286,762	$ 7,918	$ 80,843	$ 60,619	$ 584,968	$ 1,021,111
Due to other funds	64,002		272,225		3,726,166	4,062,393
Customer guarantee deposits	55,097		24,778	81,260		161,135
Leases payable					631,895	631,895
Bonds payable		612,000				612,000
Total liabilities	405,861	619,918	377,847	141,879	4,943,029	6,488,534
Net Position						
Net investment in capital assets		8,705,564	-	4,835,914	9,815,090	23,356,569
Restricted for impact fee construction				1,930,698	-	1,930,698
Unrestricted	575	222,838	(194,676)	564,801	(4,300,710)	(3,707,172)
Total Net Position	$ 575	$ 8,928,403	$ (194,676)	$ 7,331,413	$ 5,514,380	$ 21,580,095

City of St. George, UT
NonMajor Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2013

	Business-type Activities Enterprise Funds					
	Refuse Collection	Municipal Building Authority	Drainage Utility	Wastewater Collection	Golf Courses	Total Non-Major
OPERATING REVENUES:						
Charges for services	$ 3,621,535		$ 1,006,497	$ 5,331,420	$ 3,568,384	13,527,836
Other operating revenues				728,199		728,199
Total operating revenues	3,621,535	-	1,006,497	6,059,619	3,568,384	14,256,035
OPERATING EXPENSES:						
Salary and wages				612,710	1,477,621	2,090,330
Supplies				24,360	399,081	423,441
Service vehicle expense				87,219	58,159	145,378
Equipment rental				1,309	4,704	6,013
Depreciation		98,336		422,209	435,315	955,859
Payroll tax & employee benefits				277,508	628,571	906,079
Office & dept. supplies	17,934		4,975	41,870	99,353	164,132
Professional services	543	13,461	2,538	10,676	574,596	601,813
R. & M. - equipment				154,337	11,047	165,384
R. & M. - buildings and grounds			38,222	2,904	726,590	767,716
Insurance & surety bonds				18,743	31,012	49,755
Travel				4,982	134	5,116
Subscriptions & memberships				1,144	1,581	2,725
Contract labor	3,408,867			3,162,855		6,571,722
Billing & administration	185,000		76,000	450,000		711,000
Total operating expenses	3,612,344	111,797	121,735	5,272,826	4,447,764	13,566,465
Operating income (loss)	9,191	(111,797)	884,762	786,794	(879,380)	689,570
NON-OPERATING REVENUES (EXPENSES)						
Interest income		837	7,538	11,907		20,282
Rent		127,005			3,975	130,980
Miscellaneous income				-	32,238	32,238
Interest charges		(25,868)			-	(25,868)
Total non-operating revenue (expense)	-	101,975	7,538	11,907	36,213	157,633
Income before transfers	9,191	(9,822)	892,301	798,701	(843,168)	847,203
Transfers (to) from other funds			(2,438,467)	-	563,725	(1,874,742)
Changes in Net Position	9,191	(9,822)	(1,546,167)	798,701	(279,443)	(1,027,539)
Restate Net Position for GASB 65		(16,542)				(16,542)
Total Net Position - beginning of year	(8,616)	8,954,767	1,351,491	6,532,712	5,793,823	22,624,177
Total Net Position - end of year	$ 575	$ 8,928,403	$ (194,676)	$ 7,331,413	$ 5,514,380	$ 21,580,096

CITY OF ST. GEORGE, UTAH
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Business-type Activities - Enterprise Funds

	REFUSE COLLECTION	MUNICIPAL BUILDING AUTHORITY	DRAINAGE UTILITY	WASTEWATER COLLECTION	GOLF COURSES	TOTAL NON-MAJOR
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	$ 3,270,196	$ -	$ 848,105	$ 5,546,326	$ 3,557,961	$ 13,222,588
Payments to suppliers	(3,606,916)	(3,754)	(48,967)	(3,950,594)	(1,854,939)	(9,465,169)
Payments to employees	-	-	-	(890,218)	(2,106,191)	(2,996,409)
Net cash provided by operating activities	(336,720)	(3,754)	799,138	705,514	(403,169)	761,009
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Rents received		127,005			3,975	130,980
Miscellaneous non-operating income				-	32,238	32,238
Interfund receivable/payable activity	64,001		272,225		3,226,164	3,562,390
Economic development transfer		-	(2,438,467)	-	563,725	(1,874,742)
Net cash provided (used) by noncapital and related financing activities	64,001	127,005	(2,166,242)	-	3,826,102	1,850,865
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of capital assets				(39,051)	(365,995)	(405,046)
Principal paid on capital debt		(98,000)				(98,000)
Interest paid on capital debt		(25,868)				(25,868)
Principal paid on capital leases					(168,526)	(168,526)
Net cash provided (used) by capital and related financing activities	-	(123,868)	-	(39,051)	(534,521)	(697,440)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	-	837	7,538	11,907	-	20,282
Net increase (decrease)in cash and cash equivalents	(272,719)	220	(1,359,566)	678,370	2,888,411	1,934,718
Cash and equivalents including restricted cash of $1,293,430 at beginning of year	272,719	230,536	1,359,566	1,307,089	(2,888,411)	281,499
Cash and equivalents including restricted cash of $1,930,698 at end of year	$ -	$ 230,756	$ 0	$ 1,985,459	$ -	$ 2,216,217
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	$ 9,191	$ (111,797)	$ 884,762	$ 786,794	$ (879,380)	$ 689,570
Adjustments to reconcile net income from operations to net cash provided by operating activities:						
Depreciation	-	98,336	-	422,209	435,315	955,859
Changes in assets & liabilities:						
Decrease (increase) in receivables	(406,436)		(183,171)	(598,547)	(10,423)	(1,198,577)
Decrease (increase) in prepaids						-
Decrease (increase) in note receivable				3,994		3,994
Decrease (increase) in discounts		11,044				11,044
Increase (decrease) in deposits	55,097		24,778	81,260		161,135
Increase (decrease) in accruals	5,428	(1,338)	72,768	9,805	51,319	137,982
Total adjustments	(345,911)	108,042	(85,625)	(81,279)	476,211	71,437
Net cash provided by operating activities:	$ (336,720)	$ (3,755)	$ 799,137	$ 705,514	$ (403,169)	$ 761,008

CITY OF ST. GEORGE, UTAH
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE

JUNE 30, 2013

GOVERNMENTAL FUNDS CAPITAL ASSETS:

Land	$	86,553,089
Buildings		32,871,796
Improvements		68,295,474
Infrastructure assets		226,818,644
Equipment		28,830,830
Total Governmental Funds Capital Assets	$	443,369,833

INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:

Capital Projects Funds:		
General Fund	$	105,613,040
Dinosaur Museum Funds		71,620
Economic Development Fund		2,474,931
Downtown Redevelopment revenues		11,707,681
WCIA - (Dixie Center interlocal agency)		10,207,697
Recreation General Obligation bonds		17,991,801
Capital equipment fund		34,112,739
Public Works Capital projects fund		49,620,685
Replacement Airport capital projects fund		147,236,548
Industrial Park fund		2,401,462
Sewer Impact fund		245,866
Park Impact fund		21,431,387
Fire Impact fund		3,235,128
Drainage Impact fund		1,081,915
Special Assessment fund		23,602,452
Street Impact fund		1,696,659
Dixie Center EDA fund		1,308,347
Transportation improvement fund		5,028,784
SunTran Public Transit fund		3,727,491
Art Permanent Collection Fund		138,930
Police Seizures Fund		105,706
Airport PFC fund		22,049
Housing Improvement Fund		306,916
Total Governmental Funds Capital Assets	$	443,369,833

CITY OF ST. GEORGE, UTAH
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION & ACTIVITY

JUNE 30, 2013

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS	INFRASTRUCTURE	EQUIPMENT
GENERAL GOVERNMENT:						
Gen. government bldgs.	$ 23,610,613	$ 18,247,708	$ 4,168,191	$ 1,194,714	$ -	$ -
WCIA (Dixie Center)	10,255,803	1,774,067	8,481,736	-	-	-
Downtown Redevelopment	13,134,767	2,480,452	2,340,059	8,314,256	-	-
Community development (Industrial Park)	1,626,676	162,489	-	1,464,187	-	-
Administration	2,035,761	-	-	-	-	2,035,761
Total general government	50,663,620	22,664,716	14,989,986	10,973,157	-	2,035,761
PUBLIC SAFETY:						
Police protection	9,297,497	-	82,589	168,531	-	9,046,377
Fire protection	9,731,986	613,048	4,281,206	86,490	-	4,751,242
Total public safety	19,029,483	613,048	4,363,795	255,021	-	13,797,619
PUBLIC WORKS:	306,359,329	55,960,915	6,037,497	8,911,735	226,673,492	8,775,690
PARKS, RECREATION, & PUBLIC PROPERTY:	67,317,401	7,314,410	7,480,518	48,155,561	145,152	4,221,760
Total governmental fund capital assets allocated to function	$ 443,369,833	$ 86,553,089	$ 32,871,796	$ 68,295,474	$ 226,818,644	$ 28,830,830

CITY OF ST. GEORGE, UTAH
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2012	ADDITIONS	DELETIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2013
GENERAL GOVERNMENT:				
Gen. government bldgs.	$ 22,205,011	$ 1,467,974	$ 62,372	$ 23,610,613
WCIA - Dixie Center	10,255,803	-	-	10,255,803
Downtown Redevelopment	13,134,767	-	-	13,134,767
Industrial Park	1,626,676	-	-	1,626,676
Administration	1,853,492	182,269	-	2,035,761
	49,075,749	1,650,243	62,372	50,663,620
PUBLIC SAFETY:				
Police protection	8,480,651	816,846	-	9,297,497
Fire protection	9,606,766	125,220	-	9,731,986
	18,087,417	942,066	-	19,029,483
PUBLIC WORKS:	297,746,463	8,612,866	-	306,359,329
PARKS, RECREATION, & PUBLIC PROPERTY:	65,245,769	3,307,068	1,235,436	67,317,401
TOTAL GOVERNMENTAL FUND CAPITAL ASSETS	$ 430,155,398	$ 14,512,243	$ 1,297,808	$ 443,369,833

STATISTICAL SECTION

CITY OF ST. GEORGE, UTAH

ELECTRIC FUND

STATISTICAL ANALYSIS

JUNE 30, 2013

	Year Ended June 30, 2013	Year Ended June 30, 2012
Production Cost Analysis:		
Kilowatt hours generated	76,327,706	103,336,662
Kilowatt hours purchased	733,519,681	729,732,508
Total Kilowatt Hours	809,847,387	833,069,170
Total Operating Costs	$59,183,366	$57,282,149
Cost per Kilowatt Hour	$ .07308	$ .06864

Summary of Kilowatt Hours and Costs for previous period

YEAR	KILOWATT HOURS	COST PER KILOWATT HOUR
2002	503,732,000	.08242
2003	550,745,668	.06620
2004	557,424,755	.06934
2005	559,546,333	.06910
2006	611,224,083	.07154
2007	654,854,223	.07269
2008	663,553,033	.07242
2009	795,155,258	.06779
2010	850,437,074	.06579
2011	767,286,024	.06952
2012	833,069,170	.06864
2013	809,847,387	.07308

	2013	2012
Average Revenue Analysis:		
Kilowatt Hours billed	755,378,562	761,485,913
Unbilled Hours-line loss, street lights	54,468,825	71,583,257
Total Kilowatt Hours	809,847,387	833,069,170
Total Revenue Billed	$57,489,697	$54,450,360
Number of Customers	28,486	27,503
Average monthly billing	$168.18	$164.98
	2,210 KWh	2,307 KWh

CITY OF ST. GEORGE, UTAH

WATER FUND

STATISTICAL ANALYSIS

JUNE 30, 2013

	Year Ended June 30, 2013	2012
Production cost analysis:		
Number of gallons billed	10,072,397,053	10,200,008,660
Expense of operations *	$14,512,833	$16,092,986
Cost per billed gallon	$ .001441	$ .001578
Average Revenue Analysis:		
Number of metered customers	21,949	21,641
Water usage billed	$16,447,677	$14,278,685
Average monthly billing per metered customer	$62.45	$54,.98

* includes interest charges

CITY OF ST. GEORGE, UTAH
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
Net Investment in capital assets	$ 64,316	$ 77,190	$ 89,565	$109,818	$129,100	$184,237	$220,811	$249,625	$260,036	$ 275,793
Restricted	3,375	7,340	7,308	4,549	2,487	1,884	1,508	1,334	1,109	894
Unrestricted	40,960	36,417	43,111	43,165	58,600	38,253	23,226	18,456	21,658	31,162
Total governmental activities net position	$108,651	$ 120,947	$ 139,984	$157,532	$190,187	$224,374	$245,545	$269,415	$282,803	$ 307,849
Business-type activies:										
Net Investment in capital assets	$ 71,589	$ 96,644	$ 119,982	$133,387	$154,740	$141,070	$163,547	$167,225	$185,172	$ 191,725
Restricted	30,873	16,168	4,857	7,642	12,945	30,571	6,068	6,068	6,072	6,150
Unrestricted	17,647	24,147	34,767	33,596	30,382	33,265	42,700	39,951	38,202	32,975
Total business-type activities net position	$120,109	$ 136,959	$ 159,606	$174,625	$198,067	$204,906	$212,315	$213,244	$229,446	$ 230,850
Primary government:										
Net Investment in capital assets	$135,905	$ 173,834	$ 209,547	$243,205	$283,840	$325,307	$384,358	$416,850	$445,208	$ 467,518
Restricted	34,248	23,508	12,165	12,191	15,432	32,455	7,576	7,402	7,181	7,044
Unrestricted	58,607	60,564	77,878	76,761	88,982	71,518	65,926	58,407	59,860	64,137
Total primary government net position	$228,760	$ 257,906	$ 299,590	$332,157	$388,254	$429,280	$457,860	$482,659	$512,249	$ 538,699

**

** 2009 Governmental activities net assets invested in capital assets restated for prior period over depreciation of fixed assets in fiscal year 2010

