

CITY OF ST. GEORGE, UT  
COMPREHENSIVE ANNUAL FINANCIAL  
REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2014



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Prepared by Philip R. Peterson, CPA CGFM  
Finance Director

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 For the Fiscal Year Ended June 30, 2014

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# *INTRODUCTORY SECTION*



November 7, 2014

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, 2014, 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, 2014, 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, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and 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, 2014, 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 21<sup>st</sup> 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 576 residential units. It represents a decrease of 12.7% which compares with an increase of 24.3% for the fiscal year ended June 30, 2013. The total valuation of building permits decreased by 29.5% for the fiscal year in comparison with an increase of 107% in the fiscal year ended June 30, 2013. The major reason for this large percentage of decrease was the permit for the Family Dollar distribution center which was constructed during the prior 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”.

*"The past fiscal year saw continued growth in the local economy. The following are some of the highlights from 2013-2014: (1) the Finance Department implemented an E-billing program allowing us to email customer bills, eliminating paper bills if the customer wishes; (2) our Building Maintenance Division completed several projects including: City Hall re-roofing, Children's Museum changes to ensure seismic standards are met, coordinated improvements at the Animal Shelter and many others; (3) Fleet Management, once again, achieved the Blue Seal certification, which only 10% of all fleets in the U.S. achieve, only two cities in Utah have this certification - the fleet division maintains over 900 pieces of equipment; (4) the City's Police Department handled 32,400 incidents in calendar year 2013, with an annual increase each year of between 2,000 and 4,000 incidents; (5) Public Works: 2013 saw a new St. George to Denver flight from our Airport and the ridership is very encouraging; the Navy's Blue Angels will be returning for another Thunder Over Utah show in July; SunTran bus ridership continues to increase; several major transportation projects were completed such as 3000 East widening and 1450 South connection, Red Hills Parkway widening, the diverging diamond interchange project at mile post 8, the widening of Riverside Drive to four lanes and improvements on Dixie Drive, construction was started on Mall Drive Bridge with completion scheduled for September 1<sup>st</sup>, and Little Valley Road and Indian Hills improvements are underway; (6) several Park improvement projects were completed or started: Silkwood Park in Little Valley, Hela Seegmiller Historical Farm and several others; and (7) completed all flood projects including some State funded mitigation projects." (City Manager's fiscal year 2015 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. States Insurance Company administers the liability policy above our self-insured retention. Property is covered by a blanket all risk policy with limits of up to \$338,685,306. Traveler's Insurance administers the property insurance policies above the \$25,000 that the City provides as self-insurance.

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, 2014, 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 Jonathan T. Pike*



*Council Member Gil Almquist*



*Council Member Jimmie Hughes*



*Council Member Michele Randall*



*Council Member Joe Bowcutt*



*Council Member Bette O. Arial*



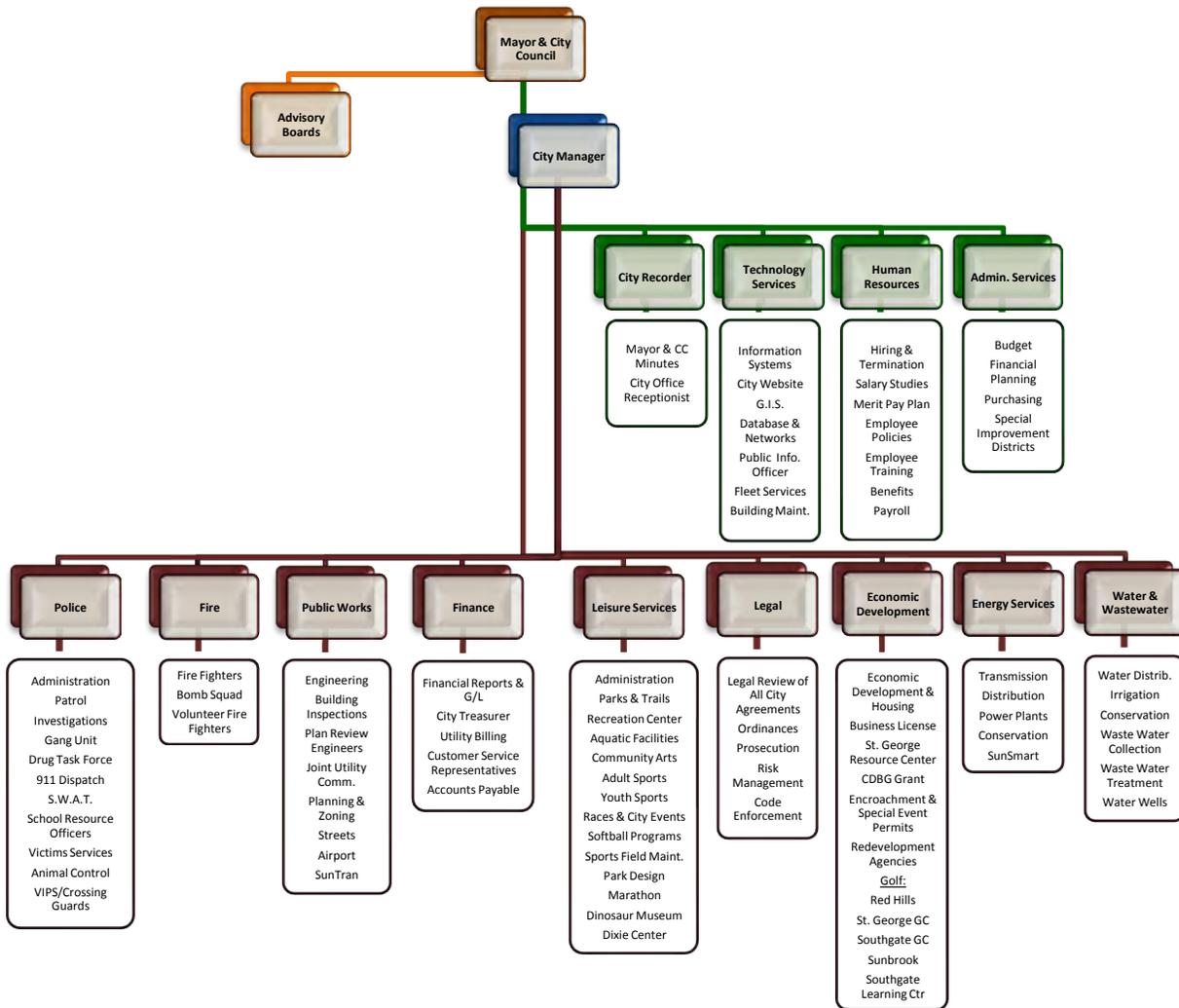
*City Manager Gary S. Esplin*

*Shawn Guzman  
Chrisitna Fernandez  
Tiffany LaJoice  
Phillip Solomon  
Scott Taylor  
Marlon Stratton  
Robert Stoker  
Cameron Cutler  
Matthew Loo  
Kent Perkins  
Philip R. Peterson  
Deanna Brklacich  
Marc Mortensen  
Judith Mayfield  
Colby Cowan*

*City Attorney  
City Recorder  
City Treasurer  
Energy Services Director  
Water Services Director  
Chief of Police  
Fire Chief  
Public Works Director  
Economic Development Director  
Leisure Services Director  
Finance Director  
Budget & Financial Planning Manager  
Manager of Support Services  
Human Resources Director  
Director of Golf Operations*

# City of St. George

## Organizational Chart



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## ***FINANCIAL SECTION***

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

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## 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, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective 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, 2014, 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.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

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

The introductory, statistical and continuing disclosure sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2014, 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.

A handwritten signature in cursive script that reads "Hinton Burdick, PLLC".

HintonBurdick, PLLC  
St. George, Utah  
November 7, 2014

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## 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, 2014. 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 \$566,222,677 (*net position*). Of this amount, \$65,059,332 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 \$27,523,648 as the economy continued to slowly improve. An adjustment to reduce prior net position of \$1,330,607 is the result of additional debt of the WCIA (Dixie Center) which should have been reflected in last year's financial statements but was not located until the current fiscal year.
- At the close of the current fiscal year, the City of St. George's governmental funds reported fund balances of \$41,950,764, an increase of \$9,264,591 in comparison with the prior year. This is an increase of 28.3%.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$5,686,938. A decrease of \$32,185 or .6%. The unrestricted fund balance represents 12.48% of total general fund expenditures for the fiscal year ended June 30, 2014. It also represents 11.1% of total budgeted expenditures for the next fiscal year ended June 30, 2015. 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 \$4,255,333. An increase of \$1,581,823 in general long-term liabilities as a result of the new franchise tax revenue bond debt issue and the recording of the WCIA (Dixie Center) which was recorded in the current fiscal year and a decrease of \$5,837,156 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 34 & 35 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 non-major 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 36-40 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 41-43 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 44-45 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 46-76 of this report.

**Other Information.** The combining statements referred to earlier in connection with non-major 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 77-84 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 114-116 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 \$566,222,677, at the close of the June 30, 2014 fiscal year.

#### CITY OF ST. GEORGE'S Net Position

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current and other assets	\$61,111,981	\$47,741,592	\$65,306,970	\$60,019,123	\$126,418,951	\$107,760,715
Capital Assets	<u>342,505,107</u>	<u>329,164,586</u>	<u>259,335,528</u>	<u>266,370,231</u>	<u>601,840,635</u>	<u>595,534,817</u>
Total Assets	<u>403,617,088</u>	<u>376,906,178</u>	<u>325,642,498</u>	<u>326,389,354</u>	<u>729,259,586</u>	<u>703,295,532</u>
Deferred Outflows			786,828		786,828	
Long-term liabilities outstanding	54,370,316	52,788,493	76,602,156	82,439,312	130,972,472	135,227,805
Other liabilities & deferred inflows	<u>20,324,886</u>	<u>16,267,742</u>	<u>12,526,378</u>	<u>13,100,956</u>	<u>32,851,264</u>	<u>29,368,698</u>
Total liabilities & deferred inflows	<u>74,695,202</u>	<u>69,056,235</u>	<u>89,128,534</u>	<u>95,540,268</u>	<u>163,823,736</u>	<u>164,596,503</u>
Net position:						
Net investment in capital assets	287,652,507	275,793,421	190,317,190	191,724,399	477,969,697	467,517,820
Restricted	16,566,466	894,095	6,627,182	6,149,909	23,193,648	7,044,004
Unrestricted	<u>24,702,914</u>	<u>31,162,428</u>	<u>40,356,418</u>	<u>32,974,778</u>	<u>65,059,332</u>	<u>64,137,205</u>
Total Net Position	<u>\$328,921,886</u>	<u>\$307,849,943</u>	<u>\$237,300,791</u>	<u>\$230,849,086</u>	<u>\$566,222,677</u>	<u>\$538,699,029</u>

By far, the largest portion of the City of St. George's net position (84.4%) 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 (4.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$65,059,332 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 position increased by \$27,523,648 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

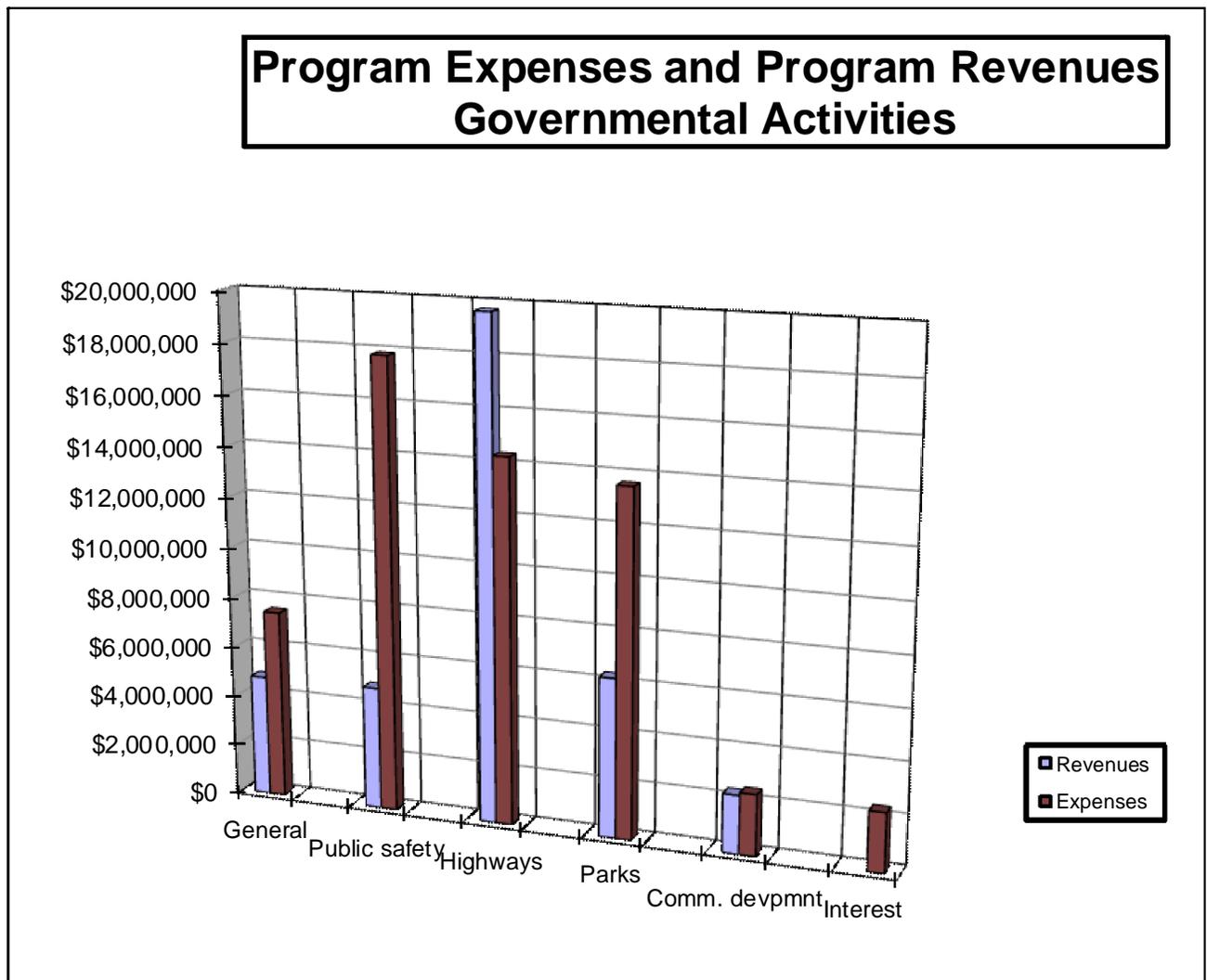
### **CITY OF ST. GEORGE'S Changes in Net Position**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:				
Program revenues:				
Charges for services	\$14,526,789	\$13,592,024	\$101,624,106	\$96,225,281
Operating grants & contributions	9,704,914	8,766,462	56,641	348,196
Capital grants & contributions	13,710,651	17,317,577	-	-
General revenues:				
Property taxes	13,568,980	13,002,679		
Other taxes	26,781,448	25,537,408		
Investment income	205,302	163,037	268,574	163,174
Other revenues	<u>1,976,986</u>	<u>2,680,920</u>	<u>1,960,976</u>	<u>1,702,887</u>
Total revenues	<u>80,475,070</u>	<u>81,060,107</u>	<u>103,910,297</u>	<u>98,439,538</u>
Expenses				
General government	7,477,928	6,958,988		
Public safety	17,841,026	16,760,306		
Highways/public improvements	14,359,827	14,277,136		
Parks & recreation	13,620,302	14,306,302		
Community & Econ development	2,423,094	2,429,175		
Interest on long-term debt	<u>2,347,762</u>	<u>2,655,987</u>		
Electric			64,044,497	62,094,874
Water			14,393,831	14,512,833
Wastewater collection			5,139,525	5,272,826
Wastewater treatment			5,466,850	4,893,677
Golf courses			4,394,364	4,447,764
Municipal building authority			129,652	137,664
Drainage utility			95,427	121,735
Refuse collection			<u>3,797,029</u>	<u>3,612,344</u>
Total expenses	<u>58,069,939</u>	<u>57,387,894</u>	<u>97,461,175</u>	<u>95,093,717</u>
Increase in net position before transfers	22,405,131	23,672,213	6,449,122	3,345,821