CITY OF ST. GEORGE, UTAH
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EXPENSES:										
Governmental activities:										
General government	$ 3,491	$ 2,205	$ 5,004	$ 4,433	$ 5,935	$ 8,877	$ 9,338	$ 7,352	$ 7,251	$ 6,959
Public safety	9,521	10,357	11,497	13,824	14,885	14,726	14,178	15,229	16,638	16,761
Highways & public improvements	10,419	17,231	14,096	14,814	14,887	17,516	13,200	11,959	17,579	14,277
Parks, recreation, & public property	9,592	12,167	11,087	13,525	14,607	11,175	11,032	11,293	12,344	14,306
Community & economic development	1,446	1,957	2,058	2,359	2,544	1,700	1,470	2,000	2,824	2,429
Interest on long-term debt	1,653	1,122	1,411	1,480	1,776	2,800	2,914	3,525	3,134	2,656
Total governmental activies expenses:	36,122	45,039	45,153	50,435	54,634	56,794	52,132	51,358	59,770	57,388
Business-type activities:										
Energy services	38,654	38,667	44,254	48,304	48,734	54,554	56,351	59,600	60,266	62,095
Water services	8,323	10,455	13,161	15,383	15,756	15,026	14,563	14,779	15,678	14,513
Wastewater collection	6,527	7,021	7,250	7,876	7,599	8,043	7,774	7,729	7,775	5,273
Regional wastewater treatment	4,006	4,083	4,174	4,878	5,015	5,058	5,059	5,114	5,292	4,894
Golf courses	4,206	4,624	4,637	5,224	5,181	4,989	4,299	4,252	4,586	4,448
Municipal building authority	440	435	371	352	265	250	165	149	142	137
Solid waste	2,379	2,560	2,812	3,104	3,075	3,178	3,279	3,391	3,493	3,612
Drainage utility			1	6	16	4	143	122	111	122
Total business-type activities expenses:	64,535	67,845	76,660	85,127	85,641	91,102	91,633	95,136	97,343	95,094
Total primary government expenses	$ 100,657	$ 112,884	$ 121,813	$ 135,562	$ 140,275	$ 147,896	$ 143,765	$ 146,494	$ 157,113	$ 152,482
PROGRAM REVENUES:										
Governmental activities:										
Charges for services:										
General government	$ 2,568	$ 3,054	$ 3,063	$ 3,496	$ 3,872	$ 3,871	$ 4,158	$ 4,257	$ 4,255	$ 4,384
Public safety	1,966	2,220	2,338	2,815	2,810	2,874	3,100	3,142	3,062	3,140
Highways & public improvements	293	319	570	680	627	549	488	733	1,110	1,070
Parks, recreation, & public property	2,071	2,114	2,733	2,501	2,587	2,514	2,855	2,915	2,989	3,172
Community & economic development	2,648	3,656	3,685	3,238	2,019	1,105	808	885	1,271	1,826
Operating grants & contributions	7,971	10,710	9,000	8,043	9,601	7,324	7,663	8,150	8,772	8,766
Capital grants & contributions	4,720	2,462	5,457	8,355	22,538	31,062	20,794	19,868	12,857	17,318
Total governmental activities program revenues	22,237	24,535	26,846	29,128	44,054	49,299	39,866	39,950	34,316	39,676
Business-type activities:										
Charges for services:										
Energy services	40,359	44,253	48,604	52,688	54,091	54,102	53,859	54,109	55,662	58,818
Water services	14,639	15,463	15,682	15,167	15,506	14,745	14,772	13,825	15,073	17,454
Wastewater collection	6,706	7,246	7,256	7,966	7,967	7,866	7,900	7,963	8,176	6,060
Regional wastewater treatment	8,710	9,841	9,763	9,297	8,283	8,232	8,403	8,536	8,917	5,697

Golf courses	4,242	3,957	4,340	4,597	4,750	4,013	3,763	3,283	3,520	3,568
Municipal building authority										
Solid waste	2,435	2,624	2,812	2,969	3,078	3,095	3,246	3,407	3,503	3,622
Drainage utility	819	837	869	906	955	973	983	992	992	1,006
Operating grants & contributions	695	791			9,571	7	560	165	34	348
Capital grants & contributions	1,072		5,500	-	-	-	-	-	17,515	-
Total business-type activities program revenues	79,677	85,012	94,826	93,590	104,201	93,033	93,486	92,280	113,392	96,573
Total primary government program revenues	$ 101,914	$ 109,547	$ 121,672	$ 122,718	$ 148,255	$ 142,332	$ 133,352	$ 132,230	$ 147,708	$ 136,249
Net (expense) / revenue										
Governmental activities	$ (13,885)	$ (20,504)	$ (18,307)	$ (21,307)	$ (10,580)	$ (7,495)	$ (12,266)	$ (11,408)	$ (25,454)	$ (17,712)
Business-type activities	15,142	17,167	18,166	8,463	18,560	1,931	1,853	(2,856)	16,049	1,479
Total primary government net expense	$ 1,257	$ (3,337)	$ (141)	$ (12,844)	$ 7,980	$ (5,564)	$ (10,413)	$ (14,264)	$ (9,405)	$ (16,233)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes										
Property taxes for general purposes	$ 6,545	$ 6,327	$ 6,520	$ 7,532	$ 8,887	$ 9,158	$ 10,118	$ 10,315	$ 10,514	$ 11,064
Property taxes for debt service	1,779	1,660	2,054	2,329	2,446	2,050	2,155	2,392	1,900	1,939
Franchise taxes	3,887	5,086	5,839	6,035	6,541	6,319	6,087	6,165	6,180	6,624
General sales & highway sales taxes	13,584	16,035	19,317	20,447	19,768	16,678	15,477	15,806	17,194	18,913
Business licenses	409	468	532	639	628	630	712	683	694	749
Investment income	845	1,077	1,889	2,458	2,312	1,211	470	258	239	163
Lease payments	(373)	(466)	(97)	(193)	(175)	(175)	(164)	(106)	(103)	(105)
Gain on sale of assets	17	650	388	1,333	2,187	28	812	435	66	1,329
Rents and concessions	60	30	35	33	30	25	34	52	237	262
Miscellaneous	535	68	195	45	327	143	189	93	61	446
Transfers	208	1,864	670	(1,703)	283	(291)	(2,454)	(814)	1,873	1,375
Total governmental activies	27,496	32,799	37,342	38,955	43,234	35,776	33,436	35,279	38,855	42,759
Business-type activities:										
Investment income	395	958	1,828	1,992	1,976	1,562	378	149	181	163
Lease payments			839	2,448	2,448	2,597	2,294	2,563	1,458	1,356
Miscellaneous	309	590	2,483	413	740	459	429	259	388	348
Transfers	(208)	(1,864)	(670)	1,703	(283)	291	2,454	814	(1,873)	(1,375)
Total business-type activities	496	(316)	4,480	6,556	4,881	4,909	5,555	3,785	154	492
Total primary government	$ 27,992	$ 32,483	$ 41,822	$ 45,511	$ 48,115	$ 40,685	$ 38,991	$ 39,064	$ 39,009	$ 43,251
CHANGE IN NET POSITION										
Governmental activities	$ 13,611	$ 12,295	$ 19,035	$ 17,648	$ 32,654	$ 28,281	$ 21,170	$ 23,871	$ 13,401	$ 25,047
Business-type activities	15,638	16,851	22,646	15,019	23,441	6,840	7,408	929	16,203	1,971
Total primary government	$ 29,249	$ 29,146	$ 41,681	$ 32,667	$ 56,095	$ 35,121	$ 28,578	$ 24,800	$ 29,604	$ 27,018

CITY OF ST. GEORGE, UTAH
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	General Property Tax	Debt Serv Property Tax	General Sales & Highway Sales Tax	Franchise Tax	Total
2004	$ 6,545	$ 1,779	$ 13,584	$ 3,887	$ 25,795
2005	6,327	1,660	16,035	5,086	29,108
2006	6,520	2,054	19,317	5,839	33,730
2007	7,532	2,329	20,447	6,035	36,343
2008	8,887	2,446	19,768	6,541	37,642
2009	9,158	2,050	16,678	6,319	34,205
2010	10,118	2,155	15,477	6,087	33,837
2011	10,315	2,392	15,806	6,165	34,678
2012	10,514	1,900	17,194	6,180	35,788
2013	11,064	1,939	18,913	6,624	38,540

CITY OF ST. GEORGE, UTAH
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General fund										
Reserved for police seizures	$ 40	$ 90	$ 67	$ 103	$ 119	$ 70	$ 83	$ 106	$ 158	$ 265
Reserved for notes receivable	595	343	714	1,501	1,618	1,626	1,621	1,621	1,617	570
Reserved for perpetual care	126	139	181	236	318	148	161	141	112	122
Unreserved	3,629	3,881	3,905	3,009	2,852	2,912	2,891	3,776	3,808	5,871
Total general fund	$ 4,390	$ 4,453	$ 4,867	$ 4,849	$ 4,907	$ 4,756	$ 4,756	$ 5,644	$ 5,695	$ 6,828
All other governmental funds										
Reserved										
Unreserved, reported in:										
Special revenue funds	6,848	6,144	8,336	10,343	10,224	6,476	5,627	7,829	9,974	8,948
Debt service funds	3,086	3,218	3,694	3,045	23,520	1,884	1,507	1,334	1,109	894
Capital projects funds	17,581	24,271	34,347	30,456	23,743	28,608	15,199	8,083	6,632	16,016
Total all other governmental funds	$ 27,515	$ 33,633	$ 46,377	$ 43,844	$ 57,487	$ 36,968	$ 22,333	$ 17,246	$ 17,715	$ 25,858

CITY OF ST. GEORGE, UTAH
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
REVENUES:										
Taxes & special assessments	$ 27,674	$ 30,274	$ 35,693	$ 37,306	$ 38,668	$ 35,155	$ 34,689	$ 35,591	$ 37,450	$ 39,541
Licenses & permits	2,861	3,656	3,545	3,190	2,271	1,622	1,393	1,424	1,755	2,200
Intergovernmental	4,501	10,197	7,476	7,165	23,004	35,906	23,089	23,559	16,704	20,214
Charges for services	5,071	6,176	7,137	8,001	8,236	7,762	8,473	8,849	9,376	9,815
Fines & forfeitures	1,076	987	928	1,018	851	856	1,035	1,081	995	954
Investment income	840	1,067	1,868	2,431	2,283	1,202	467	256	238	161
Rents & concessions	60	30	35	33	30	26	34	52	237	262
Miscellaneous	576	325	195	145	329	143	195	94	62	475
Contributions from other sources	2,350	558	300	66	71	138	96	139	94	109
Capital development fees	4,290	5,030	4,121	3,144	3,283	1,551	1,324	1,479	2,372	3,381
Total revenues	49,299	58,300	61,298	62,499	79,026	84,361	70,795	72,524	69,283	77,112
EXPENDITURES:										
General government	4,940	5,773	7,300	8,271	8,688	8,239	7,614	5,794	5,704	5,496
Public safety	9,269	10,355	12,023	13,933	15,283	14,043	13,647	14,709	16,636	16,818
Highways & public improvements	7,356	10,021	9,505	8,070	8,289	12,761	6,852	9,491	14,970	11,681
Parks, recreation, & public property	6,447	7,334	8,068	8,610	9,885	8,770	8,422	9,638	10,906	11,704
Community & economic development	1,230	1,638	1,967	2,155	3,025	2,879	3,325	1,968	2,792	2,394
Capital outlay	14,896	28,823	16,946	22,955	51,536	57,264	50,496	30,425	11,512	12,345
Debt service										
Capital leases	373	466	197	193	175	175	164	106	103	104
Principal	13,668	1,441	1,188	6,849	1,814	26,666	5,733	10,411	7,482	9,822
Interest & other admin charges	1,694	1,251	1,462	1,411	1,301	2,558	2,207	2,697	4,904	2,897
Total expenditures	59,873	67,102	58,656	72,447	99,996	133,355	98,460	85,239	75,009	73,261
Excess of revenues over (under) expend.	(10,574)	(8,802)	2,642	(9,948)	(20,970)	(48,994)	(27,665)	(12,715)	(5,726)	3,851
OTHER FINANCING SOURCES (USES):										
Transfers in	15,774	14,701	13,795	13,364	21,312	16,816	26,264	10,958	16,068	18,659
Transfers out	(14,698)	(11,797)	(11,768)	(14,458)	(20,380)	(16,264)	(28,168)	(11,214)	(13,648)	(16,736)
Contributions from private sources	69	128	393	947	846	65	808	808	868	1,028
Contributions from other governments			785	1,040	5,951	572	3,087	1,859	663	1,145
Proceeds from sale of capital assets	17	650	388	1,333	2,186	28	812	434	67	1,329
Loss on bond refinancing	(1,074)			(93)	-	-	-	-	-	-
Premiums on bonds sold	643							275		
Issuance of notes/bonds/ or leases	16,645	4,510	343	5,265	24,755	27,107	10,227	5,395	2,228	-
Total other financing sources (uses)	17,376	8,192	3,936	7,398	34,670	28,324	13,030	8,515	6,246	5,425
Net change in fund balance	$ 6,802	$ (610)	$ 6,578	$ (2,550)	$ 13,700	$ (20,670)	$ (14,635)	$ (4,200)	$ 520	$ 9,276
Debt service as a percentage of non-capital expenditures	53.81%	8.99%	7.33%	17.08%	6.79%	38.41%	16.90%	24.11%	19.16%	26.66%
	(1)					(2)		(3)	(3)	

(1) 1997 Parks & Rec GO Bonds refunded
(2) 2007 Sales Tax bonds refunded
(3) 2006 GO Tax bonds refunded

CITY OF ST. GEORGE, UTAH
SALES TAX PAYERS BY SECTOR
JUNE 30, 2013
(amounts expressed in thousands)

2013				2004			
Ranking	Category	Direct Point of Sales Dollars	Percent of Sales	Ranking	Category	Direct Point of Sales Dollars	Percent of Sales
1	Retail - Gen Merchandise	$ 237,410,866	17.61%	2	Retail - Gen Merchandise	$ 183,764,843	17.02%
2	Retail - Motor vehicles	160,816,476	11.93%	1	Retail - Motor vehicles	190,233,950	17.62%
3	Services - Hotel & Lodging	159,270,962	11.81%	13	Services - Hotel & Lodging	28,148,047	2.61%
4	Prior-period payments & refunds	125,826,234	9.33%	24	Prior-period payments & refunds	3,170,601	0.29%
5	Retail - Food stores	93,412,757	6.93%	4	Retail - Food stores	90,648,855	8.39%
6	Retail - Bldg & Gardening	78,426,881	5.82%	3	Retail - Bldg & Gardening	102,783,605	9.52%
7	Wholesale - Durable goods	65,753,848	4.88%	6	Wholesale - Durable goods	72,455,246	6.71%
8	Retail - Apparel & Accessories	63,106,875	4.68%	9	Retail - Apparel & Accessories	38,973,596	3.61%
9	Retail - Furniture	41,661,904	3.09%	8	Retail - Furniture	55,034,449	5.10%
10	Public Administration	40,000,000	2.97%		Public Administration		
11	Services - Personal	38,561,867	2.86%	17	Services - Personal	5,979,852	0.55%
12	Retail - Miscellaneous	36,527,428	2.71%	7	Retail - Miscellaneous	63,694,303	5.90%
13	Retail - Sporting Goods, Hobbies, Books	28,534,813	2.12%		Retail - Sporting Goods, Hobbies, Books		
14	Manufacturing	28,528,588	2.12%	12	Manufacturing	29,856,932	2.76%
15	Information	26,594,556	1.97%		Information		
16	Retail - Gasoline stations	21,854,402	1.62%		Retail - Gasoline stations		
17	Finance, Ins. & Real Estate	15,582,679	1.16%	25	Finance, Ins. & Real Estate	2,288,939	0.21%
18	Construction	13,871,858	1.03%	14	Construction	14,863,171	1.38%
19	Wholesale - Nondurables	13,428,955	1.00%	18	Wholesale - Nondurables	5,741,211	0.53%
20	Retail - Electronics & Appliances	11,208,551	0.83%		Retail - Electronics & Appliances		
21	Retail - Health & Personal Care	9,655,796	0.72%		Retail - Health & Personal Care		
22	Services - Amusement & rec	8,865,496	0.66%	15	Services - Amusement & rec	13,784,102	1.28%
23	Services - Professional Scienfiic & Tech	8,091,317	0.60%		Services - Professional Scienfiic & Tech		
24	Nonstore Retailers	6,083,966	0.45%		Nonstore Retailers		
25	Services - Health	4,315,080	0.32%	20	Services - Health	4,628,218	0.43%
26	Services - Admin & Support of Waste	3,635,025	0.27%		Services - Admin & Support of Waste		
27	Mining	2,950,000	0.22%		Mining		
28	Services - Education	2,159,706	0.16%	23	Services - Education	4,031,194	0.37%
29	Transportation	822,920	0.06%	26	Transportation	1,242,763	0.12%
30	Wholesale - Electronic markets	600,000	0.04%		Wholesale - Electronic markets		
31	Management of Companies & Entprses	253,000	0.02%		Management of Companies & Entprses		
32	Agric Forestry & Fishing	201,000	0.01%	21	Agric Forestry & Fishing	4,134,426	0.38%
33	Nondisclosable\Nonclassifiable	180,000	0.01%	22	Nondisclosable\Nonclassifiable	3,957,262	0.37%
34	Occasional Retail sales	7,000	0.00%	27	Occasional Retail sales	79,601	0.01%
	Retail - Eating & drinking		0.00%	5	Retail - Eating & drinking	79,399,298	7.35%
	Services - Auto & repair		0.00%	11	Services - Auto & repair	31,651,277	2.93%
	Electric & Gas		0.00%	10	Electric & Gas	34,222,652	3.17%
	Services - Business		0.00%	16	Services - Business	9,813,103	0.91%
	Communications		0.00%	19	Communications	5,315,464	0.49%
		$ 1,348,200,806				$ 1,079,896,960	

Source: Utah State Tax Commission statistical reports for calendar year ended December 31, 2011 and December 31, 2003.

NOTE: There are a number of new categories & consolidations of other categories which make this report not very comparative.
In addition, the Electric & Gas and the Communications categories have been replaced with new taxes of their own and thus are not included in sales taxes any longer.

CITY OF ST. GEORGE, UTAH
PRINCIPAL TAXABLE PROPERTIES
JUNE 30, 2013
(amounts expressed in thousands)

2013				2004			
NAME	TYPE OF BUSINESS	TAXABLE VALUE	% OF TOTAL	NAME	TYPE OF BUSINESS	TAXABLE VALUE	% OF TOTAL
IHC HEALTH SERVICES INC	MEDICAL PROVIDER	$ 38,483,700	0.74%	PRICE DEVELOPMENT	REGIONAL SHOPPING MALL	$ 30,179,300	0.87%
BAJA BROADBAND	BROADBAND COMMUNICATIONS	24,833,235	0.48%	LESTER WITTWER INVESTMENTS	PROPERTY INVESTMENTS	18,102,730	0.52%
GENERAL GROWTH PROPERTIES	LAND DEVELOPMENT	22,190,200	0.43%	RIMROCK MARKETPLACE	PROPERTY INVESTMENTS	14,601,205	0.42%
DIXIE ESCALANTE RURAL ELECTRIC	ELECTRICAL COOPERATIVE	19,619,064	0.38%	WAL-MART INC	SUPER WAL-MART RETAIL STORE	13,790,960	0.40%
LESTER WITTWER INVESTMENT CO LC	PROPERTY INVESTMENTS	19,492,800	0.38%	THE PLANTATIONS AT ST. GEORGE	PROPERTY INVESTMENTS	12,253,275	0.35%
SKYWEST AIRLINES	REGIONAL AIRLINE CARRIER	18,349,630	0.35%	ZION FACTORY STORES HOLDING	STRIP SHOPPING MALL	11,280,450	0.32%
QUESTAR GAS	NATURAL GAS PROVIDER	17,793,756	0.34%	ZION FACTORY STORES III	STRIP SHOPPING MALL	10,066,150	0.29%
STAKER & PARSON COMPANIES	PROPERTY INVESTMENTS	15,672,401	0.30%	COSTCO WHOLESALE	WHOLESALE SHOPPING CLUB	10,035,980	0.29%
QWEST CORP	TELECOMMUNICATIONS	15,478,893	0.30%	TARGET CORP	SUPER TARGET RETAIL STORE	8,972,520	0.26%
SUBURBAN LAND RESERVE INC	PROPERTY INVESTMENTS	15,122,120	0.29%	AH COOMBS LC	PROPERTY INVESTMENTS	8,358,395	0.24%
		$ 207,035,799	3.99%			$ 137,640,965	3.96%

Source: Washington County Information Technology Services

CITY OF ST. GEORGE, UTAH
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(in thousands of dollars)

Fiscal Year Ended June 30	Real Property: Primary Residential Property	Real Property: Non-Primary Residential Property	Real Property: Commercial & Other Property	Real Property: State Assessed Property	Commercial Attached Personal Property	Less Adjustments to Taxable Value	Total Taxable Value	Estimated Actual Value	Taxable Value as a Percentage of Actual Value
2004	$ 1,459,050	$ 616,981	$ 887,775	$ 101,439	$ 1,155	$ (27,213)	$ 3,039,187	$ 4,320,220	70.35%
2005	1,616,411	681,916	937,422	99,342		(18,060)	3,317,031	4,716,445	70.33%
2006	2,068,273	877,977	1,037,878	90,651		(2,249)	4,072,530	5,932,597	68.65%
2007	2,820,877	1,256,276	1,334,676	89,785		-	5,501,614	8,021,906	68.58%
2008	3,397,861	1,735,621	1,497,991	130,172		-	6,761,645	9,594,120	70.48%
2009	3,418,978	2,015,720	1,656,614	234,970		-	7,326,282	10,425,903	70.27%
2010	2,827,569	1,592,024	1,468,398	123,395		-	6,011,386	8,549,831	70.31%
2011	2,402,908	1,394,831	1,384,311	122,478		-	5,304,528	7,497,089	70.75%
2012	2,249,152	1,419,495	1,360,888	121,753		-	5,151,288	7,190,342	71.64%
2013	2,265,799	1,424,548	1,380,905	118,030		-	5,189,282	7,216,601	71.91%

CITY OF ST. GEORGE, UTAH
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	City of St. George			Overlapping Governments									
				Washington County					Washington Co School District				
Fiscal Year	Operating Rate	Debt Service Rate	Total City Rate	County Library Rate	County General Rate	County G.O. Bond	Assess & Collect Rate	Total County Rate	Local School Fund Rate	State School Fund Rate	Total School Rate	(1) Special Districts	Direct & Overlapping Rates
2004	0.001603	0.000322	0.001925	0.000306	0.000729	0.000312	0.000348	0.001695	0.004880	0.001800	0.006680	0.000965	0.011265
2005	0.001535	0.000308	0.001843	0.000302	0.000720	0.000354	0.000345	0.001721	0.004875	0.001800	0.006675	0.000934	0.011173
2006	0.001369	0.000275	0.001644	0.000269	0.000640	0.000315	0.000320	0.001544	0.004411	0.001720	0.006131	0.001035	0.010354
2007	0.001126	0.000210	0.001336	0.000216	0.000514	0.000235	0.000257	0.001222	0.004085	0.001515	0.005600	0.000816	0.008974
2008	0.001026	0.000191	0.001217	0.000195	0.000464	0.000186	0.000421	0.001266	0.004344	0.001311	0.005655	0.000716	0.008854
2009	0.001015	0.000191	0.001206	0.000194	0.000564	0.000200	0.000421	0.001379	0.004326	0.001311	0.005637	0.000701	0.008923
2010	0.001313	0.000191	0.001504	0.000239	0.000695	0.000246	0.000507	0.001687	0.005608	0.001311	0.006919	0.000863	0.010973
2011	0.001559	0.000191	0.001750	0.000280	0.000816	0.000284	0.000591	0.001971	0.006493	0.001311	0.007804	0.001001	0.012526
2012	0.001666	0.000191	0.001857	0.000301	0.000873	0.000292	0.000627	0.002093	0.006916	0.001311	0.008227	0.001032	0.013209
2013	0.001698	0.000191	0.001889	0.000304	0.000882	0.000298	0.000626	0.002110	0.006890	0.001311	0.008201	0.000963	0.013163

(1) Washington County Water Conservancy District and Southwest Mosquito Special Service District

CITY OF ST. GEORGE, UTAH
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected with the fiscal year of the levy		Collections of Prior Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2004	$ 5,977	$ 5,622	94.06%	$ 524	$ 6,146	102.83%
2005	6,324	5,890	93.14%	173	6,063	95.87%
2006	6,936	6,907	99.58%	139	7,046	101.59%
2007	7,515	7,412	98.63%	120	7,532	100.23%
2008	8,382	7,538	89.93%	105	7,643	91.18%
2009	9,016	7,714	85.56%	129	7,843	86.99%
2010	9,170	7,875	85.88%	272	8,147	88.84%
2011	9,446	8,034	85.05%	587	8,621	91.27%
2012	9,693	8,445	87.12%	480	8,925	92.08%
2013	9,950	9,010	90.55%	473	9,483	95.31%

CITY OF ST. GEORGE, UTAH
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

	Governmental Activities					Business-Type Activities							
Fiscal Year	General Obligation Bonds	Tax Increment Bonds	Excise Tax Bonds	Special Assessment Bonds	Capital Leases	Sewer Bonds	Water Bonds	Electric Bonds	MBA Bonds	Golf Course Bonds	Capital Leases	Total Primary Government	Per Capita
2004	$ 18,190	$ 251	$ 6,390	$ 4,854	$ 207	$ 23,634	$ 54,414		$ 6,499	$ 2,132	$ 619	$ 117,190	$ 1,953
2005	18,015	4,210	5,850	4,080	121	20,942	52,299	17,280	5,724	2,132	666	131,319	2,020
2006	17,695	4,210	5,285	3,480	-	18,026	51,459	16,710	5,188	1,711	857	124,621	1,731
2007	17,540	3,670	4,700	2,864	-	15,104	49,579	16,110	3,786	1,293	918	115,564	1,541
2008	17,105	28,070	4,100	2,233	42	12,973	47,169	15,490	3,450	859	1,142	132,633	1,591
2009	16,595	25,430	3,475	1,612	-	11,042	44,664	68,845	3,101	407	702	175,873	2,069
2010	16,029	23,660	2,830	1,007	-	9,043	42,064	64,180	894	-	543	160,250	1,919
2011	15,460	20,910	2,160	662	-	6,964	39,399	62,610	802	-	962	149,929	2,054
2012	14,760	18,099	1,470	317	-	4,795	19,289	60,965	710	-	800	121,205	1,460
2013	13,995	15,160	750	-	-	3,755	16,617	59,235	612	-	632	110,756	1,334

CITY OF ST. GEORGE, UTAH
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2004	$ 18,190	$ 289	$ 17,901	0.5890%	$ 298
2005	18,015	365	17,650	0.5321%	272
2006	17,695	364	17,331	0.4256%	241
2007	17,540	-	17,540	0.4307%	234
2008	17,105	-	17,105	0.2492%	205
2009	16,595	-	16,595	0.2265%	195
2010	16,029	-	16,029	0.2666%	192
2011	15,460	-	15,460	0.2843%	212
2012	14,760	-	14,760	0.2820%	178
2013	13,995	-	13,995	0.2697%	169

CITY OF ST. GEORGE, UTAH
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013
(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Washington County	$ 18,960	54.91%	$ 10,411
Washington County School District	238,574	54.91%	131,001
Washington County Water Conservancy	2,680	54.91%	1,472
sub-total overlapping debt	260,214		142,884
City of St. George direct debt	13,995		13,995
Total direct & overlapping debt	$ 274,209		$ 156,879

CITY OF ST. GEORGE, UTAH
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	$ 371,978	$ 410,848	$ 503,555	$ 669,296	$ 823,545	$ 896,826	$ 721,366	$ 652,656	$ 628,110	$ 628,110
Total net debt applicable to limit	97,894	85,060	81,933	74,318	71,218	64,594	64,594	56,112	34,066	34,066
Legal debt margin	$ 274,084	$ 325,788	$ 421,622	$ 594,978	$ 752,327	$ 832,232	$ 656,772	$ 596,544	$ 594,044	$ 594,044
Total net debt applicable to the limit as a percentage of debt limit										

Legal Debt Margin Calculation for Fiscal Year 2013

Fair market value of taxable property	$ 7,216,601,305
Debt limit:	
General obligtion 4%	$ 288,664,052
Water, Sewer & electric 4%	288,664,052
Total debt limit	$ 577,328,104
Debt applicable to limit:	
General obligation bonds	$ 13,995,000
less: amt set aside for repayment of debt	
Water, sewer, and electric bonds	79,607,000
less: amt set aside for repayment of debt	(4,219,000)
Total net debt applicable to limit	89,383,000
Legal debt margin	$ 487,945,104

CITY OF ST. GEORGE, UTAH
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Sewer Revenue Bonds (Regional Treatment Fund)