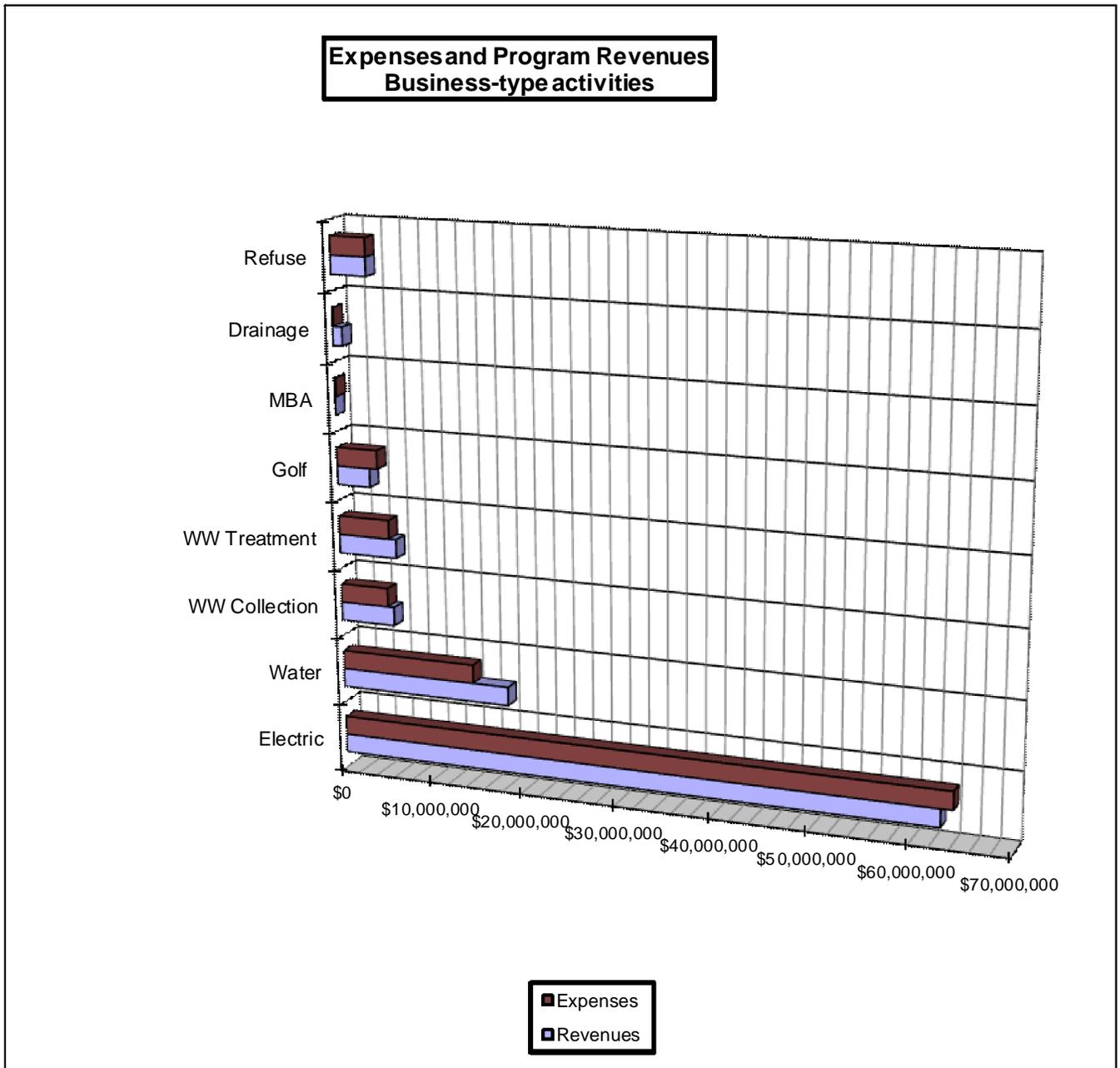
Transfers	(2,581)	1,374,742	2,581	(1,374,742)
Increase in net position	22,402,550	25,046,955	6,451,703	1,971,079
Restatement of net position for GASB 65				(567,766)
Restatement of WCIA debt	(1,330,607)			
Net position beginning	307,849,943	282,802,987	230,849,088	229,445,776
Net position ending	<u>\$328,921,886</u>	<u>\$307,849,943</u>	<u>\$237,300,791</u>	<u>\$230,849,086</u>

**Governmental Activities.** During the current fiscal year, net position for governmental activities increased \$21,071,943 from the prior fiscal year for an ending balance of \$328,921,886. This was after the restatement for WCIA debt which had increased during the prior fiscal year but not recorded correctly in the financial statements for fiscal year 2013.

**Business-type Activities.** During the current fiscal year, net position for business-type activities increased \$6,451,703 from the prior fiscal year for an ending balance of \$237,300,791.

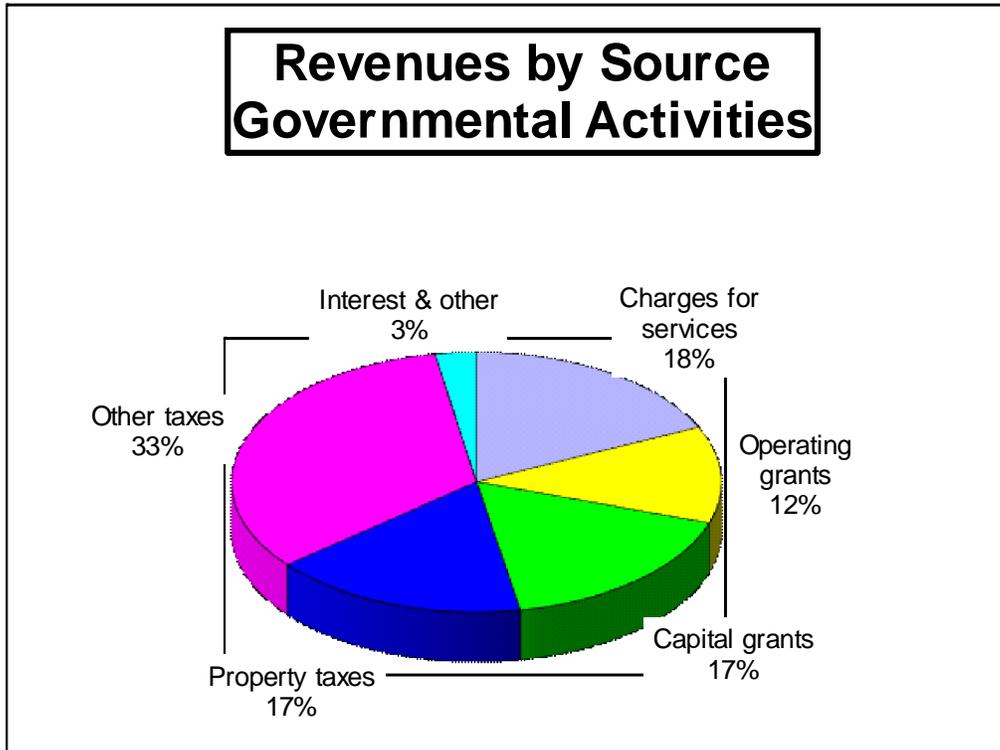


Overall governmental revenues were down in comparison with the prior fiscal year by .87%. The largest reason for this is a decrease of 16.92% in capital grants and contributions. The largest reason for this is the receiving of grant funds for the 2010 Flood Restoration Fund of \$4,175,416 in the prior year and only \$536,930 this year. The grants for the replacement airport continued to be



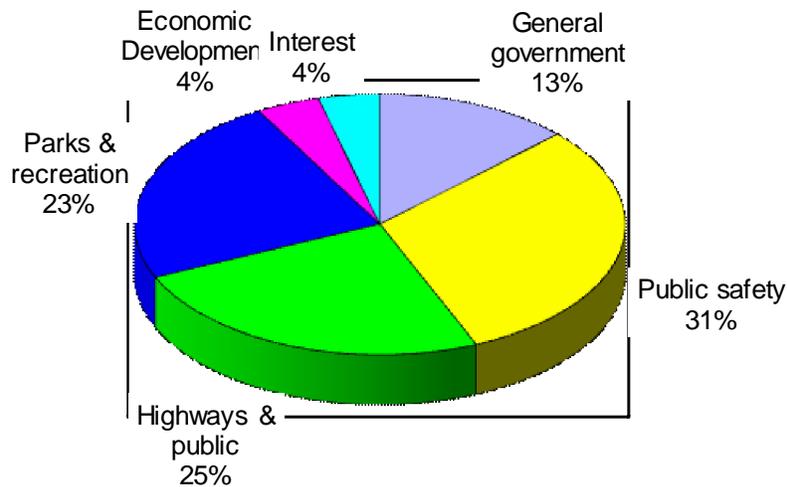
received as anticipated because of the letter of intent signed with the FAA when the airport was constructed. A total of \$10,775,000 was received this year for this purpose. Charges for services continued to rebound from the lower revenues of prior years of economic slowdown with an

increase of 8.1%. Sales taxes also continued to rebound and an increase of 6.3% 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 increased by 1.2% when compared with the last fiscal year. General Government increased the largest percentage at 7.5% while Public Safety increased by 6.4% and Parks and Recreation decreased by 4.8%. The other categories remained basically flat from year to year as a percentage of total expenditures. The following graph shows the relationship of governmental expenditures for the current fiscal year as a percentage of total expenditures.

## Expenditures Governmental Activities



Overall business-type activity revenues were up 5.4% from the prior fiscal year. The Electric Utility adopted a rate increase on February 1, 2014 of 7% and saw an increase of 6.7% in charges for services. The total dollar increase in revenues was \$3,961,280. The Water Utility also saw an increase of 4.1% in charges for services. The total dollar increase in water revenues was \$711,049. The graph presented earlier displaying expenses and program revenues for business-type activities reflects that with the exception of Electric, and Golf, all of the business-type activities produced either a breakeven or surplus earnings for the fiscal year. Electric's loss however was more the result of depreciation expense than actual paid expenses. The cash position in the Electric Utility increased by 37.4% to just over \$11 million dollars.

### 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, 2014, the City of St. George's governmental funds reported combined fund balances of \$41,950,764, an increase of \$9,264,592 in comparison with the prior year. An increase of 28.3%.

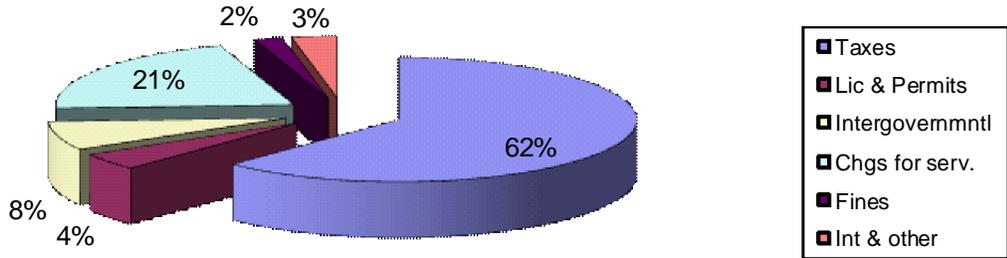
The General Fund is the chief operating fund of the City of St. George. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,686,938 while total fund balance was \$6,847,542. An increase of \$32,185 in unassigned fund balance and an increase of \$19,861 in total fund balance. The City has followed the practice for several years of maintaining a General Fund balance in the 11% to 12% range. To maintain this level, a year-end transfer of \$4,000,000 was made of surplus in the General Fund to the Capital Projects and Economic Development Funds of the City. If necessary, these funds can be transferred back to the General Fund without any restrictions other than a public hearing and approval by the City Council. Unassigned fund balance in the General Fund represents 12.48% of total general fund expenditures for the fiscal year ended June 30, 2014 and 11.1% of total budgeted expenditures for the next fiscal year ended June 30, 2015. Total fund balance represents 13.4% of budgeted expenditures for the next fiscal year.