Fiscal Year	Sewer Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2004	$ 8,871	$ 2,363	$ 6,508	$ 4,536	$ 662	1.25
2005	10,374	2,591	7,783	2,692	505	2.43
2006	10,790	2,706	8,084	2,917	484	2.38
2007	10,217	3,216	7,001	2,922	415	2.10
2008	9,355	3,308	6,047	2,131	374	2.41
2009	8,726	3,294	5,432	1,931	330	2.40
2010	8,547	3,312	5,235	1,999	281	2.30
2011	8,536	3,304	5,232	2,079	227	2.27
2012	8,917	3,531	5,386	2,169	166	2.31
2013	5,697	3,273	2,424	1,040	205	1.95

Water Revenue Bonds

Fiscal Year	Water Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2004	$ 14,726	$ 5,242	$ 9,484	$ 445	$ 1,422	5.08
2005	15,895	6,467	9,428	2,115	1,214	2.83
2006	16,116	8,651	7,465	840	2,354	2.34
2007	15,443	10,670	4,773	1,880	2,323	1.14
2008	17,628	10,846	6,782	2,410	2,027	1.53
2009	17,016	10,188	6,828	2,515	1,925	1.54
2010	16,891	9,794	7,097	2,610	1,810	1.61
2011	16,259	10,109	6,150	2,665	1,855	1.36
2012	16,441	11,986	4,455	2,605	1,273	1.15
2013	18,765	11,897	6,868	1,566	628	3.13

Golf Course Revenue Bonds

Fiscal Year	Golf Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2004	$ 4,357	$ 3,689	$ 668	$ 396	$ 132	1.27
2005	3,994	3,993	1	-	98	0.01
2006	4,416	4,038	378	421	88	0.74
2007	4,642	4,533	109	418	69	0.22
2008	4,840	4,444	396	434	61	0.80
2009	4,158	4,299	(141)	452	38	
2010	3,806	3,674	132	407	10	
2011	3,283	3,654	(371)			
2012	3,520	4,045	(525)			
2013	3,568	3,819	(251)			

Energy Services Revenue Bonds

Fiscal Year	Energy Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2004	$ 40,195	$ 37,040	$ 3,155	-	-	n/a
2005	44,637	36,630	8,007	-	-	n/a
2006	51,039	40,748	10,291	570	529	9.36
2007	53,623	47,601	6,022	600	703	4.62
2008	55,241	48,052	7,189	620	682	5.52 **
2009	55,201	49,921	5,280	645	693	3.95 **
2010	54,876	51,691	3,185	665	670	2.39
2011	54,440	50,294	4,146	1,570	3,045	0.90
2012	55,940	50,913	5,027	1,645	2,984	1.09
2013	59,362	52,805	6,557	1,730	2,912	1.41

** interest capitalized during construction period

CITY OF ST. GEORGE, UTAH
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	(1) Personal Income (amts expressed in millions)	(1) Per Capita Personal income	Median Age	(2) School Enrollment	(1) Unemployment Rate
2004	60,000	2,377.4	21,530		20,317	3.8
2005	65,000	2,736.4	23,017	30.0	21,584	3.5
2006	72,000	3,223.6	25,439		23,189	2.4
2007	75,000	3,558.0	26,892	31	24,352	2.9
2008	83,364	3,658.0	26,964		25,295	4.9
2009	85,000	3,595.0	26,147		25,775	7.3
2010	83,500	not available	not available	32.5	25,202	9.6
2011	82,000	not available	not available		not available	10.1
2012	83,000	not available	not available		not available	7.1
2013	83,000	not available	27,159		not available	5.4

(1) Source: Utah Department of Workforce Services
(information is for Washington County of which St. George is the largest city.)

(2) Source: Utah State Office of Education
(information is for Washington County of which St. George is the largest city.)

CITY OF ST. GEORGE, UTAH
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2013			2004		
Employer	Employees	Industry	Employer	Employees	Industry
Washington County School District (1)	2,000-2,999	Public Education	Washington County School District (1)	1,000-2000	Public Education
Intermountain Health Care	2,000-2,999	Health Care	Intermountain Health Care	500-700	Health Care
Dixie College	500-999	Higher Education	Dixie College	500-700	Higher Education
City of St. George	500-999	Local Government	Red Cliffs Mall	300-500	Shopping mall
Skywest Airlines	500-999	Air Transportation	City of St. George	300-400	Local Government
Federal Government	500-999	Federal Government	Skywest Airlines	200-300	Air Transporation
Washington County	250-499	Local Government	Wal-Mart	200-300	Retail Sales

(1) County-wide

Source: Utah Department of Workforce Services

CITY OF ST. GEORGE, UTAH
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
FUNCTION										
General government	48	64	50	51	52	50	64	64	65	74
Community & development services	21	24	39	39	29	27	21	21	21	20
Public Safety										
Police										
Officers	83	89	93	97	103	103	103	103	104	104
Reserves	8	8	4	4						
Civilians	28	30	37	39	39	39	40	40	46	47
Fire										
Firefighters & officers	15	19	22	22	23	23	31	31	31	31
Volunteers firefighters	51	55	64	64	64	64	64	64	64	64
Civilians		1	1	1	1	1	1	1	1	1
Highways & streets										
Engineering & Administration	21	24	22	25	22	17	14	14	15	15
Maintenance	28	28	31	32	32	32	32	32	32	33
Fleet maintenance (1)	11	11	12	13	13	13	0	0	0	0
Culture & recreation										
Recreation	12	14	12	14	14	14	14	14	14	14
Parks & design	29	34	39	41	42	42	42	42	42	53
Building maintenance	6	6	7	11	10	9	10	10	10	0
Dixie Center	8	9	9	9	12	12	12	12	11	11
Administration & others	9	9	8	8	6	6	6	6	6	6
Water services	48	52	54	54	49	49	49	49	49	49
Wastewater collections	16	17	19	19	19	17	17	17	17	17
Energy services	49	49	53	56	51	52	52	52	53	54
Golf courses	33	33	33	33	34	31	31	31	32	32
Wastewater treatment	18	18	21	21	19	20	20	20	20	21
Public transit	2	11	15	15	14	14	15	15	16	16
Total	544	605	645	668	648	635	638	638	649	662

(1) moved to General government in 2011 fiscal year
Note: 2014 based upon number of approved positions in fiscal year 2014 approved budget

THIS PAGE LEFT BLANK INTENTIONALLY

SINGLE AUDIT SECTION

HINTONBURDICK
CPAs & ADVISORS

MEMBERS:
CHAD B. ATKINSON, CPA
KRIS J. BRAUNBERGER, CPA
DEAN R. BURDICK, CPA
ROBERT S. COX, CPA
TODD B. FELTNER, CPA
K. MARK FROST, CPA
KENNETH A. HINTON, CPA
MORRIS J. PEACOCK, CPA
PHILLIP S. PEINE, CPA
MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA

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

The Honorable Mayor and
City Council
St. George, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of St. George City, Utah, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise St. George City, Utah's basic financial statements, and have issued our report thereon dated September 27, 2013

Internal Control Over Financial Reporting

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

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

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

CEDAR CITY • FLAGSTAFF • HURRICANE • MESQUITE • PHOENIX • RICHFIELD • ST. GEORGE
www.hintonburdick.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. George City, Utah's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Hinton Burdick, PLLC

HintonBurdick, PLLC
St. George, Utah
September 27, 2013

ST. GEORGE CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor Agency	Federal CFDA Number	Federal Expenditures
U.S. Department of Housing and Urban Development		
Community Development Block Grants/ Entitlement Grants Program	14.218	$ 414,033
U.S. Department of Interior		
Water Conservation Field Services Grant Program	15.530	52,309
Passed through the State of Utah:		
Land & Water Conservation Fund Stateside Program	15.916	6,572
Total U.S. Department of Interior		58,881
U.S. Department of Justice		
Passed through the State of Utah:		
Crime Victim Assistance Grant Program	16.575	40,973
Edward Byrne Memorial Formula Grant Program	16.579	90,260
Edward Byrne Memorial Justice Assistance Grant Program	16.738	17,738
Regional Fugitive Task Force	16.xxx	11,886
Total U.S. Department of Justice		160,857
U.S. Department of Transportation		
Federal Transportation Administration:		
Federal Transit Formula Grant Program	20.507	597,580
Federal Aviation Administration:		
Passed through the State of Utah:		
Airport Improvement Program	20.106	11,107,734
Small Community Air Service Development Program	20.930	36,061
Total U.S. Department of Transportation		11,741,375
Executive Office of the President, Office of National Drug Control Policy		
High Intensity Drug Trafficking Area (HIDTA)	95.001	107,083
U.S. Department of Homeland Security		
Federal Emergency Management Agency:		
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	229,762
Passed through the State of Utah:		
Disaster Grants-Public Assistance Program (1)	97.036	4,295,738
Hazard Mitigation Grant Program	97.039	295,887
Total U.S. Department of Homeland Security		4,821,387
Total expenditures of federal awards		$ 17,303,616

(1) $1,877,422 of this amount from the State of Utah was also passed through Washington County, Utah.

The accompanying notes are an integral part of this schedule.

ST. GEORGE CITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of St. George City and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Sub-recipients

St. George City provided federal awards (CDBG funds) to the following sub-recipients:

Five County Association of Governments	$200,092
The Dove Center	75,000
The Learning Center for Families	24,811

ST. GEORGE CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness identified? ____yes __x__no
- Significant deficiencies identified that are not considered to be material weaknesses? ____yes __x__no

Noncompliance material to financial statements noted? ____yes __x__no

Federal Awards

Internal control over major programs:

- Material weakness identified? ____yes __x__no
- Significant deficiencies identified? ____yes __x__no

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? ____yes __x__no

Identification of major programs:

CFDA Number(s)	Name of Federal Program
20.106	Airport Improvement Program
20.507	Federal Transit Formula Program
97.036	Disaster Grants – Public Assistance Program
14.218	Community Development Block Grants Entitlement Program

ST. GEORGE CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section I – Summary of Auditor's Results (Continued)

Dollar threshold used to distinguish between type A and type B programs: $ 519,108

Auditee qualified as low-risk auditee? x yes ____no

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters or questioned costs were reported.

HINTONBURDICK
CPAs & ADVISORS

MEMBERS:
CHAD B. ATKINSON, CPA
KRIS J. BRAUNBERGER, CPA
DEAN R. BURDICK, CPA
ROBERT S. COX, CPA
TODD B. FELTNER, CPA
K. MARK FROST, CPA
KENNETH A. HINTON, CPA
MORRIS J. PEACOCK, CPA
PHILLIP S. PEINE, CPA
MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

The Honorable Mayor and
City Council
St. George, Utah

Report on Compliance for Each Major Federal Program

We have audited the City of St. George, Utah's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of St. George, Utah's major federal programs for the year ended June 30, 2013. The City of St. George, Utah's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of St. George, Utah's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of St. George, Utah's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of The City of St. George, Utah's compliance.

CEDAR CITY • FLAGSTAFF • HURRICANE • MESQUITE • PHOENIX • RICHFIELD • ST. GEORGE
www.hintonburdick.com

Opinion on Each Major Federal Program

In our opinion, the City of St. George, Utah, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the City of St. George, Utah, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of St. George, Utah's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of St. George, Utah's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Hinton Burdick, PLLC

HintonBurdick, PLLC
St. George, Utah
October 04, 2012

HINTONBURDICK
CPAs & ADVISORS

MEMBERS:
CHAD B. ATKINSON, CPA
KRIS J. BRAUNBERGER, CPA
DEAN R. BURDICK, CPA
ROBERT S. COX, CPA
TODD B. FELTNER, CPA
K. MARK FROST, CPA
KENNETH A. HINTON, CPA
MORRIS J. PEACOCK, CPA
PHILLIP S. PEINE, CPA
MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE WITH THE *STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE*

The Honorable Mayor and
City Council
St. George, Utah

REPORT ON COMPLIANCE

We have audited St. George City, Utah's compliance with the general and major state program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2013.

The general compliance requirements applicable to St. George City, Utah are identified as follows:

Cash Management
Budgetary Compliance
Fund Balance
Impact Fees
Utah Retirement Systems Compliance
Transfers from Utility Enterprise Funds
Government Records Access Management Act
Conflicts of Interest
Nepotism
Utah Public Finance Website
Open and Public Meetings Act
General Compliance Requirements
B&C Road Funds

St. George City, Utah received the following major assistance programs from the State of Utah:

B&C Road Funds
State 911 Committee

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of St. George City's management.

CEDAR CITY • FLAGSTAFF • HURRICANE • MESQUITE • PHOENIX • RICHFIELD • ST. GEORGE
www.hintonburdick.com

Auditor's Responsibility

Our responsibility is to express an opinion on St. George City, Utah's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards and the *State of Utah Legal Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on St. George City and its major programs occurred. An audit includes examining, on a test basis, evidence about St. George City, Utah's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of St. George City, Utah's compliance with those requirements.

Opinion

In our opinion, St. George City, Utah, complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the *State of Utah Legal Compliance Audit Guide* and which is described in the accompanying Schedule of Findings and Recommendations as item 1.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of St. George City, Utah is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered St. George City, Utah's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of St. George City, Utah's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

St. George City, Utah's Response to Findings

St. George City, Utah's response to the finding identified in our audit is described in the accompanying letter from management. St. George City, Utah's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of Report

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

Hinton Burdick, PLLC

HintonBurdick, PLLC
St. George, Utah
September 27, 2013

THIS PAGE LEFT BLANK INTENTIONALLY

HINTONBURDICK
CPAs & ADVISORS

MEMBERS:
CHAD B. ATKINSON, CPA
KRIS J. BRAUNBERGER, CPA
DEAN R. BURDICK, CPA
ROBERT S. COX, CPA
TODD B. FELTNER, CPA
K. MARK FROST, CPA
KENNETH A. HINTON, CPA
MORRIS J. PEACOCK, CPA
PHILLIP S. PEINE, CPA
MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

September 27, 2013

St. George City Officials
St. George, Utah 84770

Dear Sirs:

During our audit of the funds of St. George City for the fiscal year 2012 - 2013, we found an instance of non-compliance with state law. We do not believe this instance to be material; however, we are required to communicate it to you. We recommend that appropriate action be taken to put the City in full compliance with state laws.

1. Finding - Budgetary Compliance:

   The Fiscal Procedures Act for Utah Cities requires cities to restrict expenditures to the authorized department or fund budget. The "statement of revenues, expenditures and changes in fund balance - budget and actual" identifies the general fund department which over-expended its budget. We also noted that the Drainage Impact and Police Impact Funds over-spent their budgets. We recognize that most of the City's funds and departments were in full compliance with this requirement.

   Recommendation

   We recommend that the City operate within the confines of State law by limiting expenditures or following proper procedures to adjust the departmental/fund budgets.

This letter is intended solely for the use of the mayor, city council and management.

It has been a pleasure to once again be of service to the City this past year. Observations we made during the audit evidence the fact that you are carefully trying to comply with federal and state laws and to fulfill your stewardship to the citizens of St. George. We wish to thank you for your diligent efforts.

If we can be of additional assistance in any way to further assist you in fulfilling your stewardship, please contact us at any time. We look forward to a continued pleasant professional relationship.

Sincerely,

Hinton Burdick, PLLC

HintonBurdick, PLLC
September 27, 2013

CEDAR CITY • FLAGSTAFF • HURRICANE • MESQUITE • PHOENIX • RICHFIELD • ST. GEORGE
www.hintonburdick.com

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF ST. GEORGE
175 East 200 North
St. George, Utah 84770

October 25, 2013

To: Mayor and City Council
City Manager
City of St. George

From: Philip R. Peterson, CPA CGFM
Finance Director

Subject: Schedule of Findings and Recommendations
Fiscal year audit ended June 30, 2013

The following responses have been made to the audit findings and recommendations of our auditors as they were included in the schedule of findings and recommendations.

1. We do monitor all budgets closely to assure that they stay within authorized limits. We will continue to monitor all budgets and work to eliminate this type of problem in the future.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2012

The June 30, 2012 findings included the current finding on budgets as well as two others regarding deficit fund balances and B & C road fund requirements. The findings on deficit fund balances and B & C road funds have been corrected. We will continue to monitor and review budgets to do our best to avoid this finding again in the 2014 fiscal year.

CITY OF ST. GEORGE
175 East 200 North, St. George, Utah 84770
Phone: (435) 627-4000
www.sgcity.org

MAYOR
Daniel D. McArthur

CITY MANAGER
Gary S. Esplin

CITY COUNCIL
Gil Almquist
Gail Bunker, Jimmie Hughes
Benjamin Nickle, Jon Pike

THIS PAGE LEFT BLANK INTENTIONALLY

CONTINUING DISCLOSURE SECTION

Table 1 provides total revenue amounts deposited in the State Transportation Fund from which Class B and C road allocations are made:

TABLE 1

	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
Motor Fuel Tax	$ 250,716	$ 235,481	$ 243,389	$ 251,142	$ 250,421
Special Fuel Tax	114,602	101,367	94,843	101,121	100,562
Motor Vehicle Registration Fees	35,366	34,917	33,447	35,110	35,686
Proportional Registration Fees	14,202	14,114	14,617	14,746	14,691
Temporary Permits	523	492	387	402	435
Special Transportation Permits	8,093	8,235	8,753	9,615	9,872
Highway Use Permits	9,102	9,194	9,375	9,728	9,552
Motor Vehicle Control Fees	5,294	4,552	4,091	4,552	4,777
	$ 437,898	$ 408,352	$ 408,902	$ 426,416	$ 425,996

Source: "Annual Statistical Summary", Utah Department of Transportation, December 2012

Table 2 reflects collector and Class "C" Road Funds allocated by the Utah Department of Transportation quarterly to the City for the past five years:

TABLE 2 - C ROAD FUND DISTRIBUTION

Fiscal Year	St. George Allocations	Total B & C Road Fund Allocations	St. George Percentage
2008	$ 2,411,190	$ 124,415,351	1.94%
2009	2,291,988	127,804,942	1.79%
2010	2,300,091	118,460,536	1.94%
2011	2,377,843	119,094,348	2.00%
2012	2,388,080	124,400,747	1.92%
2013	2,410,786	125,077,927	1.93%

(Source: Utah Department of Transportation, "Annual Statistical Summary")

City of St. George, UT
Continuing Disclosure - Excise Tax Revenue Bonds, Series 2004
Fiscal Year Ended June 30, 2013

TABLE 3 - CALCULATION OF ESTIMATED DEBT SERVICE COVERAGE

Bond Year	Project Class C Road Fund Allocation		1996 Bonds	2004 Bonds	Total D.S.	Coverage
2007	$ 2,219,074	1	$ 497,004	$ 275,300	$ 772,304	2.87
2008	2,411,190	1		765,425	765,425	3.15
2009	2,291,988	1		772,425	772,425	2.97
2010	2,300,091	1		772,569	772,569	2.98
2011	2,377,843	2		775,363	775,363	3.07
2012	2,388,080	2		768,975	768,975	3.11
2013	2,410,786	2		768,562	768,562	3.14
2014	2,483,110	2		766,406	766,406	3.24
2015	2,557,603	2			-	
2016	2,634,331	2			-	

1 - per City of St. George audited financial statements
2 - growth rate of 3% per year estimated.

TABLE 4 - TEN YEAR HISTORY OF FUNDING SOURCES FOR ROAD CONSTRUCTION AND MAINTENANCE

Fiscal Year	Total Road Construction and Maintenance Expenditures	C" Road Fund Portion	Contribution from the City's General Fund	General Fund Monies as a % of Total
2013	$ 4,240,486	$ 2,410,786	$ 1,829,700	43.15%
2012	4,065,449	2,388,080	1,677,369	41.26%
2011	3,600,987	2,377,843	1,223,144	33.97%
2010	3,986,863	2,300,091	1,686,772	42.31%
2009	4,266,739	2,291,988	1,974,751	46.28%
2008	4,776,084	2,411,190	2,364,894	49.52%
2007	4,634,877	2,219,074	2,415,803	52.12%
2006	4,346,521	1,980,256	2,366,265	54.44%
2005	4,091,872	1,932,452	2,159,420	52.77%
2004	3,691,389	2,103,013	1,588,376	43.03%

(Source: City of St. George annual financial statements)

Comparative Property Tax Rates Within Washington County

Tax Levying Entity	2013	2012	2011	2010	2009
Hurricane	0.002723	0.002754	0.002523	0.002492	0.00201
Ivins	'0.002125	'0.002097	'0.001990	0.001736	0.001389
LaVerkin	0.002805	0.002776	0.002676	0.001945	0.001629
St. George City	' 0.001889	' 0.001857	' 0.001750	0.001504	0.001206
Washington City	0.001711	0.001681	0.001625	0.001393	0.001124

(Source: Washington County Auditor)

DEBT STRUCTURE

Outstanding General Obligation Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2004	Parks and Recreation	11,645,000	August 1, 2021	8,910,000
2010	Parks and Recreation	5,395,000	August 1, 2023	5,085,000

Outstanding Tax Increment Bond Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2011	Sales tax rev.	$2,228,000	June 15, 2015	$1,325,000
2009	Sales tax rev.	22,485,000	Nov. 1, 2017	13,835,000

Outstanding Revenue Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2003	Water Refunding	$12,325,000	July 1, 2013	$ 1,045,000
1994	Wastewater	$4,000,000	June 15, 2014	$ 275,000
2004	Excise Tax Revenue	$5,000,000	December 1, 2013	$ 750,000
2011	Water Refunding	$6,120,000	June 1, 2020	$ 5,375,000
2004	Water	$31,000,000	July 1, 2014	$ 2,730,000
2004	Sewer	$7,015,000	July 1, 2016	$ 3,480,000
2005	Electric Revenue	$17,280,000	June 1, 2025	$ 12,010,000
2008	Electric Revenue	$50,000,000	June 1, 2038	$ 47,225,000
2009A	Build America Bonds	$3,504,000	December 1, 2021	$ 2,675,000
2009B	Recovery Zone Bonds	$6,723,000	June 1, 2024	$ 6,723,000
2012	Water	$3,830,000	July 1, 2025	$ 3,830,000
2012	Water	$3,637,000	July 1, 2016	$ 3,637,000

Outstanding Lease Purchase Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
1999A	MBA Refunding	$6,270,000	September 1, 2017	$ 450,000
2000	MBA Woodward	$350,000	April 1, 2021	$ 162,000

Debt Ratios

Direct General Obligation Debt is .28% of 2012 Taxable Value.

Total Direct and Overlapping General Obligation Debt is 3.04% of 2012 Taxable Value

Per Capita Direct General Obligation Debt is $177 based on the estimated population of 83,000.

Per Capita Direct and Overlapping General Obligation Debt is $1,899 based on estimated population.

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Table 1 - Sewer Fees by Fiscal Year per Entity

	Fiscal Year Ended June 30				
Entity	2013 (1)	2012	2011	2010	2009
City of St. George	$ 3,183,915	$ 5,791,457	$ 5,727,765	$ 5,669,907	$ 5,618,856
Washington City	865,852	1,422,272	1,353,479	1,338,761	1,189,794
City of Santa Clara	173,522	330,488	325,983	322,579	322,722
Town of Ivins	227,025	471,375	463,729	458,921	449,986
	$ 4,450,314	$ 8,015,592	$ 7,870,956	$ 7,790,168	$ 7,581,358

(1) Rates were reduced during the 2013 fiscal year

(Source: The City)

Table 2 - Sewer Connections by Fiscal Year per Entity

	Fiscal Year Ended June 30				
Entity	2013	2012	2011	2010	2009
City of St. George	35,654	33,750	33,379	33,041	32,744
Washington City	9,621	8,288	7,887	7,802	6,933
City of Santa Clara	1,928	1,926	1,900	1,880	1,881
Town of Ivins	2,523	2,747	2,702	2,674	2,622
	49,726	46,711	45,868	45,397	44,180

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Enterprise Fund - Wastewater Collection
Balance Sheet

	Fiscal Year Ended June 30				
	2013	2012	2011	2010	2009
Assets:					
Current Assets:					
Cash	$ 1,985,459	$ 1,307,087	$ 899,443	$ 405,198	$ (363,632)
Accts Rec./Due from other funds	651,919	57,366	58,364	95,822	294,865
Total current assets	2,637,378	1,364,453	957,807	501,020	(68,767)
Poperty Plant & Equipment	11,958,183	11,919,131	11,531,005	11,298,355	11,268,226
Accumulated deprecation	(7,122,268)	(6,700,059)	(6,293,894)	(5,846,117)	(5,389,316)
Net property, plant & equipment	4,835,915	5,219,072	5,237,111	5,452,238	5,878,910
Total Assets	$ 7,473,293	$ 6,583,525	$ 6,194,918	$ 5,953,258	$ 5,810,143
Liabilities and fund equity:					
Current Liabilities:					
Accrued liabilities	$ 60,619	$ 50,814	$ 73,620	$ 69,164	$ 74,888
Customer guarantee deposits	81,260				
Total current liabilities	141,879	50,814	73,620	69,164	74,888
Total Liabilities	141,879	50,814	73,620	69,164	74,888
Fund Equity:					
Contributed capital:					
Subdivisions	580,629	580,629	580,629	580,629	580,629
Government agencies	1,471,195	1,471,195	1,471,195	1,471,195	1,471,195
Total contributions	2,051,824	2,051,824	2,051,824	2,051,824	2,051,824
Retained Earnings:					
Unreserved/unrestricted	5,279,590	4,480,887	4,069,474	3,832,270	3,683,431
Total retained earnings	5,279,590	4,480,887	4,069,474	3,832,270	3,683,431
Total fund equity	7,331,414	6,532,711	6,121,298	5,884,094	5,735,255
Total liabilities and equity	$ 7,473,293	$ 6,583,525	$ 6,194,918	$ 5,953,258	$ 5,810,143

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Enterprise Fund - Wastewater Treatment
Balance Sheet

	Fiscal Year Ended June 30				
	2013	2012	2011	2010	2009
Assets:					
Current Assets:					
Cash	$ 16,099,676	$ 34,965,963	$ 32,350,548	$ 29,502,267	$ 27,870,765
Restricted cash	1,480,993	2,300,767	2,334,681	2,307,326	2,341,142
Accounts receivable	322,111	241,095	389,072	469,645	227,567
Bond discounts & insurance	40,467	89,679	240,542	391,405	542,268
Due from other funds	18,478,173	-	-	-	-
Total current assets	36,421,420	37,597,504	35,314,843	32,670,643	30,981,742
Poperty Plant & Equipment	74,068,713	72,100,666	71,146,346	70,569,214	69,436,387
Accumulated deprecation	(18,956,695)	(17,454,541)	(15,971,354)	(14,499,890)	(13,146,255)
Net property, plant & equipment	55,112,018	54,646,125	55,174,992	56,069,324	56,290,132
Total Assets	$ 91,533,438	$ 92,243,629	$ 90,489,835	$ 88,739,967	$ 87,271,874
Liabilities and fund equity:					
Current Liabilities:					
Accrued liabilities	$ 238,162	$ 783,109	$ 644,891	$ 337,674	$ 397,098
Bonds payable - short term	1,080,000	-	-	-	-
Total current liabilities	1,318,162	783,109	644,891	337,674	397,098
Bonds payable - long term	2,674,522	4,868,154	7,110,785	9,263,417	11,336,048
Total Liabilities	3,992,684	5,651,263	7,755,676	9,601,091	11,733,146
Fund Equity:					
Contributed capital:					
Subdivisions	-	-	-	-	-
Government agencies	2,761,568	2,761,568	2,761,568	2,761,568	2,761,568
Total contributions	2,761,568	2,761,568	2,761,568	2,761,568	2,761,568
Retained Earnings:					
Restricted for bond retirement	1,480,993	2,300,767	2,334,681	2,307,326	2,341,142
Unreserved/unrestricted	83,298,193	81,530,031	77,637,910	74,069,982	70,436,018
Total retained earnings	84,779,186	83,830,798	79,972,591	76,377,308	72,777,160
Total fund equity	87,540,754	86,592,366	82,734,159	79,138,876	75,538,728
Total liabilities and equity	$ 91,533,438	$ 92,243,629	$ 90,489,835	$ 88,739,967	$ 87,271,874

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Enterprise Fund - Wastewater Collection
Statement of Revenues, Expenditures, and Changes in Retained Earnings