Total fund balance in all *governmental funds* increased by \$9,264,592 (28.3%) during the fiscal year. As noted earlier, the General Fund increased \$19,861; the Replacement Airport Capital Project Fund increased \$6,331,947 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 \$1,710,104 as a transfer of surplus revenues in the General Fund of \$2,300,000 was made at year-end to this fund; and finally the other large increase was seen in the Economic Development Fund with an increase of \$1,536,077 as the General Fund surplus was able to transfer \$1,700,000 to this fund. The largest decrease in fund balance were seen in the Street Impact Capital Projects Fund with a decrease of \$936,882 and the Transportation Improvement Special Revenue Fund with a decrease of \$819,364. 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 \$1,852,728 while the Street Impact Capital Projects fund has a fund balance of \$1,588,030.

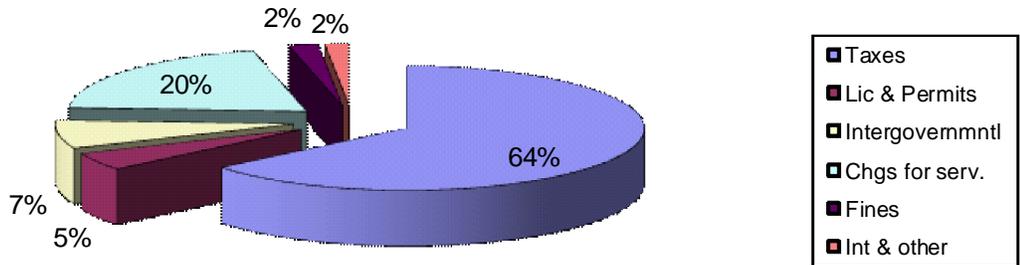
## **General Fund**

The following graphs display the total revenues in the General Fund by source for the fiscal years ended June 30, 2014 and June 30, 2013. As can be seen the percentages of the different sources are almost identical for each year.

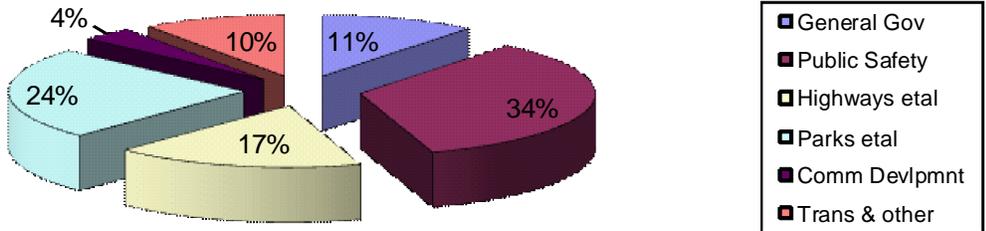
**GENERAL FUND REVENUES**  
**Fiscal Year Ended June 30, 2014**



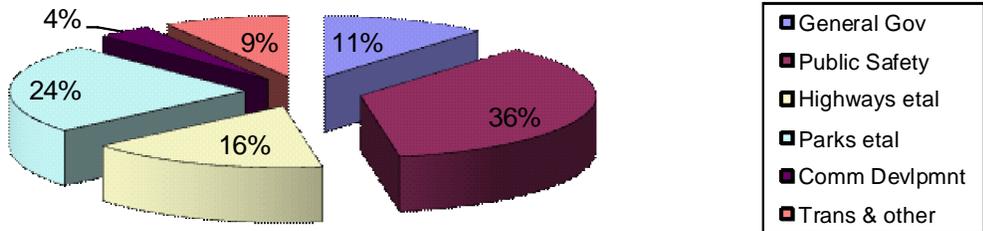
**GENERAL FUND REVENUES**  
**Fiscal Year Ended June 30, 2013**



**GENERAL FUND EXPENDITURES  
Fiscal Year Ended June 30, 2014**



**GENERAL FUND EXPENDITURES  
Fiscal Year Ended June 30, 2013**



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 \$49,838,189 to a final budget of \$54,385,068. 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 \$645,588 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, 2014, amounts to \$601,840,635 (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 increased by \$6,305,817. This was the result of business-type net capital assets decreasing by \$7,034,703 while governmental-type net fixed assets increased by \$13,340,520.

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

\$1,503,091 was spent for the purchase of the former Sun Hawk Academy building and land. The expenditure was made to acquire a centralized location for the coordination of various organizations and resources for providing assistance to the homeless and other individuals or families with related needs.

\$1,660,359 was spent for the remodeling of the former courthouse acquired by the City a few years ago to be used for various departments within the City. This site is now named the East Annex/Commons area and is just across the street from the current city administration building.

\$852,357 was spent to construct the street roundabout on 400 East and Tabernacle street.

\$427,093 was spent for continuing construction of the Hela Seegmiller historical park and farm in the Little Valley area of the City.

\$470,697 was spent for the construction of a neighborhood park in the Little Valley area.

\$6,739,124 was spent for the construction of the Mall Drive Bridge in the eastern part of the City to alleviate traffic congestion within that area of the City. The bridge is being funded with the issuance of the 2013 Franchise Tax bonds and will be completed during the 2015 fiscal year.

\$3,254,570 was spent for the construction of improvements to 3000 East street in connection with the construction of the Mall Drive Bridge as noted just above to help with traffic issues in the Little Valley/Eastern part of the City.

\$708,315 was spent for the construction of the Bluff Street/Red Hills Parkway interchange (along with the Utah State Department of Transportation) in the center part of the City.

\$510,388 was spent in the SunTran mass transit fund for the purchase of an 18 passenger van, a 29 ft. bus as well as a smaller passenger van.

\$1,088,556 was spent in the Water Utility enterprise fund for various distribution and irrigation system improvements as well as the purchase of a front end loader.

\$1,066,102 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)

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$86,371,849	\$86,553,089		
Buildings	21,805,887	19,153,011		
Improvements	43,780,598	44,136,826		
Infrastructure	180,101,009	169,417,163		
Machinery & equipment	10,445,764	9,904,498		
Plant, prop. & equipment	<u>                    </u>	<u>                    </u>	<u>\$259,335,528</u>	<u>\$266,370,231</u>
Totals	<u>\$342,505,107</u>	<u>\$329,164,587</u>	<u>\$259,335,528</u>	<u>\$266,370,231</u>

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, 2014, the City has total bonded debt outstanding of \$127,262,482. Of this amount \$13,155,000 is considered to be general obligation debt and backed by the full faith and credit of the City and the remainder of \$114,107,482 is debt which is secured solely by specific revenue sources.

**CITY OF ST. GEORGE'S OUTSTANDING DEBT**

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General obligation bonds	\$13,155,000	\$13,995,000		

Sales tax revenue bonds	12,130,000	15,160,000		
Excise revenue bonds	-	750,000		
Franchise tax revenue bonds	8,150,000	-		
WCIA Capital lease bonds	4,387,160	3,637,660		
Federal subsidy excise bonds	9,133,000	9,398,000		
Special assessment debt with governmental commitment	<u>-</u>	<u>-</u>		
Revenue bonds			<u>\$80,307,322</u>	<u>\$80,307,322</u>
Total outstanding debt	<u>\$46,955,160</u>	<u>\$42,940,660</u>	<u>\$80,307,322</u>	<u>\$80,307,322</u>

The City's total debt increased by \$4,014,500 during the fiscal year with new debt issued for the construction of the Mall Drive bridge and the correction to prior year debt for the WCIA capital leases. The correction to the WCIA debt is to reflect a prior period correction of the statement of activities.

### City Bond Ratings

On July 26, 2013 Fitch Ratings affirmed the rating on the Series 2009 Sales Tax Revenue bonds at AA. On October 25, 2013, Moody's downgraded the G.O. rating for the City from Aa2 to Aa3 with a stable outlook. On June 26, 2014, Standard & Poor's (S&P) raised the rating on various G.O. bonds of the City to an underlying rating of AA from AA- and affirmed a continuing stable outlook. In addition, when the Series 2014 Franchise Tax Revenue Bonds were issued they also received a rating of AA from S&P. The releases from the ratings agencies as it applies to these reviews have been posted to the Electronic Municipal Market Access (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.

	<u>Moody's</u>	<u>S&amp;P</u>	<u>Fitch</u>
2004 General Obligation bonds	Aa3	AA	
2010 General Obligation bonds	Aa3	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+	
2014 Franchise Tax Revenue bonds		AA	
2005 Electric Revenue bonds	Baa1		
2008 Electric Revenue bonds	Baa1		

With the exception noted below, 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.

In the past five years, the City failed to timely report certain bond rating downgrades resulting from the downgrades of the insurers of its General Obligation Park and Recreation Refunding Bonds, Series 2004, Electric Revenue Bonds, Series 2005 and Series 2008, and Water Revenue Bonds, Series 2011. The City has since taken steps to remedy this reporting issue and the required notices have been posted to the MSRB's Electronic Municipal Market Access system. (EMMA)

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 \$314,381,770, which is significantly in excess of the City's outstanding general obligation debt. In addition, state statute 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 \$314,381,770, which again significantly exceeds the outstanding business-type activity debt. Thus the total debt limit is \$628,763,539 while the total outstanding debt less resources restricted for debt service is \$25,447,913. Thus resulting debt margin is \$603,315,626. 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 3.8% for the month ended September 2014 compared with a state unemployment rate of 3.5% and a national rate of 5.9%. This compares with a rate of 5.4% in 2013. (Source: Utah Dept of Workforce Services)

The General Fund budget for the fiscal year-ending June 30, 2015 is \$55,884,303 which includes the golf courses now being a division within the General Fund rather than a separate enterprise fund. Without the golf courses the General Fund budget is \$51,134,652 and represents a 2.6% increase from the original adopted budget for the fiscal year ended June 30, 2014. 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.

The Water Utility Fund adopted a rate increase of 10% on the base user fee effective July 1, 2014 for the only increase in the business-type activities. In governmental-activities there were some increases made in the recreation user fees but there is no property tax increase reflected in the June 30, 2015 fiscal year budget.

The City has undertaken a study to update the capital facilities plan of the City and review current impact fee schedules. This study has been completed and the new fee schedule is effective October 8, 2014. Overall, impact fees on a residential building permit decreased 3% (\$348) with the storm water drainage, energy, and transportation being the only increases. Energy was the largest increase at 30.7% (\$1,058) while Wastewater saw the largest decrease at 43% (\$807).

An additional installment of the Replacement Airport letter of intent for FAA assistance should be received during the 2015 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, 2014**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS:</b>			
Cash	\$ 37,546,416	\$ 39,583,242	\$ 77,129,658
Restricted cash		3,809,087	3,809,087
Accounts receivable (net of allowance for doubtful accounts)	30,827,047	11,861,585	42,688,632
Inventory	101,231	2,485,744	2,586,976
Notes receivable	49,935	998	50,933
Internal Balances	(7,453,638)	7,453,638	
Bond discounts		1,112,675	1,112,675
Prepaid expenses	40,989		40,989
Capital assets (net of depreciation)			
Land	86,371,849		86,371,849
Buildings	21,805,887		21,805,887
Improvements	43,780,598		43,780,598
Infrastructure	180,101,009		180,101,009
Machinery & equipment	10,445,764		10,445,764
Plant, property, and equipment		259,335,528	259,335,528
<b>Total assets</b>	<b>\$ 403,617,088</b>	<b>\$ 325,642,498</b>	<b>\$ 729,259,585</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charges on bond refunding		786,828	786,828
<b>LIABILITIES:</b>			
Accrued liabilities	\$ 4,476,131	\$ 10,890,860	\$ 15,366,991
Construction bonds held	689,413		689,413
Deposits payable		1,635,518	1,635,518
Deferred compensation	1,355,320		1,355,320
Interest payable	482,284		482,284
Unearned revenues	137,088		137,088
Notes payable:			
Due within one year	4,070,552	10,000	4,080,552
Due in more than one year	1,697,899	78,800	1,776,699
Bonds payable:			
Due within one year	5,126,000	6,257,000	11,383,000
Due in more than one year	37,442,000	68,623,522	106,065,522
Capital leases:			
Due within one year	309,380	204,144	513,524
Due in more than one year	4,077,780	811,631	4,889,411
Bond premiums	1,646,705	617,059	2,263,764
<b>Total liabilities</b>	<b>61,510,552</b>	<b>89,128,535</b>	<b>150,639,087</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable rev. - 2015 prop. tax levy	13,184,650		13,184,650
<b>NET POSITION:</b>			
Net investment in capital assets	287,652,507	190,317,190	477,969,697
Restricted for:			
Unspent bond/impact fees for const.		2,328,695	2,328,695
Debt service	867,676	4,298,487	5,166,163
Public safety programs	228,711		228,711
Transportation programs	3,982,881		3,982,881
Housing & community development	909,689		909,689
Park construction & development	3,742,905		3,742,905
Community & economic development	6,834,604		6,834,604
Unrestricted	24,702,914	40,356,418	65,059,332
<b>Total Net Position</b>	<b>\$ 328,921,886</b>	<b>\$ 237,300,791</b>	<b>\$ 566,222,677</b>