	Fiscal Year Ended June 30				
	2013 (1)	2012	2011	2010	2009
Operating revenues:					
Charges for services	$ 5,331,420	$ 7,685,742	$ 7,706,792	$ 7,628,073	$ 7,592,357
Impact and connection fees					
Other operating revenues	728,199	489,887	256,617	272,305	273,158
Total operating revenues	6,059,619	8,175,629	7,963,409	7,900,378	7,865,515
Operating expenses:					
Salary & Wages	612,710	631,730	622,646	656,092	777,911
Deprecation	422,209	406,165	447,778	456,801	461,755
Bad debts	-	-	-	-	37,918
Payroll tax & employee benefits	277,508	276,261	269,190	291,060	350,400
Office & department supplies	67,374	45,949	51,292	39,067	70,227
Professional services	10,676	14,519	8,547	7,056	12,869
Repair & maintenance - equipment	242,865	133,162	123,668	110,653	138,128
Repair & maintenance - bldg & grounds	2,904	969	6,852	3,210	6,751
Insurance & surety bonds	18,743	18,428	16,618	14,113	19,083
Travel	4,982	6,019	4,684	6,171	28,919
Contract labor	3,162,855	5,791,457	5,727,765	5,669,907	5,618,856
Billing and administration	450,000	450,000	450,000	520,000	520,000
Total operating expenses	5,272,826	7,774,659	7,729,040	7,774,130	8,042,817
Operating income (loss)	786,793	400,970	234,369	126,248	(177,302)
Non-operating revenues (expenses)					
Interest income	11,907	4,173	2,189	2,853	14,991
Miscellaneous income	-	6,270	647	19,739	-
Total non-operating revenue (expense)	11,907	10,443	2,836	22,592	14,991
Net Income	798,700	411,413	237,205	148,840	(162,311)
Transfers to other funds	-	-	-	-	-
Retained earnings at beginning of year	4,480,889	4,069,476	3,832,271	3,683,431	3,845,742
Retained earnings at end of year	5,279,589	4,480,889	4,069,476	3,832,271	3,683,431

(1) Rates were reduced in 2013

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Enterprise Fund - Wastewater Treatment
Statement of Revenues, Expenditures, and Changes in Retained Earnings

	Fiscal Year Ended June 30				
	2013 (1)	2012	2011	2010	2009
Operating revenues:					
Charges for services	$ 4,450,314	$ 8,015,592	$ 7,870,955	$ 7,790,169	$ 7,693,995
Impact and connection fees	-	-	-	-	-
Other operating revenues	1,247,041	901,186	664,951	612,617	537,913
Total operating revenues	5,697,355	8,916,778	8,535,906	8,402,786	8,231,908
Operating expenses:					
Salary & Wages	938,319	1,025,748	929,639	986,605	963,028
Supplies	435,052	405,723	409,983	434,843	482,448
Equipment rental	1,010	986	2,684	1,899	2,681
Deprecation	1,502,153	1,483,187	1,471,464	1,353,635	1,320,946
Payroll tax & employee benefits	395,433	416,748	394,731	402,842	404,254
Office & department supplies	91,004	43,853	50,379	33,277	51,121
Professional services	141,755	213,054	166,092	282,606	285,770
Repair & maintenance - equipment	543,083	699,312	606,895	571,247	492,567
Repair & maintenance - bldg & grounds	15,494	15,303	24,514	14,736	5,922
Insurance & surety bonds	56,967	54,039	58,897	57,801	78,998
Travel	4,913	5,849	10,023	6,697	7,693
Billing and administration	650,000	650,000	650,000	520,000	520,000
Total operating expenses	4,775,183	5,013,802	4,775,301	4,666,188	4,615,428
Operating income (loss)	922,172	3,902,976	3,760,605	3,736,598	3,616,480
Non-operating revenues (expenses)					
Interest income	113,851	132,962	101,043	194,257	541,032
Miscellaneous income	62,136	100,895	72,613	62,578	65,678
Interest charges	(118,496)	(278,626)	(338,977)	(393,285)	(442,060)
Total non-operating revenue (expense)	57,491	(44,769)	(165,321)	(136,450)	164,650
Net Income	979,663	3,858,207	3,595,284	3,600,148	3,781,130
Restatement of retained earnings for GASB	(31,277)	-	-	-	-
Federal grants	-	-	-	-	-
Retained earnings at beginning of year	83,830,799	79,972,592	76,377,308	72,777,160	68,996,030
Retained earnings at end of year	$ 84,779,185	$ 83,830,799	$ 79,972,592	$ 76,377,308	$ 72,777,160

(1) Rates were reduced in 2013

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Balance Sheet- General Fund

	Fiscal Year Ended June 30				
	2013	2012	2011	2010	2009
Assets and other debits:					
Cash	$ 4,528,595	$ 1,954,945	$ 1,746,858	$ 2,651,528	$ 1,581,337
Accounts receivable (net of allowance)	3,480,435	3,428,067	3,070,277	2,845,560	2,729,081
Inventory	112,346	98,415	113,173	92,317	97,671
Due from other funds	500,000	500,000	500,000	500,000	500,000
Prepaid items	39,773	38,420	7,718	72,758	436,078
Notes receivable	70,000	1,616,708	1,621,140	1,621,109	1,626,532
Total assets and other debits	$ 8,731,149	$ 7,636,555	$ 7,059,166	$ 7,783,272	$ 6,970,699
Liabilities:					
Accrued liabilities	$ 1,161,319	$ 1,697,360	$ 1,187,916	$ 2,419,677	$ 1,616,511
Construction bonds held	682,700	189,429	178,065	176,206	173,044
Due to other funds	-	-	-	388,645	388,645
Deferred revenues	59,450	54,489	49,409	42,322	36,179
Total liabilities	1,903,469	1,941,278	1,415,390	3,026,850	2,214,379
Fund equity and other credits:					
Fund Balances:					
Reserved by statute	386,439	270,248	246,934	244,405	217,799
Reserved for notes receivable	570,000	1,616,708	1,621,140	1,621,109	1,626,532
Unreserved - undesignated	5,871,241	3,808,321	3,775,702	2,890,908	2,911,989
Total fund equity and other credits	6,827,680	5,695,277	5,643,776	4,756,422	4,756,320
Total Liabilities, Equity, and other credits	$ 8,731,149	$ 7,636,555	$ 7,059,166	$ 7,783,272	$ 6,970,699

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund Types - General Fund

The following summary was extracted from the City's general purpose financial statements for the fiscal years ended June 30, 2008 through June 30, 2012. The summary has not been audited

	Fiscal Year Ended June 30				
REVENUES:	2009	2010	2011	2012	2013
Taxes and special assessements	$ 27,037,298	$ 26,166,847	$ 26,964,263	$ 28,381,246	$ 30,609,031
Licenses and permits	1,622,432	1,393,101	1,423,821	1,755,314	2,200,214
Intergovernmental	2,718,261	3,059,885	3,170,062	3,359,693	3,485,640
Charges for services	7,761,910	8,472,802	8,808,926	9,283,576	9,772,606
Fines and forfeitures	856,218	1,034,449	1,081,108	995,256	953,653
Miscellaneous	65,690	129,308	82,590	57,315	73,143
Interest income	425,197	208,978	164,324	126,859	64,097
Rents and concessions	25,474	24,871	30,213	39,857	61,846
Proceeds from sale of property	-	-	-	-	-
Total revenues	40,512,480	40,490,241	41,725,307	43,999,116	47,220,230
EXPENDITURES:					
General government	5,991,205	5,752,407	5,601,325	5,471,034	5,287,619
Public safety	14,042,927	13,647,208	14,707,869	16,623,981	16,812,718
Highways and public improvements	7,344,458	6,852,007	6,687,773	7,336,466	7,701,982
Parks, recreation and public prop.	8,738,528	8,407,835	8,888,809	10,237,209	11,092,834
Community and economic development	1,661,199	1,425,660	1,110,749	1,875,605	1,761,570
Capital projects	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital leases	50,102	125,180	55,993	52,768	44,505
Total expenditures	37,828,419	36,210,297	37,052,518	41,597,063	42,701,228
Excess (deficiency of Revenues over Expenditures)	2,684,061	4,279,944	4,672,789	2,402,053	4,519,002
OTHER FINANCING SOURCES (USES):					
Proceeds of bond sales/capital leases	-	-	-	-	-
Contributions from other entities	137,703	96,329	139,335	93,701	109,441
Operating transfers out	(3,287,000)	(4,620,073)	(4,667,000)	(2,967,000)	(3,967,000)
Operating transfers in	286,087	240,430	708,823	469,906	393,281
Proceeds from sale of fixed assets	28,294	3,470	33,408	52,839	77,681
Total other financing sources (uses)	(2,834,916)	(4,279,844)	(3,785,434)	(2,350,554)	(3,386,597)
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(150,855)	100	887,355	51,499	1,132,405
Residual equity transfer to PFC Spec Rev Fund	-	-	-	-	-
Unappropriated Fund Balances at the beginning of the year	4,907,176	4,756,321	4,756,421	5,643,776	5,695,275 **
Fund Balances at the end of year	$ 4,756,321	$ 4,756,421	$ 5,643,776	$ 5,695,275	$ 6,827,680

** (includes balance in perpetual care fund)
(Source: City Audited Financials. This chart has not been audited.)

City of St. George, UT
Continuing Disclosure - 2004 Sewer Revenue Bonds
Fiscal Year Ended June 30, 2013

Historical Summaries of Taxable Values of Property

Set by County Assessor	2012		2011		2010		2009		2008		2007	
Locally Assessed	Taxable Value	% of T.V.	Taxable Value	% of T.V.	Taxable Value	% of T.V.	Taxable Value	% of T.V.	Taxable Value	% of T.V.	Taxable Value	% of T.V.
Residential Real Estate - primary use	$ 629,159,720	12.12%	$ 649,837,685	12.62%	$ 735,200,585	13.86%	$ 974,395,000	16.21%	$ 1,174,033,245	16.02%	$ 1,184,609,696	17.52%
Residential Real Estate - Not primary use	660,439,255	12.73%	696,161,185	13.51%	748,823,220	14.12%	961,345,275	15.99%	1,202,990,960	16.42%	1,148,362,981	16.98%
Commercial and Industrial Real Estate	636,932,725	12.27%	650,218,530	12.62%	667,116,860	12.58%	672,900,265	11.19%	639,417,870	8.73%	589,163,932	8.71%
Agricultural Real Estate - Improved - Not F.A.A.	32,500,720	0.63%	30,721,225	0.60%	33,203,970	0.63%	31,983,445	0.53%	43,928,820	0.60%	50,770,036	0.75%
Real Estate - Under FAA-Agricultural	1,893,115	0.04%	1,864,400	0.04%	1,834,700	0.03%	2,038,570	0.03%	2,113,915	0.03%	2,369,365	0.04%
Umimproved Real Estate - Not F.A.A.	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Real Estate	1,960,925,535	37.79%	2,028,803,025	39.38%	2,186,179,335	41.21%	2,642,662,555	43.96%	3,062,484,810	41.80%	2,975,276,010	44.00%
Residential Buildings - Primary use	1,636,639,635	31.54%	1,599,314,270	31.05%	1,667,707,345	31.44%	1,853,174,015	30.83%	2,244,944,655	30.64%	2,213,250,891	32.73%
Residential Buildings - Not primary use	764,108,950	14.72%	723,334,215	14.04%	646,007,400	12.18%	630,678,410	10.49%	812,729,370	11.09%	587,257,794	8.69%
Commercial and Industrial Buildings	707,397,505	13.63%	675,867,485	13.12%	680,038,095	12.82%	759,143,395	12.63%	969,031,890	13.23%	853,832,236	12.63%
Agricultural Buildings	2,180,650	0.04%	2,215,700	0.04%	2,118,080	0.04%	2,332,680	0.04%	2,121,550	0.03%	1,856,423	0.03%
Total Buildings	3,110,326,740	59.94%	3,000,731,670	58.25%	2,995,870,920	56.48%	3,245,328,500	53.99%	4,028,827,465	54.99%	3,656,197,344	54.07%
Total Real Property	5,071,252,275	97.73%	5,029,534,695	97.64%	5,182,050,255	97.69%	5,887,991,055	97.95%	7,091,312,275	96.79%	6,631,473,354	98.07%
Fee in Lieu Property	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Fee based property	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-		-	
Mobile Homes - Primary residential use	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Mobile Homes - other use	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Commercial and Industrial Property	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Agricultural Machinery	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Trade Fixtures	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Other Personal Property	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Personal Property	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Locally Assessed	5,071,252,275	97.73%	5,029,534,695	97.64%	5,182,050,255	97.69%	5,887,991,055	97.95%	7,091,312,275	96.79%	6,631,473,354	98.07%
Total Centrally Assessed	118,029,935	2.27%	121,753,283	2.36%	122,477,787	2.31%	123,394,584	2.05%	234,970,051	3.21%	130,171,738	1.93%
Total Taxable Value	$ 5,189,282,210	100.00%	$ 5,151,287,978	100.00%	$ 5,304,528,042	100.00%	$ 6,011,385,639	100.00%	$ 7,326,282,326	100.00%	$ 6,761,645,092	100.00%

(Source: Washington County Information Technology)

WATER UTILITY FUND

ACTUAL REVENUES, EXPENSES, AND DEBT SERVICE COVERAGE

FISCAL YEAR ENDING '6/30	WATER SALES REVENUES	OTHER REVENUES (1)	INTEREST INCOME(2)	TOTAL REVENUES	O & M EXPENSE	NET REVENUES	2001 Refunding DEBT SERVICE	1995A BOND DEBT SERVICE	2003 Refunding BOND DEBT SERVICE	2004 Bond Debt SERVICE	2011 Refunding DEBT SERVICE	2012 Refunding DEBT SERVICE	TOTAL DEBT SERVICE (3)	TOTAL DEBT SERVICE COVERAGE
2005	$ 10,366,313	$ 5,096,818	$ 432,366	$ 15,895,497	$ 6,466,674	$ 9,428,823	$ 450,315	$ 480,885	$ 1,267,500	$ 1,130,220			$ 3,328,920	2.83
2006	11,613,585	4,069,040	433,269	16,115,894	8,651,459	7,464,435	448,170	-	1,271,288	1,474,200			3,193,658	2.34
2007	12,823,814	2,343,208	275,516	15,442,538	10,669,861	4,772,677	445,970	-	1,271,513	2,485,400			4,202,883	1.14
2008	14,377,769	3,063,197	186,705	17,627,671	10,845,779	6,781,892	540,000	-	1,264,850	2,632,314			4,437,164	1.53
2009	14,119,193	2,830,321	66,297	17,015,811	10,188,105	6,827,706	907,604	-	1,252,700	2,280,042			4,440,346	1.54
2010	14,073,096	2,797,005	20,469	16,890,570	9,793,852	7,096,718	932,293	-	1,257,537	2,230,240			4,420,070	1.61
2011	13,235,565	3,011,356	12,438	16,259,359	10,108,957	6,150,402	932,218	-	1,280,775	2,307,492			4,520,485	1.36
2012	14,278,685	2,152,844	9,376	16,440,905	11,985,732	4,455,173	857,900	-	1,259,175	1,760,925			3,878,000	1.15
2013	16,447,677	2,305,708	11,226	18,764,611	11,896,822	6,867,789			1,254,300	672,000	188,900	78,978	2,194,178	3.13

(1) Other Revenues consist of impact fees and connection fees.