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, 2014

	Program Revenues				Net Governmental Activities	Business-type Activities	Total
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions			
<b>Governmental activities:</b>							
General government	\$ 7,477,928	\$ 4,791,825	\$ -	\$ -	\$ (2,686,103)		\$ (2,686,103)
Public Safety	17,841,026	3,260,762	1,594,809	-	(12,985,454)		(12,985,454)
Highways & public improvements	14,359,827	1,116,446	5,207,342	13,359,664	5,323,625		5,323,625
Parks, recreation & public property	13,620,302	3,418,186	2,529,726	350,987	(7,321,403)		(7,321,403)
Community & economic development	2,423,094	1,939,571	373,037		(110,485)		(110,485)
Interest on long-term debt	2,347,762				(2,347,762)		(2,347,762)
<b>Total governmental activities</b>	<b>58,069,939</b>	<b>14,526,789</b>	<b>9,704,914</b>	<b>13,710,651</b>	<b>(20,127,582)</b>	<b>-</b>	<b>(20,127,582)</b>
<b>Business-type activities:</b>							
Electric	64,044,497	62,779,384	24,039			(1,241,075)	(1,241,075)
Water	14,393,831	18,381,550	32,602			4,020,321	4,020,321
Regional wastewater treatment	5,139,525	5,822,688				683,162	683,162
Wastewater collection	5,466,850	6,266,602				799,752	799,752
Golf courses	4,394,364	3,550,340				(844,023)	(844,023)
Municipal bldg authority	129,652	-				(129,652)	(129,652)
Drainage Utility	95,427	1,018,486				923,059	923,059
Solid waste	3,797,029	3,805,056				8,027	8,027
<b>Total business-type activities</b>	<b>97,461,175</b>	<b>101,624,106</b>	<b>56,641</b>	<b>-</b>	<b>-</b>	<b>4,219,570</b>	<b>4,219,570</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property taxes levied for general purposes					9,709,182		9,709,182
Contributions from other governments					2,366,895		2,366,895
Property taxes levied for debt service					1,492,903		1,492,903
Franchise taxes					6,609,386		6,609,386
General sales taxes & highway sales taxes					20,172,062		20,172,062
Business licenses					760,968		760,968
Investment income					205,302	268,574	473,876
Lease payments					(100,905)		(100,905)
Gain on sale of assets					896,977	353,118	1,250,095
Rents & concessions					219,143	1,360,150	1,579,293
Miscellaneous					200,801	247,711	448,512
Interfund utility services					(459,224)	(550,423)	(1,009,647)
Interfund Transfers					456,643	553,003	1,009,646
<b>Total general revenues &amp; transfers</b>					<b>42,530,132</b>	<b>2,232,133</b>	<b>44,762,265</b>
Change in net position					22,402,550	6,451,703	28,854,253
Restatement for correction of WCIA debt					(1,330,607)		(1,330,607)
Net position - beginning					307,849,943	230,849,088	538,699,031
<b>Net position - ending</b>					<b>\$ 328,921,886</b>	<b>\$ 237,300,791</b>	<b>\$ 566,222,677</b>

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, 2014

<u>ASSETS</u>	<u>General</u>	<u>Replacement Airport Capital Proj. Fund</u>	<u>Public Works Capital Proj. Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash	\$ 4,796,318	\$ -	\$ 3,080,601	\$ 28,979,174	\$ 36,856,093
Accounts receivable	11,831,981	10,725,000	496,691	7,773,375	30,827,047
Prepaid items	40,989				40,989
Inventory	101,231				101,231
Notes receivable	49,935				49,935
Due from other funds	612,809			6,472,825	7,085,634
<b>Total assets</b>	<b>\$ 17,433,264</b>	<b>\$ 10,725,000</b>	<b>\$ 3,577,292</b>	<b>\$ 43,225,373</b>	<b>\$ 74,960,929</b>

**LIABILITIES**

<b>Liabilities:</b>					
Construction bonds held	689,413		\$ -	\$ -	\$ 689,413
Due to other funds	-	11,720,463		2,818,808	14,539,272
All Abilities Park donations				75,429	75,429
Accounts Payable & Accrued liabilities	1,534,650	-	1,560,026	1,365,067	4,459,742
<b>Total liabilities</b>	<b>2,224,062</b>	<b>11,720,463</b>	<b>1,560,026</b>	<b>4,259,304</b>	<b>19,763,855</b>

**DEFERRED INFLOWS OF RESOURCES**

Unavailable revenues - 2015 property tax levy	8,300,000			4,884,650	13,184,650
Unavailable revenues - city cache cards	61,660				61,660
<b>Total deferred inflows of resources</b>	<b>8,361,660</b>			<b>4,884,650</b>	<b>13,246,310</b>

**FUND BALANCES (deficits):**

<b>Nonspendable:</b>					
Inventories & prepaids	142,221				142,221
Noncurrent receivables	662,744				662,744
<b>Restricted for:</b>					
Public safety programs	228,711				228,711
Cemetery perpetual care	126,929				126,929
Transportation programs				3,982,881	3,982,881
Housing & community development				909,689	909,689
Parks construction & development				3,641,514	3,641,514
Community & Economic Development				656,461	656,461
Debt service fund				867,676	867,676
Capital projects fund				2,438,819	2,438,819
<b>Assigned to:</b>					
Community & Economic Development				6,178,144	6,178,144
Parks construction & development				101,391	101,391
Capital projects fund			2,017,266	17,194,533	19,211,799
<b>Unassigned:</b>	<b>5,686,938</b>	<b>(995,463)</b>		<b>(1,889,686)</b>	<b>2,801,788</b>
<b>Total fund balances (deficits)</b>	<b>6,847,542</b>	<b>(995,463)</b>	<b>2,017,266</b>	<b>34,081,420</b>	<b>41,950,764</b>

**Total liabilities, deferred inflows and fund balances** \$ 17,433,264 \$ 10,725,000 \$ 3,577,292 \$ 43,225,373

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.	342,505,107
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.	(56,207,920)
Fund balance in Self-Insurance internal service fund	673,935

\$ 328,921,886

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, 2014

	<u>General</u>	<u>Replacement Airport Capital Proj. Fund</u>	<u>Public Works Capital Proj. Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Taxes & special assessments	\$ 31,407,011	\$ -	\$ -	\$7,336,079	\$ 38,743,090
Contributions from other governments				3,433,033	3,433,033
Licenses and permits	2,243,650			-	2,243,650
Intergovernmental	3,775,612	10,775,000	468,406	2,243,490	17,262,508
Charges for services	10,556,676			253,601	10,810,277
Fines & forfeitures	960,326			-	960,326
Investment income	89,423	-	9,862	103,937	203,222
Rents & concessions	23,408			195,735	219,143
Miscellaneous	69,093			489,564	558,657
Contributions from other sources	119,478		889,329		1,008,807
Capital development fees	-			3,698,378	3,698,378
<b>Total revenues</b>	<b>49,244,677</b>	<b>10,775,000</b>	<b>1,367,597</b>	<b>17,753,817</b>	<b>79,141,091</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	5,411,993			127,011	5,539,004
Public safety	17,340,330			4,118	17,344,449
Highways & public improvements	8,666,064	7,424	1,160,688	1,945,468	11,779,644
Parks, recreation & public property	12,239,611			602,357	12,841,969
Community & economic development	1,816,774			445,445	2,262,219
Capital outlay	-	75,817	12,738,389	7,088,442	19,902,648
Debt service					
Capital leases	35,905			65,000	100,905
Principal	-	3,750,000	799,159	4,715,640	9,264,799
Interest & admin charges	-	609,812	28,183	1,914,387	2,552,383
<b>Total expenditures</b>	<b>45,510,678</b>	<b>4,443,053</b>	<b>14,726,418</b>	<b>16,907,869</b>	<b>81,588,018</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,733,999</b>	<b>6,331,947</b>	<b>(13,358,821)</b>	<b>845,948</b>	<b>(2,446,928)</b>
<b>Other financing sources (uses):</b>					
Transfers in	1,175,470	-	5,891,806	8,392,462	15,459,739
Transfers out	(4,467,000)	-		(9,936,095)	(14,403,095)
Payments to other taxing agencies				(160,000)	(160,000)
Inferfund utility services	(458,099)			(1,125)	(459,224)
Proceeds from sale of capital assets	35,491			861,486	896,977
Contributions from other governments			(10,000)		(10,000)
Proceeds of bonds and/or notes			8,150,000	1,200,000	9,350,000
Premium on refunding bonds			1,037,120		1,037,120
<b>Total other financing sources (uses)</b>	<b>(3,714,138)</b>	<b>-</b>	<b>15,068,926</b>	<b>356,728</b>	<b>11,711,516</b>
<b>Net change in fund balances</b>	<b>19,861</b>	<b>6,331,947</b>	<b>1,710,105</b>	<b>1,202,676</b>	<b>9,264,588</b>
<b>Fund balances (deficit) beginning of year,</b>	<b>6,827,681</b>	<b>(7,327,410)</b>	<b>307,162</b>	<b>32,878,740</b>	<b>32,686,173</b>
<b>Fund balances (deficit), end of year</b>	<b>\$ 6,847,542</b>	<b>\$ (995,463)</b>	<b>\$ 2,017,267</b>	<b>\$ 34,081,416</b>	<b>\$ 41,950,761</b>

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, 2014**

Net change in fund balances - total governmental funds \$ 9,264,589

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 & deletions exceeded depreciation in the current period. 13,340,993

Issuance of debt principal is a revenue in the governmental funds, but the increases long-term liabilities in the statement of net position. (9,350,000)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 10,014,796

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 (916,481)

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. 100,388

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. (123,144)

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. 71,409

Change in net position of governmental activities \$ 22,402,550

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
<b>Taxes:</b>				
General property taxes	\$ 8,000,000	\$ 8,025,000	\$ 7,882,713	\$ (142,287)
Prior year's delinquent taxes	400,000	300,000	314,426	14,426
Fee-In-Lieu of Property taxes	1,200,000	1,200,000	1,188,074	(11,926)
General sales & use taxes	14,500,000	15,200,000	15,412,412	212,412
Franchise taxes	6,500,000	6,750,000	6,609,386	(140,614)
<b>Total taxes</b>	<b>30,600,000</b>	<b>31,475,000</b>	<b>31,407,011</b>	<b>(67,989)</b>
<b>Licenses &amp; permits:</b>				
Business licenses & permits	703,500	763,500	760,968	(2,533)
Non-business licenses & permits	1,332,000	1,462,000	1,482,682	20,682
<b>Total licenses &amp; permits</b>	<b>2,035,500</b>	<b>2,225,500</b>	<b>2,243,650</b>	<b>18,150</b>
<b>Intergovernmental revenues:</b>				
Federal grants	737,000	886,179	656,178	(230,001)
State grants	620,801	866,817	543,607	(323,210)
Class "C" roads	2,500,000	2,475,000	2,473,643	(1,357)
State liquor allotment	100,000	100,000	102,183	2,183
<b>Total intergovernmental revenues</b>	<b>3,957,801</b>	<b>4,327,996</b>	<b>3,775,612</b>	<b>(552,384)</b>
<b>Charges for services:</b>				
Enterprise funds	4,246,000	4,246,000	4,246,000	-
Public safety	2,195,007	2,444,022	2,300,436	(143,586)
Parks & public property	265,000	430,000	456,889	26,889
Cemetery	268,500	268,500	278,710	10,210
Recreation	2,363,630	2,414,630	2,421,421	6,791
Airport	850,000	850,000	828,034	(21,966)
Reuse Center	41,500	41,500	25,186	(16,314)
<b>Total charges for services</b>	<b>10,229,637</b>	<b>10,694,652</b>	<b>10,556,676</b>	<b>(137,976)</b>
<b>Fines &amp; forfeitures:</b>				
Court fines & bail forfeitures	1,017,000	977,000	960,326	(16,675)
<b>Miscellaneous:</b>				
Interest	100,000	85,000	89,423	4,423
Rents & concessions	30,000	30,000	23,408	(6,592)
Other	75,500	75,500	69,093	(6,407)
<b>Total miscellaneous</b>	<b>205,500</b>	<b>190,500</b>	<b>181,925</b>	<b>(8,575)</b>
<b>Total revenues</b>	<b>48,045,438</b>	<b>49,890,648</b>	<b>49,125,199</b>	<b>(765,449)</b>
<b>Other Financing Sources :</b>				
Sales of capital assets	30,000	30,000	35,491	5,491
Contributions from others	85,000	121,632	119,478	(2,154)
Appropriated fund balance	-	1,819,438	-	(1,819,438)
Interfund utility services	-	458,099	458,099	-
Transfers from other funds	1,677,751	2,065,251	717,371	(1,347,880)
<b>Total Other Financing Sources :</b>	<b>1,792,751</b>	<b>4,494,420</b>	<b>1,330,440</b>	<b>(3,163,980)</b>
<b>Total revenues &amp; Other Financing Sources</b>	<b>\$ 49,838,189</b>	<b>\$ 54,385,068</b>	<b>\$ 50,455,638</b>	<b>\$ (3,929,430)</b>