(2) Interest Income consists of interest earnings on various funds and accounts of the System.

(3) Total debt service may differ from statement of cash flows because of amortization of bond discounts and/or premiums which reduce interest expense

WATER UTILITY ENTERPRISE FUND
BALANCE SHEET

Fiscal Year Ended June 30

	2013	2012	2011	2010	2009	2008	2007
ASSETS							
-							
Current Assets:							
Cash	$ (1,890,465)	$ (1,556,925)	$ (539,510)	$ 842,799	$ 945,796	$ 1,240,894	$ 2,294,281
Restricted Cash	2,738,218	2,477,884	3,228,193	3,213,913	3,325,629	3,292,054	3,228,028
Accts. Receivable	2,946,122	281,551	81,965	205,880	220,971	605,381	210,587
Inventory	628,371	597,605	587,902	525,895	578,079	565,193	564,252
Bond Discounts	213,172	570,127	645,535	544,309	602,090	659,870	717,651
Prepaid Expenses	-	1,024	1,160	1,115	-	-	-
Total Current Assets	4,635,418	2,371,266	4,005,245	5,333,911	5,672,565	6,363,392	7,014,799
Property, Plant & Equipment							
Improvements	138,363,645	136,800,086	134,032,864	130,907,373	128,148,411	125,122,446	122,179,850
Less Accum. Depr.	(40,719,330)	(38,148,872)	(35,314,692)	(32,338,002)	(29,388,823)	(26,462,417)	(23,579,090)
Net prop. plant & equip.	97,644,315	98,651,214	98,718,172	98,569,371	98,759,588	98,660,029	98,600,760
TOTAL ASSETS	$ 102,279,733	$ 101,022,480	$ 102,723,417	$ 103,903,282	$ 104,432,153	$ 105,023,421	$ 105,615,559
LIABILITIES & FUND EQUITY							
-							
Current Liabilities:							
Accrued Liabilities	$ 1,318,662	$ 1,667,591	$ 2,027,052	$ 1,947,501	$ 2,014,549	$ 1,941,395	$ 1,858,206
Deposits payable	366,747	-	-	-	-	-	-
Total Current Liabilities	1,685,409	1,667,591	2,027,052	1,947,501	2,014,549	1,941,395	1,858,206
Long-Term Liabilities:							
Bonds Payable	16,705,800	19,387,513	39,507,513	42,172,513	44,782,513	47,168,713	49,578,713
Bond premiums	940,426	1,561,501	2,060,766	2,192,485	2,400,743	2,609,001	2,817,259
Capital leases	-	-	-	-	-	-	-
Deferred gain on bond redemption	-	-	-	-	-	-	-
Total long-term liabilities	17,646,226	20,949,014	41,568,279	44,364,998	47,183,256	49,777,714	52,395,972
TOTAL LIABILITIES	19,331,635	22,616,605	43,595,331	46,312,499	49,197,805	51,719,109	54,254,178
FUND EQUITY							
-							
Contributed Capital:							
Subdivisions	278,131	278,131	278,131	278,131	278,131	278,131	278,131
Government Agencies	19,130,652	19,130,652	1,615,652	1,615,652	1,615,652	1,615,652	1,615,652
Total Contributions	19,408,783	19,408,783	1,893,783	1,893,783	1,893,783	1,893,783	1,893,783
Retained Earnings:							
Reserved for bond retirement	2,738,218	2,477,884	3,228,193	3,213,913	3,325,629	3,292,054	3,228,028
Unreserved	60,801,097	56,519,208	54,006,110	52,483,087	50,014,936	48,118,475	46,239,570
Total retained earnings	63,539,315	58,997,092	57,234,303	55,697,000	53,340,565	51,410,529	49,467,598
TOTAL FUND EQUITY	82,948,098	78,405,875	59,128,086	57,590,783	55,234,348	53,304,312	51,361,381
TOTAL LIABILITIES & EQUITY	$ 102,279,733	$ 101,022,480	$ 102,723,417	$ 103,903,282	$ 104,432,153	$ 105,023,421	$ 105,615,559

Source: City's Comprehensive Annual Financial Reports

WATER UTILITY ENTERPRISE FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

Fiscal Year Ended June 30

	2013	2012	2011	2010	2009	2008	2007
Operating Revenues:							
Charges for services	$ 16,447,677	$ 14,278,685	$ 13,235,565	$ 14,073,096	$ 14,076,339	$ 14,377,769	$ 12,823,814
Impact fees & Other	1,006,109	793,830	589,265	698,906	669,037	1,128,330	2,343,208
Total operating revenues	17,453,786	15,072,515	13,824,830	14,772,002	14,745,376	15,506,099	15,167,022
Operating Expenses:							
Water purchased	5,278,321	5,739,150	4,530,742	4,446,403	4,393,712	4,216,527	4,033,190
Salary and Wages	2,372,355	2,392,746	2,133,783	2,181,140	2,324,846	2,384,161	2,130,251
Service vehicle expense	236,296	210,813	185,811	150,495	168,442	201,065	149,139
Equipment rental	60,845	35,191	38,717	34,045	33,610	28,651	18,213
Depreciation	2,570,458	2,834,180	2,976,691	2,949,178	2,926,406	2,883,327	2,619,504
Bad debts	-	-	-	-	69,791	64,946	61,908
Payroll tax & benefits	1,031,893	996,896	911,802	939,302	1,007,254	1,053,418	942,704
Office supplies	323,292	339,037	250,818	165,832	180,868	387,679	2,096,072
Professional services	348,740	268,883	193,648	250,012	170,836	174,209	158,441
R & M - equipment	1,072,706	882,999	788,861	548,533	811,191	1,305,974	248,267
Insurance & surety bonds	137,478	81,059	66,653	57,284	78,243	84,251	81,961
Travel	25,037	29,238	17,318	12,435	34,810	38,947	34,600
Miscellaneous	468	63	598	366	1,304	816	1,222
Subscriptions	34,388	34,657	15,207	33,005	14,205	15,135	2,361
Billing & administration	975,000	975,000	975,000	975,000	875,000	890,000	711,530
Total operating expenses	14,467,277	14,819,912	13,085,649	12,743,030	13,090,518	13,729,106	13,289,363
Operating income	2,986,509	252,603	739,181	2,028,972	1,654,858	1,776,993	1,877,659
Non-operating Rev. (Exp.):							
Interest income	11,226	9,376	12,438	20,469	66,297	186,706	275,516
Rent	1,218,500	1,324,688	2,422,091	2,094,739	2,091,284	1,934,818	1,934,818
Miscellaneous	81,099	34,326	20,767	3,360	76,937	71,579	22,063
Gain on bond refunding	-	414,872	-	-	-	-	-
Interest charges	(45,553)	(1,273,076)	(1,692,704)	(1,820,070)	(1,935,346)	(2,027,164)	(2,093,642)
Total Non-operating	1,265,272	510,186	762,592	298,498	299,172	165,939	138,755
Net Income (loss)	4,251,781	762,789	1,501,773	2,327,470	1,954,030	1,942,932	2,016,414
Transfers (to) from other funds	500,000	1,000,000	35,528	28,963	(23,994)	-	-
GASB 65 Restatement	(209,555)						
Retaining earnings at July 1	58,997,089	57,234,300	55,696,999	53,340,566	51,410,530	49,467,598	47,451,184
Retained earnings at June 30	$ 63,539,315	$ 58,997,089	$ 57,234,300	$ 55,696,999	$ 53,340,566	$ 51,410,530	$ 49,467,598

Source: City's Comprehensive Annual Financial Reports

Pursuant to the Continuing Disclosure Agreement for the above referenced bonds.

Sublease Rentals

The following table shows the revenues produced from the imposition of the Innkeepers Tax for the last ten fiscal years:

Fiscal Year Ended June 30	Innkeepers Tax Revenue
2004	$281,880
2005	309,938
2006	380,119
2007	407,141
2008	402,262
2009	352,890
2010	381,032
2011	409,090
2012	443,140
2013	477,023

The following table shows the total sales tax revenues collected in the City of St. George for the last five years.

Fiscal Year June 30	Sales Tax Revenues	Percent Increase from prior year
2008	$15,195,456	(3.01%)
2009	12,875,517	(15.27%)
2010	11,931,941	(7.33%)
2011	12,177,820	2.06%
2012	13,275,622	9.01%
2013	14,501,038	9.23%

Tax Revenues by Source (Last ten fiscal years)

See Statistical section of CAFR

Debt Structure

See Statiscal section of CAFR

Debt Ratios

See continuing disclosure on 1996 General Obligation Parks and Recreation bonds

Historical Summaries of taxable value

See continuing disclosure on 1997A Sewer Revenue bonds

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - 2005 ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2013

TABLE I - SYSTEM RATES

	Customer Charge (per month)	Energy Charge (per kWh)	Demand Charge (per kW)	Average Monthly Bill
Residential Service				
0-800 kWh (per kWh)	$ 14.63	$ 0.070143		$ 84.72
Over 800 kWh (per kWh)		$ 0.0760		
Commercial Service				
Small General Service	12.66			
0-1,500 kWh (per kWh)		0.0785		151.68
Next 8,500 kWh (per kWh)		0.0856		
Over 10,000 kWh (per kWh)		0.0991		
0-10 kW (per kW)			$ -	
Over 10 kW (per kW)			9.07	
Large General Service	66.06			3,210.03
0-10,000 kWh (per kWh)		0.0573		
Over 10,000 kWh (per kWh)		0.0432		
0-5 kW (per kW)			-	
Over 5 kW (per kW)			12.59	
Agricultural Service	12.66			
0-1,500 kWh (per kWh)		0.0785		
Next 8,500 kWh (per kWh)		0.0856		
Over 10,000 kWh (per kWh)		0.0991		

TABLE II - AVERAGE REVENUE FROM RATES

	Average Revenue $ per kWh	Average Monthly Bills Summer May-Oct	Average Monthly Bills Winter Nov-Apr
Residential Service	$ 0.0870	$ 95.41	$ 72.35
Small Commercial (includes demand)	0.1011	241.65	109.53
Large Commercial (includes demand)	0.0815	4,196.16	2,789.03

** RATE ADJUSTMENTS MADE IN FISCAL YEAR 2013 RESULTED IN A LARGE NUMBER OF RECLASSIFICATIONS BEING MADE BETWEEN SMALL AND LARGE COMMERCIAL CUSTOMERS

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - 2005 ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2013

TABLE III - Summary of Kilowatt Hours and Production Costs

Year	kWh	Cost per kWh
2002	503,732,000	0.08242
2003	550,745,668	0.06620
2004	557,424,755	0.06934
2005	559,564,333	0.06910
2006	611,224,083	0.07154
2007	654,854,223	0.07269
2008	663,553,033	0.07242
2009	795,155,258	0.06779
2010	850,437,074	0.06579
2011	767,286,024	0.06952
2012	833,069,170	0.06864
2013	809,847,387	0.07308

TABLE IV - Ten Largest Customers of the System

Name	Type of Business	kWh	% of City's Total kWh
Dixie State College	College	13,868,400	1.8360%
Tonaquint Data Center Inc.	Data center	12,266,100	1.6238%
IHC Dixie Regional Medical Center (300 E Campus)	Hospital	8,183,400	1.0834%
Dixie Medical Center (River Rd Campus)	Hospital	5,755,200	0.7619%
Quality Park Products	Manufacturing	6,022,000	0.7972%
Costco Wholesale	Large box store	5,347,200	0.7079%
Washington Co Water Conservancy District	Water agency	4,183,200	0.5538%
Harmon's City Inc	Grocery store	3,863,280	0.5114%
Dixie Medical Center (River Rd Campus)	Hospital	3,298,800	0.4367%
Dixie Medical Center (River Rd Campus)	Hospital	3,198,240	0.4234%
Dixie Medical Center (River Rd Campus)	Hospital	3,757,200	0.4974%
Lowes Home Improvement	Large box store	2,592,480	0.3432%
LDS St George Temple	Religious	2,115,420	0.2800%
Skywest Airlines	Airline Hdqrtrs	2,019,000	0.2673%
		76,469,920	12.5222%

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - 2005 ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2013

TABLE V Historical and Projected Operating Results

	2007	2008	2009	2010	2011	2012	2013	BUDGETED 2014	2015	2016	2017
Sources of Funds:											
Service Charges/User Fees	$ 48,831,532	$ 51,029,054	$ 51,811,239	$ 52,140,945	$ 51,663,285	$ 54,450,360	$ 57,489,697	$ 57,854,595	$ 59,096,975	$ 59,807,866	$ 61,272,725
Other operating revenues	1,115,323	$ 819,906	$ 1,017,219	$ 874,678	$ 1,129,740	$ 50,308	$ 45,534				
Impact fees	2,741,642	2,241,959	1,273,488	843,653	1,315,694	1,161,102	1,282,873	1,100,000	1,000,000	1,000,000	1,000,000
Total sources of funds	52,688,497	54,090,919	54,101,946	53,859,276	54,108,719	55,661,770	58,818,104	58,954,595	60,096,975	60,807,866	62,272,725
Uses of Funds:											
Electricity purchased	36,099,643	35,466,629	37,868,364	39,785,534	38,833,578	37,491,445	40,599,715	38,951,845	39,723,011	39,619,400	42,100,000
Natural gas purchased	2,842,112	2,249,351	3,498,003	4,074,512	3,499,843	5,126,432	4,127,857	4,364,195	4,900,000	5,000,000	5,000,000
Operating costs	8,659,222	10,335,589	8,555,109	7,831,263	7,960,352	8,294,744	8,077,844	8,819,445	9,172,223	9,539,112	10,317,504
Total O & M Expenses	47,600,977	48,051,569	49,921,476	51,691,309	50,293,773	50,912,621	52,805,416	52,135,485	53,795,234	54,158,512	57,417,504
Net Operating Revenues	5,087,520	6,039,350	4,180,470	2,167,967	3,814,946	4,749,149	6,012,688	6,819,110	6,301,741	6,649,354	4,855,221
Non-operating Revenues (Expenses)											
Interest income	689,072	565,997	906,871	143,515	22,604	17,933	17,816	25,000	250,000	250,000	250,000
Other income	245,233	583,922	191,987	873,196	308,040	259,919	526,132	360,231	450,000	450,000	450,000
Total Non-operating	934,305	1,149,919	1,098,858	1,016,711	330,644	277,852	543,948	385,231	700,000	700,000	700,000
Net Revenues for DS payments	6,021,825	7,189,269	5,279,328	3,184,678	4,145,590	5,027,001	6,556,636	7,204,341	7,001,741	7,349,354	5,555,221
Outstanding Bonds:											
Series 2005 Bonds	1,303,301	1,302,244	1,337,629	1,335,054	1,334,454	1,334,466	1,333,466	1,337,041	1,338,781	1,338,031	1,334,900
Series 2008 Bonds (see below)	-	-	-	-	3,280,495	3,294,411	3,308,042	3,337,625	3,345,125	3,350,500	3,353,750
Total debt service payments	1,303,301	1,302,244	1,337,629	1,335,054	4,614,949	4,628,877	4,641,508	4,674,666	4,683,906	4,688,531	4,688,650
Projected Debt Service Coverage	4.62	5.52	3.95	2.39	0.90	1.09	1.41	1.54	1.49	1.57	1.18