(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, 2014

EXPENDITURES:	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>General government:</b>				
City Council	\$ 568,237	\$ 598,237	\$ 583,968	\$ 14,269
City Manager	253,106	257,537	242,739	14,798
Human Resources	308,363	315,631	288,118	27,513
Administrative Services	439,762	447,751	415,834	31,917
Finance	1,476,129	1,507,619	1,505,224	2,395
Technology Services	1,206,095	1,238,587	1,212,802	25,785
Legal	1,128,621	1,181,450	1,098,720	82,730
Elections	65,000	65,000	64,589	411
<b>Total general government</b>	<b>5,445,313</b>	<b>5,611,812</b>	<b>5,411,993</b>	<b>199,819</b>
<b>Public Safety:</b>				
Police	10,950,406	11,373,827	11,126,900	246,927
Drug Task Force	138,820	307,835	295,174	12,661
Dispatch Center	2,908,626	2,994,320	2,462,878	531,442
Fire	3,693,362	3,753,560	3,455,378	298,182
<b>Total public safety</b>	<b>17,691,214</b>	<b>18,429,542</b>	<b>17,340,330</b>	<b>1,089,212</b>
<b>Highways &amp; public improvements:</b>				
Public Works Administration	284,182	325,329	292,400	32,929
Streets	4,913,140	5,091,355	4,941,930	149,425
Fleet Maintenance	1,280,811	1,308,656	1,096,025	212,631
Engineering	636,273	659,978	615,600	44,378
Airport	1,520,893	2,073,441	1,720,108	353,333
<b>Total highways &amp; improvements</b>	<b>8,635,299</b>	<b>9,458,759</b>	<b>8,666,064</b>	<b>792,695</b>
<b>Parks, Recreation &amp; Public Property:</b>				
Building Maintenance	1,413,503	1,443,657	1,426,108	17,549
Parks and open spaces	5,531,808	5,703,775	5,262,916	440,859
Recreation & cultural arts	5,177,387	5,440,999	5,136,010	304,989
Cemetery	485,460	490,947	414,577	76,370
<b>Total parks, recreation &amp; public property</b>	<b>12,608,158</b>	<b>13,079,378</b>	<b>12,239,611</b>	<b>839,767</b>
<b>Community development</b>	<b>1,729,084</b>	<b>1,863,423</b>	<b>1,816,774</b>	<b>46,649</b>
<b>Debt service: Capital leases</b>	<b>35,905</b>	<b>35,905</b>	<b>35,905</b>	<b>-</b>
<b>Total expenditures</b>	<b>46,144,973</b>	<b>48,478,819</b>	<b>45,510,678</b>	<b>2,968,141</b>
<b>OTHER FINANCING USES</b>				
Interfund Utility Services		458,099	458,099	
Contributions to other funds	3,732,066	5,467,000	4,467,000	1,000,000
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>49,877,039</b>	<b>54,403,918</b>	<b>50,435,777</b>	<b>3,968,141</b>
<b>Net change in fund balance</b>	<b>(38,850)</b>	<b>(18,850)</b>	<b>19,861</b>	<b>\$ 38,711</b>
<b>Fund Balance at beginning of year</b>	<b>6,827,681</b>	<b>6,827,681</b>	<b>6,827,681</b>	
<b>Fund Balance at end of year</b>	<b>\$ 6,788,831</b>	<b>\$ 6,808,831</b>	<b>\$ 6,847,542</b>	

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, 2014

	Business-type Activities - Enterprise Funds					Governmental
	ELECTRIC UTILITIES	WATER UTILITIES	WASTEWTR TREATMENT	Non-Major Enterprise Funds	TOTALS 2014	Activities Internal Service Fund
<b>ASSETS</b>						
<b>Current assets:</b>						
Cash	\$ 11,040,659	\$ 774,065	\$ 26,616,380	\$ 1,152,137	\$ 39,583,242	\$ 690,323
Restricted cash		2,890,362	918,725		3,809,087	
Accts. receivable (net of allowance for uncollectibles of \$1,945,526)	7,258,532	3,121,279	282,837	1,198,937	11,861,585	
Inventory	1,800,424	685,321			2,485,744	
Due from other funds			11,720,463		11,720,463	
Note receivable				998	998	
Bond discounts & insurance	920,698	140,900	30,350	20,727	1,112,675	
<b>Total current assets</b>	<b>21,020,312</b>	<b>7,611,927</b>	<b>39,568,756</b>	<b>2,372,799</b>	<b>70,573,794</b>	<b>690,323</b>
<b>Capital assets</b> net of accumulated depreciation	83,850,163	96,337,408	54,049,725	25,098,232	259,335,528	-
<b>Deferred Outflow of Resources</b> Deferred charge on bond refunding	786,828				786,828	
<b>TOTAL ASSETS</b>	<b>105,657,304</b>	<b>103,949,335</b>	<b>93,618,480</b>	<b>27,471,032</b>	<b>330,696,151</b>	<b>690,323</b>
<b>LIABILITIES</b>						
<b>Current liabilities:</b>						
Accounts payable & accrued liabilities	8,290,282	1,281,315	236,885	1,082,379	10,890,860	16,389
Bonds payable - short term	1,995,000	3,308,000	850,000	104,000	6,257,000	
Due to other funds - short term		-	-	4,266,825	4,266,825	
Note payable - short term		10,000			10,000	
Capital leases - short term				204,144	204,144	
Deposits payable	1,059,520	404,489		171,509	1,635,518	
<b>Total current liabilities</b>	<b>11,344,802</b>	<b>5,003,804</b>	<b>1,086,885</b>	<b>5,828,856</b>	<b>23,264,347</b>	<b>16,389</b>
<b>Long-term liabilities:</b>						
Bonds payable - long term	56,280,000	10,109,000	1,824,522	410,000	68,623,522	
Bond premiums	188,159	428,900	-		617,059	
Note payable - long term		78,800			78,800	
Capital leases - long term				811,631	811,631	
<b>Total long-term liabilities</b>	<b>56,468,159</b>	<b>10,616,700</b>	<b>1,824,522</b>	<b>1,221,631</b>	<b>70,131,013</b>	<b>-</b>
<b>Total liabilities</b>	<b>67,812,961</b>	<b>15,620,504</b>	<b>2,911,407</b>	<b>7,050,488</b>	<b>93,395,360</b>	<b>16,389</b>
<b>NET POSITION</b>						
Net Investment in capital assets	28,302,702	85,861,608	52,255,552	23,897,328	190,317,190	-
Restricted	-	2,890,362	918,725	489,400	4,298,487	-
Unrestricted	9,541,640	(423,139)	37,532,796	(3,966,184)	42,685,113	673,935
<b>Total net position</b>	<b>\$ 37,844,342</b>	<b>\$ 88,328,831</b>	<b>\$ 90,707,073</b>	<b>\$ 20,420,544</b>	<b>\$ 237,300,791</b>	<b>\$ 673,935</b>

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, 2014

	Business-type Activities - Enterprise Funds				TOTALS 2014	Governmental
	ELECTRIC UTILITIES	WATER UTILITIES	WASTEWTR TREATMENT	Non-Major Enterprise Funds		Activities Internal Service Fund
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 61,386,968	\$ 17,641,536	\$ 4,473,387	\$ 13,812,934	\$ 97,314,824	\$ 545,825
Other operating revenues	2,042,174	1,210,011	1,349,301	827,551	5,429,037	
<b>Total operating revenues</b>	<b>63,429,142</b>	<b>18,851,547</b>	<b>5,822,688</b>	<b>14,640,485</b>	<b>102,743,862</b>	<b>\$ 545,825</b>
<b>OPERATING EXPENSES:</b>						
Electricity purchased	40,704,258		434,384		41,138,642	
Natural gas purchased	5,728,887				5,728,887	
Water purchased		5,208,121			5,208,121	
Salary and wages	3,393,217	2,332,350	982,424	2,129,379	8,837,370	
Supplies	985,176	-	-	417,656	1,402,831	
Service vehicle expense	177,276	249,043	62,100	127,093	615,513	
Equipment rental	-	39,676	449	5,187	45,312	
Depreciation	6,298,295	2,595,762	1,557,444	828,944	11,280,445	
Payroll tax & employee benefits	1,363,270	1,082,995	447,612	1,003,062	3,896,939	
Office & dept. supplies	55,616	375,642	10,798	165,980	608,037	
Professional services	401,565	238,374	115,270	611,283	1,366,492	1,939
R. & M. - equipment	485,760	1,240,395	559,485	180,876	2,466,516	
R. & M. - buildings and grounds	32,595	15,691	14,799	741,489	804,575	
Insurance & surety bonds	161,165	80,358	56,088	50,645	348,255	
Travel	56,077	23,160	5,331	8,355	92,923	
Miscellaneous	913	87			1,005	
Interest expense	29,593				29,593	
Subscriptions & memberships	82,501	28,996	518	2,774	114,789	
Lease payments					-	
Claims paid						204,520
Insurance premiums						270,042
Contract labor				6,792,776	6,792,776	
Billing & administration	1,650,000	1,050,000	750,000	796,000	4,246,000	
<b>Total operating expenses</b>	<b>61,606,164</b>	<b>14,560,651</b>	<b>4,996,704</b>	<b>13,861,498</b>	<b>95,025,017</b>	<b>476,501</b>
<b>Operating income</b>	<b>1,822,978</b>	<b>4,290,896</b>	<b>825,983</b>	<b>778,987</b>	<b>7,718,844</b>	<b>69,324</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest income	35,634	4,968	222,300	5,673	268,574	2,084
Rent	-	1,223,250	6,000	130,900	1,360,150	
Miscellaneous income	109,414	41,361	64,376	32,560	247,711	-
Gain on lease renewal				353,118	353,118	
Federal grants	24,039	32,602			56,641	
Interfund utility services	(53,853)	(564,677)	(32,381)	(9,621)	(660,532)	
Interest charges	(2,438,333)	166,820	(142,821)	(21,824)	(2,436,158)	
<b>Total non-operating revenue (expense)</b>	<b>(2,323,100)</b>	<b>904,325</b>	<b>117,473</b>	<b>490,806</b>	<b>(810,496)</b>	<b>2,084</b>
<b>Income before transfers</b>	<b>(500,122)</b>	<b>5,195,221</b>	<b>943,456</b>	<b>1,269,793</b>	<b>6,908,348</b>	<b>71,409</b>
Transfers (to) from other funds	(435,674)	185,512	2,222,863	(2,429,344)	(456,643)	
Additions to contributed capital						
<b>Change in Net position</b>	<b>(935,796)</b>	<b>5,380,733</b>	<b>3,166,319</b>	<b>(1,159,552)</b>	<b>6,451,705</b>	<b>71,409</b>
Total net position - beginning	38,780,139	82,948,098	87,540,753	21,580,096	230,849,086	602,526
<b>Total net position - ending</b>	<b>\$ 37,844,343</b>	<b>\$ 88,328,831</b>	<b>\$ 90,707,072</b>	<b>\$ 20,420,544</b>	<b>\$ 237,300,791</b>	<b>\$ 673,935</b>

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, 2014

	Business-type Activities - Enterprise Funds					Governmental
	ELECTRIC UTILITIES	WATER UTILITIES	WASTEWTR TREATMENT	Non-Major Enterprise Funds	TOTALS 2014	Activities Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers and users	\$ 64,838,362	\$ 18,714,132	\$ 5,861,962	14,744,160	\$ 104,158,615	\$ -
Receipts from interfund services provided						545,825
Payments to suppliers	(51,318,629)	(8,643,841)	(2,010,501)	(9,838,845)	(71,811,816)	
Payments to employees	(4,756,487)	(3,415,345)	(1,430,036)	(3,132,441)	(12,734,309)	
Payments for interfund services used						(492,464)
Net cash provided (used) by operating activities	8,763,245	6,654,946	2,421,425	1,772,874	19,612,489	53,361
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Rents received		1,223,250	6,000	130,900	1,360,150	
Miscellaneous non-operating income	109,414	41,361	64,376	32,560	247,711	
Interfund receivable/payable activity			6,757,710	204,431	6,962,141	
Federal operating grant	24,039	32,602			56,641	
Interfund utility services	(53,853)	(564,677)	(32,381)	(9,621)	(660,532)	
Economic development transfer	(435,674)	185,512	2,222,863	(2,429,344)	(456,643)	
Net cash provided (used) by noncapital and related financing activities	(356,074)	918,049	9,018,568	(2,071,074)	7,509,468	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Proceeds from capital debt			-		-	
Purchases of capital assets	(1,066,102)	(1,288,855)	(495,150)	(445,124)	(3,295,231)	
Principal paid on capital debt	(12,240,000)	(3,200,000)	(1,080,000)	(98,000)	(16,618,000)	
Interest on capital debt net of disc/premiums	(2,626,765)	(272,434)	(132,704)	(14,915)	(3,046,818)	
Capital lease principal payments				(213,512)	(213,512)	
Proceeds from refunding debt	11,280,000				11,280,000	
Gain (loss) on bond refinancing	(786,828)				(786,828)	
Federal grants						-
Net cash provided (used) by capital and related financing activities	(5,439,695)	(4,761,289)	(1,707,854)	(771,551)	(12,680,389)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received	35,634	4,968	222,300	5,673	268,574	2,084
Net increase (decrease) in cash and cash equivalents	3,003,109	2,816,674	9,954,438	(1,064,078)	14,710,143	55,445
Cash and equivalents including restricted cash of \$6,149,909 at beginning of year	8,037,550	847,752	17,580,670	2,216,215	28,682,187	634,877
Cash and equivalents including restricted cash of \$3,809,087 at end of year	\$ 11,040,659	\$ 3,664,426	\$ 27,535,108	\$ 1,152,137	\$ 43,392,330	\$ 690,322
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>						
Operating income (loss)	1,822,978	4,290,896	825,983	778,987	7,718,844	69,324
Adjustments to reconcile net income from operations to net cash provided by operating activities:						
Depreciation	6,298,295	2,595,762	1,557,444	828,944	11,280,445	
Changes in assets & liabilities:						
Decrease (increase) in receivables	1,360,832	(175,157)	39,274	45,026	1,269,975	
Decrease (increase) in inventory	(73,523)	(56,950)			(130,473)	
Decrease (increase) in note receivable				6,988	6,988	
Decrease (increase) in prepaid exp.				41,288	41,288	
Increase (decrease) in deposits	48,387	37,742		10,373	96,502	
Increase (decrease) in accruals	(693,725)	(37,347)	(1,277)	61,269	(671,080)	(15,962)
Total adjustments	6,940,266	2,364,050	1,595,441	993,888	11,893,645	(15,962)
Net cash provided by operating activities:	\$ 8,763,244	\$ 6,654,946	\$ 2,421,424	\$ 1,772,874	\$ 19,612,489	\$ 53,362

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, 2014**

**PENSION  
TRUST  
\*\*\*\*\***

<b>ASSETS</b>	
Restricted cash and investments	\$ 16,459,775
<b>Total Assets</b>	<b>16,459,775</b>
<b>LIABILITIES</b>	
<b>Liabilities:</b>	
Accrued liabilities	-
<b>Total liabilities</b>	<b>-</b>
<b>NET POSITION</b>	
Held in trust for pension benefits and other purposes	\$ 16,459,775

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, 2014**

		<b>PENSION TRUST</b>
		*****
<b>ADDITIONS</b>		
Retirement contributions	\$	207,467
Life insurance contributions		-
Certificate sales		-
Net increase in fair value of investments		1,999,496
Citizen donations		-
		<hr/>
Total additions		<u>2,206,963</u>
<b>DEDUCTIONS</b>		
Administrative & general		501
Life insurance premiums		-
Retirement withdrawals		1,362,214
		<hr/>
Total deductions		<u>1,362,715</u>
Change in net position		844,248
Net position - beginning of year		<u>15,615,527</u>
Net position - end of year	\$	<u><u>16,459,775</u></u>

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

**CITY OF ST. GEORGE, UT**  
Notes to the Financial Statements  
June 30, 2014

**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 recognized 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, 2014, expenditures in the General Fund were all within budget at the legal level of budgetary control (i.e., fund level).