In fiscal years 2009 and 2010 interest was capitalized 2,354,199 2,448,625

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - 2005 ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2013

TABLE VI Statement of Net Position

	2013	2012	2011	2010	2009
ASSETS					
Current assets:					
Cash	$ 8,037,550	$ 1,356,079	$ 6,220,551	$ 7,984,450	$ 7,439,768
Restricted cash	-	-	-	-	24,354,936
Accts. receivable (net of allowance for uncollectibles)	8,619,364	11,120,725	9,768,023	11,080,290	9,624,040
Inventory	1,726,901	1,784,537	1,840,282	1,982,398	1,877,049
Bond discounts & insurance	1,103,776	1,480,036	1,545,906	1,611,782	1,677,658
Prepaid expenses		1,023	1,160	1,115	2,144
Total current assets	19,487,591	15,742,400	19,375,922	22,660,035	44,975,595
Capital assets net of accumulated depreciation	89,082,356	93,446,020	98,743,093	100,208,668	84,261,261
TOTAL ASSETS	108,569,947	109,188,420	118,119,015	122,868,703	129,236,856
LIABILITIES					
Current liabilities:					
Accrued liabilities	8,984,007	4,387,896	7,410,426	5,407,943	9,548,663
Deposits payable	1,011,133	1,414,371	1,312,898	1,296,114	1,345,694
Total current liabilities	9,995,140	5,802,267	8,723,324	6,704,057	10,894,357
Long-term liabilities:					
Bonds payable - long term	59,235,000	60,965,000	62,610,000	64,180,000	64,845,000
Bond premiums	559,669	597,800	635,931	674,062	712,193
Total long-term liabilities	59,794,669	61,562,800	63,245,931	64,854,062	65,557,193
Total liabilities	69,789,809	67,365,067	71,969,255	71,558,119	76,451,550
NET POSITION					
Invested in capital assets, net of related debt	30,391,463	33,363,255	37,043,067	36,966,387	20,381,725
Restricted	-	-	-	-	24,354,936
Unrestricted	8,388,675	8,460,098	9,106,690	14,344,197	8,048,643
Total net position	$ 38,780,138	$ 41,823,353	$ 46,149,757	$ 51,310,584	$ 52,785,304

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - 2005 ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2013

TABLE VII Statement of Revenues, Expenses, and Changes in Fund Net Position

	2013	2012	2011	2010	2009
OPERATING REVENUES:					**
Charges for services	$ 57,489,697	$ 54,450,360	$ 51,663,285	$ 52,140,945	$ 51,584,369
Other operating revenues & impact fees	1,328,407	1,211,410	2,445,434	1,718,331	2,290,707
Total operating revenues	58,818,104	55,661,770	54,108,719	53,859,276	53,875,076
OPERATING EXPENSES:					
Electricity purchased	40,599,715	37,491,445	38,833,578	39,785,534	37,868,364
Natural gas purchased	4,127,857	5,126,432	3,499,843	4,074,512	3,498,003
Salary and wages	3,291,114	3,449,695	3,207,560	3,349,379	3,353,755
Supplies	762,296	776,745	888,178	515,160	799,088
Service vehicle expense	169,898	173,538	141,120	152,988	144,937
Equipment rental	-	-	-	-	-
Depreciation	6,377,950	6,369,528	6,261,468	4,030,025	3,979,778
Payroll tax & employee benefits	1,259,135	1,270,853	1,213,615	1,246,966	1,252,170
Office & dept. supplies	67,386	63,095	82,995	69,547	72,384
Professional services	267,432	312,825	350,185	264,740	558,004
R. & M. - equipment	372,948	526,818	393,528	586,685	525,412
R. & M. - buildings and grounds	25,382	18,542	18,089	24,112	20,255
Insurance & surety bonds	218,745	160,603	141,315	101,186	122,585
Travel	51,229	50,303	44,520	40,163	53,715
Miscellaneous	555	2,606	1,469	2,689	9,312
Interest expense	28,588	25,127	24,235	23,716	55,560
Subscriptions & memberships	63,136	63,995	53,544	53,933	61,061
Billing & administration	1,500,000	1,400,000	1,400,000	1,400,000	1,300,000
Total operating expenses	59,183,366	57,282,150	56,555,242	55,721,335	53,674,383
Operating income (loss)	(365,262)	(1,620,380)	(2,446,523)	(1,862,059)	200,693
NON-OPERATING REVENUES (EXPENSES)					
Interest income	17,816	17,933	22,604	143,515	906,871
Federal grants	295,887	-	144,464	557,036	-
Miscellaneous income	230,245	259,919	163,576	316,160	191,987
Loss on bond refinancing	-	-	-	-	-
Interest charges	(2,911,508)	(2,983,877)	(3,044,949)	(629,373)	(652,616)
Total non-operating revenue (expense)	(2,367,560)	(2,706,025)	(2,714,305)	387,338	446,242
Income before transfers	(2,732,822)	(4,326,405)	(5,160,828)	(1,474,721)	646,935
Contributions	-	-	-	-	-
Transfers to/from other funds	-	-	-	-	-
Change in Net Position	(2,732,822)	(4,326,405)	(5,160,828)	(1,474,721)	646,935
Restatement of Net position for GASB 62	(310,392)				
Total net position - beginning	41,823,353	46,149,756	51,310,584	52,785,304	52,138,369
Total net position - ending	$ 38,780,139	$ 41,823,351	$ 46,149,756	$ 51,310,583	$ 52,785,304

** 2009 Charges for services restated for GAAP restatement of bad debt expense

Management's Discussion of Operations

ENERGY RESOURCES

The City saw approximately a 1.9% increase in energy sales and a 5% change in peak demand throughout the year (2013 budget year peak 176.3 Mw). The City's Energy portfolio did not change during the fiscal year. The portfolio mix continues to be diverse (coal, hydro, natural gas, diesel and solar) to avoid volatility of any given source. However, the small increase in energy sales still left the City with a significant amount of surplus energy during the off-peak periods. These surpluses were sold into the market for the best price available. The City has also requested termination of the (DGT-IPP) 20 Mw contract effective January 1, 2015.
The following is a list of the current City Energy Services:

CURRENT SOURCES

Colorado River Storage Project Contract (Hydro**)** Expires 2024	19 MW for summer 29 MW for winter
• Western Replacement Power	10-20 MW
• Western System Power Pool	5-10 MW
Utah Associated Municipal Power (UAMPS)	
• Pool – contact Sales	5-20 MW
Deseret Generation and Transmission (DGT) – Contract	
• Bonanza 1 – Coal – Expires 2019	50 MW
• Contract Sales (other shafts) – Expires 2024	10-20 MW
City Owned Generation	
• Red Rock – Diesel	14 MW
• Bloomington – Diesel	11 MW
• Millcreek #1– Natural Gas	40 MW
• Millcreek #2- Natural Gas	40 MW
Long Term Purchase Contacts	
• Jordanelle Hydro (Heber sale) – 50 Year Contract	4 MW
Short Term Market Purchases/Sales (1-3 year contracts)	
• Powerex	5-15 MW
• Morgan Stanley	5-15 MW
• Cargill	5-15 MW
• City of Burbank	5-15 MW
• UMPA	5-15 MW
• Black Hills	5-15 MW
• NV Energy	5-15 MW
• Constellation	5-15 MW
Renewable Resources	
• SunSmart Solar	250 KW
• Net Metering (Solar)	700 KW

NATURAL GAS

- BP Long term gas hedge 20-60% of requirements into 2021.
- Kern River Pipeline Firm Capacity-3500dthm/day

FORECAST

The City utilized forecasted and actual data developed by the Energy Services Department (ESD) to determine the energy needs throughout the 2013 budget year. 10 years of actual annual energy requirements data is used to assist in forecasting the next budget year energy requirements from a growth view point. The ESD projected the energy requirements for the 2013 budget year to be relatively flat as exhibited historically over the past 3 years.

Once the energy requirement growth percentages are determined, all of the energy resource portfolio data along with other parameters (weather, market conditions and power plant availability) are entered into a complex Monte Carlo Risk Computer Model. The model runs through several iterations and produces a distribution of results, with the "Most Likely Scenario" falling somewhere in the middle of the worst and best result. The ESD then uses the "Most Likely Scenario" energy requirement result to forecast revenues and energy costs for the budget year.

The energy requirement costs and sales revenues from the model are then combined with all other operating expenses of the system (projected to increase 4% per annual for the next five fiscal years) and debt requirements to produce the projected operating results as shown on Table V. The 2013 fiscal year included an approximate 8% rate adjustment. This rate increased allowed for an increase of 5..58% in operating revenues even though the total kWh's sold declined by .8% as a more moderate environment temperature wise resulted in less energy sales during our higher sales months. While Table V shows that debt service coverage is projected to be sufficient over the next few years, the City is currently in the process of reviewing rates and impact fees and strengthen these projections.

While prior to 2002 the City relied heavily on its ability to purchase on-demand blocks of power on the spot-market to satisfy peak demand on the System, the City has initiated a plan to reduce its spot market exposure to 10% or less. Long-term power purchase contracts and the construction of the City's Millcreek Gas Generation Facility for peaking power has helped achieve this goal. The City continues to follow an established risk policy, which encourages pre-purchase hedges and contracts to meet the forecasted energy requirement rather than rely on the spot market. The City has also adopted a similar risk policy for the purchase of natural gas for the City owned gas generator to avoid the gas market volatility.

Although the Department believes that the forecasts regarding the operation of the System are reasonable for its planning purposes and for purposes for this annual report, a variety of factors can affect such forecasts and no assurance can be given by the City or the Department that such forecasts will, in fact, be realized. The factors that could affect such forecasts include proposed state and federal environmental regulations, costs of purchased power and energy, fuel and other operating costs, economic and demographic conditions in the City, weather and other matters that cannot presently be determined. Climate change issues are currently affecting the decisions to build new generation along with other related issues such as the economy.

HISTORICAL

The City is located in the south west corner of Utah and is a commercial center for the surrounding communities. In addition to its residential customers, the System serves a wide range of commercial establishments. For the fiscal year ended June 30, 2013, approximately

51.8% of the System's electric sales revenues and 52.3% of energy sold through the System were attributable to commercial establishments. This compares with 52.3% of revenues and 52% of energy in the prior fiscal year. The commercial base in the City has contributed to relatively constant growth in electric energy sales through the System. The System peak (176.3 MW) increased this fiscal year due to a small amount of growth in customers and weather differences. Even though the past few years have resulted in a decrease in energy sales and level peak demand, an analysis of the past 10-years of actual peak and energy data indicate the peak will grow at an average of 2 to 3% and energy sales will continue to grow at an average of 2 to 3%.

FINANCIAL

The City represents that the ESD has operated with positive cash flows in fiscal years 2002 through 2009. For fiscal years 2010, 2011 and 2012 the ESD realized net losses in operations. These losses primarily can be attributed to the economy, rising costs in power purchased/transmission, and low wholesale market values. The ESD had projected more energy sales and higher market values for wholesale surplus sales than were realized. The ESD has maintained a small surplus as a hedge to the market and potential growth. Cash reserves were used to accommodate the operating losses for these years. At the beginning of the fiscal year 2013, a rate of 8% was approved as cash reserves reached a level to trigger the increase. The City's decision to use cash reserves rather than raise rates resulted in the City's Energy Services' bond rating to be downgraded even though rates were increased for the fiscal year 2013.

Fiscal year 2013 resulted in having a small operating loss, even though the ESD adjusted the forecast to include a slight increase in energy sales and the rate increase. The operating loss can be attributed to the loss of the aggregate of wholesale power purchased being higher than forecasted. The increases were mostly in the DGT IPP contract and in transmission costs as a result of the PacifiCorp transmission rate case. Cash reserves were increased due to a shift in policy on pooled cash within the City. The actual cash and accounts receivable for Energy rather than pooled are now reflected in the numbers.

Even with cash increases, the City's ESD total net assets did decrease as capital assets net of accumulated depreciation declined by $4,363,664. The rate of depreciation of current fixed assets has outpaced the need to add additional fixed assets to the system thus resulting in this decline in net fixed assets after depreciation. Total liabilities did increase by $2,424,742 as current liabilities for purchased power and natural gas were paid after June 30, 2013, whereas in the prior year the invoices had been received and paid before June 30th. A change was made in the funds reflect the accounts receivable for utility sales. In prior years, all receivables were reflected in the ESD balance sheet. This year the change was made to reflect each of the various utilities percentages of year-end receivables in their respective funds. In addition, the allowance for uncollectable and utility customer deposit liability is now reflected in these other utility funds in the same percentages. The respective percentages are as follows: Energy 65.7%, Water 23.83%, Wastewater Collection 5.28%, Refuse Collection 3.58%, and Drainage Utility 1.61%. This reallocation of the receivables has thus resulted in an increased cash position in the ESD.

The City is working on financial policies to assure positive margins in the ESD for the forecasted future years. Rate increase are being studied for the future budget years to assure positive cash flows. The City will continue to adhere to a strict risk policy in the management and procurement of energy resources to avoid market volatility.