**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, 2014 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, 2014 the City had one deferred outflows for deferred

charges on bond refunding of the 2005 Electric Revenue bonds. This deferral will be recognized over the life of the refunding bonds.

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, 2015, are adopted in connection with the adoption of the 2015 budget in June 2014. Thus they become a valid levy/lein at that time. Accordingly, the estimated amount to be collected in the 2015 fiscal year is recorded as a receivable and a deferred inflow in the governmental funds for the fiscal year ended June 30, 2014. 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 30<sup>th</sup> year end. Taxes are levied and are due and payable on November 1<sup>st</sup> and delinquent after November 30<sup>th</sup> 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.

During the fiscal year ended June 30, 2014, the Utah State Auditor's Office issued an "audit alert" stating that property tax increments received in Redevelopment Agencies (RDA) and such special revenue funds (ie: EDA, CDA) , should reflect the property tax increment which represents the amount received as a result of other taxing entities (ie:

school district, county, etc.) should be shown as a revenue “Contributions from Other Governments” rather than as property tax revenues which had been done in the past. This change has been made in the current financial report.

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 30<sup>th</sup> 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 30<sup>th</sup>.

### 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 \$342,505,107 are as follows:

Land	\$ 86,371,849
Buildings	36,498,968
Less: Accumulated depreciation - buildings	(14,693,080)
Improvements	70,214,463
Less: Accumulated depreciation - imprmnts	(26,433,894)
Infrastructure	241,171,105
Less: Accumulated depreciation - infrastrte	(61,070,096)
Machinery & Equipment	31,033,060
Less: Accumulated depreciation - machinery & equip.	<u>(20,587,266)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$342,505,107</u>

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 \$56,207,920 difference are as follows:

Notes payable	\$ 5,768,451
Bonds payable	42,568,000
Add: Issuance premium (to be amortized over life of debt)	1,646,705

Capital leases	4,387,160
Compensated absences	1,355,320
Interest payable on long-term debt	<u>482,284</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$56,207,920</u>

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 \$673.935 difference are as follows:

Net position of self-insurance internal service fund	<u>\$673,935</u>
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**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 exceeded depreciation expense in the current period.” The details of this \$13,340,993 difference are as follows:

Capital outlay	\$22,304,411
Sale of capital assets	( 384,331)
Depreciation expense	<u>(8,579,087)</u>
Net adjustment to increase net changes in fund balance-governmental funds to arrive at changes in net position of governmental activities	<u>\$13,340,993</u>

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 \$664,796 difference are as follows:

Principal repayments:		
General obligation debt		\$ 840,000
Sales tax revenue bonds		3,030,000
Excise tax revenue bonds		1,015,000
Notes payable		4,549,156
Capital leases		<u>580,300</u>
	Total principal repayments	10,014,796
Debt issued:		
Note payable for resource center	\$1,200,000	
2014 Franchise Tax Revenue bonds	<u>8,150,000</u>	
	Total debt issued	<u>(9,350,000)</u>

Net adjustment to increase changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities \$664,796

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 \$916,481 difference are as follows:

Amortization of bond premiums on general obligation bonds	\$ 120,639
Bond premium on 2014 Franchise Tax revenue bonds	<u>(1,037,120)</u>
Net bond premiums	( \$916,481)

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: \$100,388

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: \$(123,144)

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.” \$71,409

### **III. Stewardship, compliance and accountability**

#### A. Excess of expenditures over appropriations

For the fiscal year ended June 30, 2014, the Special Assessment Debt Service Fund expenditures exceeded appropriations by \$21,470.

B. Deficit fund equity

At June 30, 2014 the Future Airport Capital Project fund, the Street Bond Capital Projects Fund, and the 2010 Flood Restoration 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, 2014, the City’s book balance was \$82,164,842 and \$81,182,327 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, 2014, the City had the following cash & investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percentage</u>
U.S. Treasuries	\$2,111,642	2.17%
State Treasurer’s investment pool	74,825,287	76.82%
Bank certificates of deposit	478,089	.49%
Bank demand deposits (checking & saving)	3,523,724	3.61%
Insurance company contracts (pension plan)	<u>16,459,775</u>	<u>16.91%</u>
Total fair value	<u>\$ 97,398,517</u>	<u>100.00</u>

*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, 2014, the weighted average of maturities was 61.95 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](http://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, 2014, 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.

<u>Receivables</u>	<u>General</u>	<u>Repl Airport Cap Proj Fund</u>	<u>Public Works Cap Proj Fund</u>	<u>Other Govn. Funds</u>	<u>Total</u>
Accounts	\$ 323,759		\$ 28,285	\$ 76,521	\$ 428,565
FY 2013 Property taxes	232,604			465,693	698,297
FY 2014 Property taxes	8,300,000			4,884,650	13,184,650*
Grants	119,888	\$10,725,000	468,406	1,229,316	12,542,610
Sales Taxes	2,709,221			837,189	3,546,410

Special Assessments				179,378	179,378
Transit room taxes				100,628	100,628
Franchise taxes	<u>146,509</u>				<u>146,509</u>
Total receivable	<u>\$11,831,981</u>	<u>\$10,725,000</u>	<u>\$496,691</u>	<u>\$7,773,375</u>	<u>\$30,827,047</u>

\* The 2014 Property taxes are levied in June 2014 for the fiscal year 2015 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.

<u>Receivables</u>	<u>Electric</u>	<u>Water</u>	<u>Wastewater Treatment</u>	<u>Other Proprietary Funds</u>	<u>Total</u>
Accounts	\$8,518,881	\$3,588,438	\$282,837	\$1,402,955	\$13,793,111
Grants		<u>14,000</u>			<u>14,000</u>
Gross receivable	\$8,518,881	\$3,602,438	\$282,837	\$1,402,955	\$13,807,111
Less: Allowance	<u>(1,260,349)</u>	<u>( 481,159)</u>		<u>( 204,018)</u>	<u>( 1,945,526)</u>
Net Receivables	<u>\$7,258,532</u>	<u>\$3,121,279</u>	<u>\$282,837</u>	<u>\$ 1,198,937</u>	<u>\$11,861,585</u>

#### 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, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	<u>\$86,553,089</u>	<u>203,091</u>	<u>384,331</u>	<u>86,371,849</u>
Capital assets being depreciated:				
Buildings	32,871,796	3,627,171		36,498,967
Improvements	68,295,474	1,918,988		70,214,463
Infrastructure	226,818,644	14,352,461		241,171,105
Equipment, etc	<u>28,830,831</u>	<u>2,202,229</u>		<u>31,033,060</u>
Total capital assets being depreciated	<u>356,816,745</u>	<u>22,100,850</u>		<u>378,917,595</u>
Less accum. depreciation for:				
Buildings	13,718,786	974,294		14,693,080

Improvements	24,158,648	2,275,246		26,433,894
Infrastructure	57,401,481	3,668,615		61,070,096
Equipment etc	<u>18,926,333</u>	<u>1,660,933</u>		<u>20,587,266</u>
Total accum. depreciation	<u>114,205,248</u>	<u>8,579,088</u>		<u>122,784,336</u>
Total capital assets being depreciated, net	<u>242,611,497</u>	<u>13,521,761</u>		<u>256,133,258</u>
Governmental activities capital assets, net	<u>\$329,164,586</u>	<u>\$13,724,852</u>	<u>\$ 384,331</u>	<u>\$342,505,107</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	<u>30,561,922</u>			<u>30,561,922</u>
Capital assets being depreciated:				
Buildings and systems	335,889,836	2,084,084		337,973,920
Improvements	18,067,430	199,130		18,266,560
Machinery & Equipment	<u>22,982,383</u>	<u>2,241,306</u>	<u>1,348,246</u>	<u>23,875,443</u>
Total capital assets being depreciated	<u>376,939,650</u>	<u>4,524,520</u>	<u>1,348,246</u>	<u>380,115,924</u>
Less accum. depreciation for:				
Buildings and systems	114,128,570	9,908,419		124,036,989
Improvements	7,999,818	675,876		8,675,694
Machinery & Equipment	<u>19,002,952</u>	<u>696,150</u>	<u>(1,069,466)</u>	<u>18,629,636</u>
Total accum. Depreciation	<u>141,131,340</u>	<u>11,280,444</u>	<u>(1,069,466)</u>	<u>151,342,318</u>
Total capital assets being depreciated, net	<u>235,808,309</u>	<u>(6,755,924)</u>	<u>(278,780)</u>	<u>228,773,605</u>
Business-type activities net capital assets	<u>\$266,370,231</u>	<u>(6,755,924)</u>	<u>(278,780)</u>	<u>\$259,335,527</u>

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

Governmental activities:	
General government	\$1,064,364
Public safety	940,659
Highways, streets, etc.	4,493,595
Parks, recreations, etc.	2,043,919
Community development	<u>36,550</u>
Total depreciation expense - governmental activities	<u>\$8,579,087</u>
Business-type activities:	
Municipal building authority	\$ 98,335

Water utility	2,595,762
Wastewater collection	382,171
Electric utility	6,298,295
Golf courses	348,437
Regional wastewater treatment	<u>1,557,444</u>
Total depreciation expense - business-type activities	<u>\$11,280,444</u>

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, 2014, interfund balances due to or from other funds was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Golf Course Fund	\$ 500,000
General Fund	Economic Developmnt Agency	32,081
General Fund	Ft. Pierce CDA Fund	20,556
General Fund	Refuse Collection Fund	35,700
General Fund	Sales Tax Bond Cap. Proj. Fund	24,473
Wastewater Treatment Fund	Replacement Airport Fund	11,720,463
Economic Development Fund	Golf Course Fund	3,731,125
Capital Equip Capital Proj. Fund	2010 Flood Reconst. Fund	2,741,699

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 2015 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. An interfund note has been approved by the Mayor and Council for this activity. Interest is charged monthly at the rate earned by the City on it's investment in the Utah State Treasurer's Investment Pool. Payments are applied against the note in any month in which the Replacement Airport fund has a positive cash balance. The note is increased for any month in which the Replacement Airport fund has a negative cash balance.

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 2015 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, 2014 were as follows:

<u>Fund Transferring Out</u>	<u>Fund Receiving Transfer</u>	<u>Amount</u>
General Fund	Dixie Center Operations	\$ 467,000
	Capital Projects Capital Equip	2,300,000
	Economic Devlp. Fund	1,700,000
General Fund - Highways etc.	Public Works Cap. Projects	600,000
Economic Development Fund	Golf Course Fund	188,577
	Airport Debt Serv Fund	21,715
	General Fund	82,702
Transportation Improvement	SunTran Public Transit Fund	500,000
	Public Works Capital Proj.	3,136,114
	Street Bond Cap. Proj. Fund	1,805,000
	General Fund	85,000
	Water Utility Fund	69,330
Airport PFC Fund	General Fund	220,000
Capital Equipment Fund	Water Utility Fund	21,503
	Electric Utility Fund	160,231
	General Fund	35,236
Park Impact Fund	General Fund	75,000
Drainage Impact Fund	Public Works Capital Proj.	206,664
Drainage Utility Fund	Public Works Capital Proj.	134,776
	General Fund	85,000
	2010 Flood Fund	17,285
CDBG Special Revenue Fund	General Fund	55,584
Ft. Pierce EDA Fund	Housing Program Fund	95,241*
	General Fund	16,650
	Street Bond Cap Proj Fund	205,000
EDA #1 Fund	Housing Program Fund	60,096*
	General Fund	10,500
Dixie Center EDA Fund	General Fund	13,000
	Street Bond Cap Proj Fund	320,000
Ft. Pierce CDA Fund	General Fund	38,700
	Street Bond Cap Proj Fund	700,000
Municipal Building Authority	Capital Equip Fund	200,000
Interfund Utilities Provided	General Fund	458,098
Street Impact Fund	Public Works Capital Proj.	<u>1,814,252</u>
	Total Interfund Transfers	<u>\$15,898,254</u>
Total Interfund Transfers - Governmental Funds		15,069,845
Total Interfund Transfers - Enterprise Funds		828,409

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.

In addition, the City has some water and electric utility accounts which do not pay for the water and/or electricity used at certain city facilities. The amount of non-billed services provided are as follows:

<u>Fund Receiving Services:</u>	<u>Water Utility</u>	<u>Electric Utility</u>
General Fund	\$409,319	\$ 48,780
Downtown RDA Fund	238	
SunTran Transit Fund	308	
Capital Equip. Capital Proj Fund	579	
Electric Utility Fund	1,649	52,204
Water Utility Fund	15,902	548,774
Wastewater Treatment Fund	32,381	
Golf Course Fund	<u>9,621</u>	
Totals	<u>\$469,997</u>	<u>\$649,758</u>

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, 2014 are as follows:

Governmental activities:

	<u>Interest rates</u>	<u>Amount</u>
2004 G.O. Parks & Recreation	4.00% to 5.00%	\$ 8,220,000
2010 G.O. Parks & Recreation	2% to 4%	<u>4,935,000</u>
		<u>\$13,155,000</u>

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 \$870,000 thru June 15, 2015. At June, 30, 2014 the outstanding balance of this issue was as follows:

Governmental activities:

	<u>Interest rates</u>	<u>Amount</u>
2011 Sales Tax Revenue bonds	1.70%	<u>\$870,000</u>

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 \$2,670,000 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:

	<u>Interest rates</u>	<u>Amount</u>
2009 Sales Tax Revenue bonds	3.0% to 5.053%	<u>\$11,260,000</u>

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 2014, the City issued Franchise Tax revenue bonds which are secured by the collection of franchise taxes on various utilities which provide services in the City. The revenues are recorded as revenues in the General Fund. Such bonds were originally issued for \$8,150,000 and were used for the construction of major capital asset facilities throughout the City. The bonds are repaid in annual installments of \$395,000 to \$745,000 thru December 1, 2028. They have an interest rate of 2.0% to 5.0%. At June 30, 2014, the debt balance is as follows:

Governmental activities:

	<u>Interest rates</u>	<u>Amount</u>
2014 Franchise Tax Revenue Bonds	2.0% to 5.0%	<u>\$8,150,000</u>
Total City reflected General Obligation Debt		<u>\$33,435,000</u>

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

(In thousands of dollars)

Year ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2015	\$4,845	\$1,286	\$ 6,131
2016	4,145	1,139	5,284
2017	4,360	961	5,321
2018	4,600	776	5,376
2019	1,730	660	2,390
2020-2025	10,975	2,154	13,129
2026-2028	<u>2,780</u>	<u>264</u>	<u>3,044</u>
Totals	<u>\$33,435</u>	<u>\$7,240</u>	<u>\$40,675</u>

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 \$281,000 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, 2014 the balance of this bond issue is \$2,410,000. 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, 2014, 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 <u>June 30</u>	<u>Principal</u>	Gross <u>Interest</u>	Interest <u>Subsidy</u>	Net <u>Totals</u>
2015	281	721	306	696
2016	295	698	296	697
2017	311	674	286	699
2018	327	649	283	693
2019	345	623	276	692
2020-2024	<u>7,574</u>	<u>2,667</u>	<u>1,111</u>	<u>9,130</u>
	<u>\$ 9,133</u>	<u>\$6,032</u>	<u>\$2,558</u>	<u>\$12,607</u>

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, 2014 by issue are as follows: (in thousands)

<u>Bond Descrip.</u>	<u>Original Issue</u>	<u>Annual principal</u>	<u>Interest rates</u>	<u>Final Due Date</u>	<u>Amount</u>
1998A MBA	\$6,270	\$85 to \$100	4.6% to 4.7%	9/1/17	\$ 370
2000 Woodward	<u>350</u>	\$19 to \$23	2.5%	4/1/21	<u>144</u>
Total Municipal Bldg	<u>6,620</u>				<u>514</u>
2013 Water	\$3,637	\$1168 to \$1191	1.26%	7/1/16	\$ 3,537
2011 Water	6,120	\$730 to \$830	2.25% to 3%	6/1/20	4,660
2012 Water	3,830	\$235 to \$405	2% to 3%	7/1/25	3,830
2004 Water	<u>31,000</u>	\$1400	5%	7/1/14	<u>1,400</u>
Total Water Utility	<u>44,587</u>				<u>13,427</u>
2004 Sewer	<u>11,015</u>	\$850 to \$935	5%	7/1/16	<u>2,675</u>
Total Wastewater Treatment	<u>11,015</u>				<u>2,675</u>
2005 Electric Rev	\$17,280	\$815	5%	6/01/15	\$ 815
2008 Electric Rev	50,000	\$1050 to \$3,190	4.25% - 5%	6/01/38	46,225
2013 Electric Rev	<u>11,280</u>	\$130 to \$1,250	2.65%	6/01/25	<u>11,235</u>
Total Electric	<u>\$78,560</u>				<u>\$ 58,275</u>
Total Business-type activities	<u>\$140,782</u>				<u>\$ 74,891</u>

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

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
<u>June 30</u>			
2015	\$ 6,247	\$ 3,067	\$ 9,314
2016	5,237	2,862	8,099
2017	5,491	2,700	8,191
2018	3,465	2,552	6,017
2019	3,491	2,429	5,920
2020-2024	15,780	10,337	26,117
2025-2029	11,390	7,451	18,841
2030-2034	11,915	4,815	16,730
2035-2039	<u>11,875</u>	<u>1,520</u>	<u>13,395</u>
Totals	<u>\$ 74,891</u>	<u>\$37,733</u>	<u>\$112,624</u>

In the current fiscal year, the City issued the 2013 Series Electric Refunding bonds to pay and cancel the 2005 Series Electric Bonds. The total bonds issued were \$11,280,000. The proceeds of these bonds were then used to redeem the 2005 bonds on the due date of

June 1, 2015 totaling \$10,410,000. Of the remainder of the 2005 issue \$785,000 was paid on June 1, 2014 and the balance of \$815,000 will be paid on June 1, 2015. The issue was made to take advantage of lower interest rates. The total cash flows over the life of the new debt is \$13,399,709 in comparison with \$14,090,678. This represents a net present value savings of \$593,987 after costs of issue. The reacquisition price exceeded the net carrying amount of the old debt by \$786,828. This amount is being amortized over the new debt's life and recorded as a deferred outflow of resources on the statement of net position.

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, 2014, 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
2003 Water Revenue bonds	3,470,000

#### Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2014 was as follows: (in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due in OneYr</u>
<b>Governmental activities:</b>					
Bonds payable:					
G.O. Bonds	\$ 13,995	\$ -	\$( 840)	\$13,155	\$ 910
Sales Tax Bonds	15,160	-	(3,030)	12,130	3,540
Excise Bonds	750	-	( 750)	-	-

Franchise Tax Bonds	-	8,150	-	8,150	395
Federal Subsidy bonds	<u>9,398</u>	=	( 265)	<u>9,133</u>	<u>281</u>
Total bonds payable	39,303	8,150	( 4,885)	42,568	5,126
McArthur note	92	-	( 18)	74	20
SITLA Note payable	8,244	-	(3,750)	4,494	3,750
UDOT SIB loan	781	-	( 781)	-	-
Ekins Note payable	-	1,200	-	1,200	300
WICA lease	3,638	-	( 582)	4,387*	309
Interest payable	583	-	( 101)	482	
Unamortized premiums	730	1 037	( 120)	1,647	
Vacation payable	<u>1,232</u>	<u>123</u>	( - )	<u>1,355</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$54,603</u>	<u>\$10,510</u>	<u>\$ ( 10,237)</u>	<u>\$56,207</u>	<u>\$ 9,505</u>

**Business-type activities:**

Bonds payable:					
Revenue bonds	\$ 80,219	\$11,280	\$(16,608)	\$ 74,891	6,257
WCWCA note	88		( 10)	78	10
Unamortized premiums	1,500		( 883)	617	
Capital leases	<u>632</u>	<u>1,016</u>	<u>( 632)</u>	<u>1,016</u>	<u>204</u>
Total business-type long-term liabilities	<u>\$82,439</u>	<u>\$12,296</u>	<u>\$ ( 18,133)</u>	<u>\$ 76,602</u>	<u>\$6,471</u>

\* The WCIA lease bonds were not recorded properly in the prior fiscal year and thus an increase of \$1,330,607 as a prior period correction in the statement of net position is necessary to reflect the correct balances payable.

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 \$1,229,289. Accumulated depreciation on this equipment totals \$0.

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, 2014.

<u>Fiscal year ended</u>	<u>Golf Carts</u>
June 30, 2015	\$213,514
June 30, 2016	213,514
June 30, 2017	213,514
June 30, 2018	213,514
June 30, 2019	<u>262,000</u>
Total payments	1,116,056

Less amount representing interest	( 100,282)
Present value of lease payments	<u>\$1,015,774</u>

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)

<u>Fiscal year ended</u>	<u>Payments</u>
June 30, 2015	\$ 716
June 30, 2016	516
June 30, 2017	654
June 30, 2018	469
June 30, 2019	433
2020-2024	<u>2,190</u>
Total remaining minimum lease payments	4,978
Less amount representing interest	<u>( 591)</u>

Present value of net remaining minimum lease payments	<u>\$4,387</u>
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For the fiscal year ended June 30, 2014 expenditures were payments for O&M of \$587,345 and debt service payments of \$702,665.

#### H. 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

	<u>MBA</u>
Assets:	
Cash and investments	\$ 30,786
Other assets (prepaids & deferred bond costs)	20,727
Capital assets	10,770,124
Less depreciation	<u>(1,578,531)</u>
Total assets	<u>9,243,106</u>
Liabilities:	
Accrued liabilities	6,587
Due to other funds	-
Noncurrent liabilities	<u>514,000</u>
Total liabilities	<u>520,587</u>
Net position:	
Net investment in capital assets	8,698,320
Restricted	-
Unrestricted	<u>24,199</u>
Total net position	<u>\$8,722,519</u>

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

	<u>MBA</u>
Charges for services	\$ -
Depreciation expense	( 98,336)
Other operating expenses	<u>( 9,492)</u>
Operating income(loss)	<u>(107,828)</u>
Nonoperating revenues (expenses)	
Interest income	813
Rental income	122,955
Interest expense	<u>( 21,824)</u>
Loss before transfers	<u>( 5,884)</u>

Transfers to other funds	<u>(200,000)</u>
Change in net position	<u>(205,884)</u>
Beginning net position	<u>8,928,403</u>
Ending net position	<u><u>\$8,722,519</u></u>

**CONDENSED STATEMENT OF CASH FLOWS**

	<u>MBA</u>
Net cash provided (used) by:	
Operating activities	\$( 3,914)
Noncapital financing activities	(77,045)
Capital and related financing activities	(119,824)
Investing activities	<u>813</u>
Net increase (decrease)	(199,970)
Beginning cash & cash equivalents	<u>230,756</u>
Ending cash & cash equivalents (deficit)	<u><u>\$ 30,786</u></u>

**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. States Insurance Company administers the liability policy above our self-insured retention. Property is covered by a blanket all risk policy with limits of up to \$338,685,306. Traveler's Insurance administers the property insurance policy above what the City provides as self-insurance.

	<u>6/30/13</u>	<u>6/30/13</u>
Unpaid claims beginning of fiscal year	\$ 32,351	\$ 27,983
Incurred claims	172,169	270,089
Claim payments	<u>( 188,131)</u>	<u>(265,721)</u>
Unpaid claims, end of fiscal year	<u>\$ 16,389</u>	<u>\$ 32,351</u>

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 \$6,179,526 during the fiscal year ended June 30, 2014.

### 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 July 9, 2014, the City Council authorized the issuance and bond purchase agreement with Zions Bank for the sale and purchase of General Obligation Refunding Bonds, Series 2014, in the aggregate principal amount of \$7,830,000.
- 2) Effective with the adoption of the budget for fiscal year 2015, the Golf Course Enterprise Fund has been closed. All golf course activities will now be recorded as a department within the General Fund.
- 3) In connection with the Utah Department of Transportation (UDOT) improvements to the freeway interchange at milepost 8, the City made a verbal commitment to reimburse UDOT for up to \$500,000 as a "betterment" agreement. The project has been completed by UDOT and there has never been a formal "betterment agreement" signed between the City and UDOT. As a result, any amount which may be due to UDOT as a result of this "verbal" agreement can not be determined and thus no liability is recorded at June 30, 2014. Whether, the agreement will be

completed or possibly transferred to another project which UDOT is doing within the City is also undetermined as of the date of this final report.

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 \$547,035
  
- 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 \$870,000
  
- 4) The actual amount expended for:
  - A) acquisition of property \$0
  - B) site improvements or preparation costs \$0
  - C) installation of public utilities or other public improvements \$0
  - D) administrative costs of the agency \$27,681
  - E) debt service payments \$477,525

G. Employee retirement systems and pension plans

Defined Benefit Pension Plan

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, 13.28% to the Contributory Tier 1, 13.99% to the Contributory Tier 2, 17.29% to the Noncontributory, 32.14% to the Public Safety Noncontributory Tier 1, 20.85% to the Public Safety Noncontributory Tier 2, 2.96% to the Firefighter's Tier 1 and 11.02% to the Firefighter's Tier 2 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, 2014, 2013, and 2012 respectively were; for the Contributory System, \$237,317, \$148,180, and \$57,495; for the Noncontributory System, \$3,040,416, \$2,820,257, and \$2,510,230; for the Public Safety Noncontributory, \$1,573,305, \$1,450,326, and \$1,309,421; and for the Firefighters System, \$261,257, \$250,845, and \$218,348 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 equal to the difference between the required contribution rates to the state retirement system and 17.29% which is the total contribution rate paid to the state for employees in the non-contributory Tier 1 system. Thus the rate for any eligible employee will be different depending upon which system they are in with the state retirement systems. It is primarily those in the non-contributory Tier 2 system. The contributions to the plan totaled \$207,467 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, 2014

Special Revenue Funds

Assets	<u>Dixie Center Ops</u>	<u>Airport PFC Fees</u>	<u>Economic Development</u>	<u>Transportation Improvement</u>	<u>CDBG Grant Fund</u>	<u>Museum Acquis. Fund</u>	<u>Johnson Farm Dinosaur Tracks</u>
Cash and investments	\$ 456,904	\$ 241,255	\$ 1,883,631	\$ 1,015,539	\$ 101,046	\$ 37,648	\$ 63,746
Receivables:							
Accounts	148,677	13,359		837,189	69,946		
Due from other funds			3,731,125				
<b>Total assets</b>	<b>\$ 605,581</b>	<b>\$ 254,614</b>	<b>\$ 5,614,756</b>	<b>\$ 1,852,728</b>	<b>\$ 170,992</b>	<b>\$ 37,648</b>	<b>\$ 63,746</b>
<b>Liabilities:</b>							
Accounts payable & Accrd Liab.	\$ 583	\$ -	\$ -	\$ -	\$ 119,530	\$ -	\$ 3
All Abilities Park donations Due to other funds							
<b>Total liabilities</b>	<b>583</b>		<b>-</b>	<b>-</b>	<b>119,530</b>	<b>-</b>	<b>3</b>
<b>Deferred Inflows of Resources:</b>							
Unavailable revenues - 2015 Property Tax Levy							
	-	-	-	-	-	-	-
<b>Fund balances:</b>							
Restricted for:							
Public safety programs							
Transportation programs		254,614		1,852,728			
Housing & comm. Devlpmnt							
Parks construction & devlpmnt							
Comm. & Economic Devpmnt	604,998				51,463		
Debt service funds							
Capital project funds							
Assigned to:							
Comm. & Economic Devpmnt			5,614,756				
Parks construction & devlpmnt						37,648	63,743
Capital project funds							
Unassigned							
<b>Total fund balances</b>	<b>604,998</b>	<b>254,614</b>	<b>5,614,756</b>	<b>1,852,728</b>	<b>51,463</b>	<b>37,648</b>	<b>63,743</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 605,581</b>	<b>\$ 254,614</b>	<b>\$ 5,614,756</b>	<b>\$ 1,852,728</b>	<b>\$ 170,992</b>	<b>\$ 37,648</b>	<b>\$ 63,746</b>

(continued)

City of St. George, UT  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2014  
 (continued)

Special Revenue Funds

Assets	<u>Affordable Housing Program</u>	<u>Ft. Pierce CDA Fund</u>	<u>Ft Pierce EDA Fund</u>	<u>Econ Devlpmnt Agency #1</u>	<u>Dixie Center Area EDA Fund</u>	<u>SunTran Public Transit</u>
Cash and investments	\$ 909,689	\$ -	\$ -	\$ 191,647	\$ 2,894	\$ 22,402
Receivables:						
Accounts		2,017,736	546,871	321,087	482,123	271,361
Due from other funds						
<b>Total assets</b>	<b>\$ 909,689</b>	<b>\$ 2,017,736</b>	<b>\$ 546,871</b>	<b>\$ 512,734</b>	<b>\$ 485,017</b>	<b>\$ 293,763</b>
<b>Liabilities:</b>						
Accounts payable & Accrd Liab.	\$ -	\$ -	\$ -	\$ -	\$ 7,835	\$ 6,255
All Abilities Park donations						
Due to other funds		20,556	32,081		-	
<b>Total liabilities</b>	<b>-</b>	<b>20,556</b>	<b>32,081</b>	<b>-</b>	<b>7,835</b>	<b>6,255</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenues -						
2015 Property Tax Levy		1,656,000	510,000	300,000	472,500	
	-	1,656,000	510,000	300,000	472,500	-
<b>Fund balances:</b>						
Restricted for:						
Public safety programs						
Transportation programs						287,508
Housing & comm. Devlpmnt	909,689					
Parks construction & devlpmnt						
Comm. & Economic Devpmnt						
Debt service funds						
Capital project funds						
Assigned to:						
Comm. & Economic Devpmnt		341,180	4,791	212,734	4,682	
Parks construction & devlpmnt						
Capital project funds						
Unassigned						
<b>Total fund balances</b>	<b>909,689</b>	<b>341,180</b>	<b>4,791</b>	<b>212,734</b>	<b>4,682</b>	<b>287,508</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 909,689</b>	<b>\$ 2,017,736</b>	<b>\$ 546,871</b>	<b>\$ 512,734</b>	<b>\$ 485,017</b>	<b>\$ 293,763</b>

(continued)

City of St. George, UT  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2014  
 (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	
<b>Assets</b>									
Cash and investments	\$ 46,136	\$ 241,882	\$ 400,280	\$ 694,333	\$ 4,043,378	\$ 1,588,344	\$ 15,067,569	\$ 1,710,508	
Receivables:									
Accounts	179,378	1,451,150		531,375	-		4,278	-	
Due from other funds				-	-	-	2,741,699	-	
<b>Total assets</b>	<b>\$ 225,513</b>	<b>\$ 1,693,032</b>	<b>\$ 400,280</b>	<b>\$ 1,225,708</b>	<b>\$ 4,043,378</b>	<b>\$ 1,588,344</b>	<b>\$ 17,813,547</b>	<b>\$ 1,710,508</b>	
<b>Liabilities:</b>									
Accounts payable & Accrd Liab.	\$ -	\$ -	\$ -	\$ 534	\$ 401,864	\$ 314	\$ 799,565	\$ 1,864	
All Abilities Park donations							75,429		
Due to other funds				-	-	-		-	
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534</b>	<b>401,864</b>	<b>314</b>	<b>874,993</b>	<b>1,864</b>	
<b>Deferred Inflows of Resources:</b>									
Unavailable revenues -									
2015 Property Tax Levy		1,451,150		495,000					
	-	1,451,150	-	495,000	-	-	-	-	
<b>Fund balances:</b>									
Restricted for:									
Public safety programs									
Transportation programs						1,588,030			
Housing & comm. Devlpmnt									
Parks construction & devlpmnt					3,641,514				
Comm. & Economic Devpmnt				-	-	-		-	
Debt service funds	225,513	241,882	400,280	-	-	-		-	
Capital project funds				730,174				1,708,645	
Assigned to:									
Comm. & Economic Devpmnt									
Parks construction & devlpmnt									
Capital project funds							16,938,554		
Unassigned									
<b>Total fund balances</b>	<b>225,513</b>	<b>241,882</b>	<b>400,280</b>	<b>730,174</b>	<b>3,641,514</b>	<b>1,588,030</b>	<b>16,938,554</b>	<b>1,708,645</b>	
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 225,513</b>	<b>\$ 1,693,032</b>	<b>\$ 400,280</b>	<b>\$ 1,225,708</b>	<b>\$ 4,043,378</b>	<b>\$ 1,588,344</b>	<b>\$ 17,813,547</b>	<b>\$ 1,710,508</b>	

(continued)

City of St. George, UT  
**Non-Major Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2014**  
(continued)

**Capital Projects Funds**

Assets	Fire Dept <u>Impact</u>	Police <u>Impact</u>	Street Bonds <u>Capital Proj.</u>	2010 Flood <u>Reconstruction</u>	2012 Flood <u>Reconstruction</u>	<u>Totals</u>
Cash and investments	\$ 211,963	\$ 26,291	\$ -	\$ -	\$ 22,087	\$ 28,979,174
Receivables:						
Accounts	-	-		898,844	-	7,773,375
Due from other funds	-	-		-	-	6,472,825
<b>Total assets</b>	<b>\$ 211,963</b>	<b>\$ 26,291</b>	<b>\$ -</b>	<b>\$ 898,844</b>	<b>\$ 22,087</b>	<b>\$ 43,225,373</b>
<b>Liabilities:</b>						
Accounts payable & Accrd Liab.	\$ 314	\$ 314	\$ -	\$ 22,358	\$ 3,735	\$ 1,365,067
All Abilities Park donations						75,429
Due to other funds	-		24,473	2,741,699	-	2,818,808
<b>Total liabilities</b>	<b>314</b>	<b>314</b>	<b>24,473</b>	<b>2,764,058</b>	<b>3,735</b>	<b>4,259,304</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenues - 2015 Property Tax Levy						4,884,650
	-	-	-	-	-	4,884,650
<b>Fund balances (deficits):</b>						
Restricted for:						
Public safety programs						-
Transportation programs						3,982,881
Housing & comm. Devlpmt						909,689
Parks construction & devlpmt						3,641,514
Comm. & Economic Devpmnt	-	-	-	-	-	656,461
Debt service funds	-	-	-	-	-	867,676
Capital project funds						2,438,819
Assigned to:						
Comm. & Economic Devpmnt						6,178,144
Parks construction & devlpmt						101,391
Capital project funds	211,650	25,977			18,352	17,194,533
Unassigned			(24,473)	(1,865,214)		(1,889,686)
<b>Total fund balances (deficits)</b>	<b>211,650</b>	<b>25,977</b>	<b>(24,473)</b>	<b>(1,865,214)</b>	<b>18,352</b>	<b>34,081,420</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 211,963</b>	<b>\$ 26,291</b>	<b>\$ -</b>	<b>\$ 898,844</b>	<b>\$ 22,087</b>	<b>\$ 43,225,373</b>

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, 2014

Special Revenue Funds

	Dixie Center Operations	Airport PFC Fees	Economic Development	Transportation Improvement	CDBG Grant Fund	Museum Acquis Fund	Johnson Farm Dinosaur Tracks
<b>Revenues:</b>							
Taxes & fees	\$ 529,977	\$ 229,580	\$ -	\$ 4,759,650	\$ -	\$ -	\$ -
Contributions from other governments	\$ 366,138						
Assessments							
Intergovernmental					373,037		
Investment income	14,071	1,442	17,050	16,974	396	151	265
Capital development fees							
Charges for services							-
Rents & royalties			175,000				
Other					131,707	27,933	
<b>Total revenues</b>	<b>910,186</b>	<b>231,023</b>	<b>192,050</b>	<b>4,776,624</b>	<b>505,141</b>	<b>28,083</b>	<b>265</b>
<b>Expenditures:</b>							
Current:							
General government					5,068		
Public Safety							
Highways & improvements		544		544			
Parks, recreation etc	587,345					5,795	1,866
Community & Econ Developmnt			37,053		135,499		
Operating Lease payments							
Debt service:							
Principal on long-term debt	580,640						
Interest on long-term debt	122,025						
Capital outlay:			25,926	-	1,503,091	15,000	
<b>Total expenditures</b>	<b>1,290,009</b>	<b>544</b>	<b>62,979</b>	<b>544</b>	<b>1,643,657</b>	<b>20,795</b>	<b>1,866</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(379,823)</b>	<b>230,479</b>	<b>129,071</b>	<b>4,776,080</b>	<b>(1,138,516)</b>	<b>7,289</b>	<b>(1,601)</b>
<b>Other financing sources (uses):</b>							
Transfers in	467,000		1,700,000				
Transfers out		(220,000)	(292,994)	(5,595,444)	(55,584)		
Payments to other taxing agencies							
Proceeds of note payable					1,200,000		
Interfund utility services							
Property sales							
<b>Total other financing sources (uses)</b>	<b>467,000</b>	<b>(220,000)</b>	<b>1,407,006</b>	<b>(5,595,444)</b>	<b>1,144,416</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>87,177</b>	<b>10,479</b>	<b>1,536,077</b>	<b>(819,364)</b>	<b>5,900</b>	<b>7,289</b>	<b>(1,601)</b>
<b>Fund balances, beginning of year</b>	<b>517,821</b>	<b>244,135</b>	<b>4,078,679</b>	<b>2,672,092</b>	<b>45,563</b>	<b>30,359</b>	<b>65,344</b>
<b>Fund balances, end of year</b>	<b>\$604,998</b>	<b>\$254,614</b>	<b>\$5,614,756</b>	<b>\$1,852,728</b>	<b>\$51,463</b>	<b>\$37,648</b>	<b>\$63,743</b>

(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, 2014  
(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
<b>Revenues:</b>						
Taxes & fees	\$ -	\$ 161,260	\$ 69,383	\$ 43,780	\$ 49,546	\$ -
Contributions from other governments		945,532	406,820	256,702	290,509	
Assessments						
Intergovernmental						970,773
Investment income	3,078	2,164	980	1,377	932	
Capital development fees						
Charges for services						204,435
Rents & royalties						
Other						9,625
<b>Total revenues</b>	<b>3,078</b>	<b>1,108,955</b>	<b>477,183</b>	<b>301,859</b>	<b>340,987</b>	<b>1,184,833</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government		544	544	545	8,380	
Public Safety						
Highways & improvements						1,266,020
Parks, recreation etc						
Community & Econ Developmnt	2,003	60,291	161,223	49,377		
Operating Lease payments						
<b>Debt service:</b>						
Principal on long-term debt						
Interest on long-term debt						
Capital outlay:		-				510,388
<b>Total expenditures</b>	<b>2,003</b>	<b>60,835</b>	<b>161,766</b>	<b>49,922</b>	<b>8,380</b>	<b>1,776,408</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,075</b>	<b>1,048,120</b>	<b>315,417</b>	<b>251,938</b>	<b>332,608</b>	<b>(591,574)</b>
<b>Other financing sources (uses):</b>						
Transfers in	155,337					500,308
Transfers out		(738,700)	(316,891)	(70,596)	(333,000)	
Payments to other taxing agencies				(160,000)		
Proceeds of note payable						
Interfund utility services						(308)
Property sales	73,141					
<b>Total other financing sources (uses)</b>	<b>228,478</b>	<b>(738,700)</b>	<b>(316,891)</b>	<b>(230,596)</b>	<b>(333,000)</b>	<b>500,000</b>
<b>Net change in fund balances</b>	<b>229,553</b>	<b>309,420</b>	<b>(1,474)</b>	<b>21,342</b>	<b>(392)</b>	<b>(91,574)</b>
<b>Fund balances, beginning of year</b>	<b>680,135</b>	<b>31,760</b>	<b>6,265</b>	<b>191,392</b>	<b>5,074</b>	<b>379,082</b>
<b>Fund balances, end of year</b>	<b>\$909,688</b>	<b>\$341,180</b>	<b>\$4,791</b>	<b>\$212,734</b>	<b>\$4,682</b>	<b>\$287,508</b>

(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, 2014  
(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
<b>Revenues:</b>								
Taxes	\$ -	\$ 1,413,200	\$ -	\$ 79,703	\$ -	\$ -	\$ -	\$ -
Contributions from other governments			\$ 700,000	467,332				
Assessments	-			-		-		-
Intergovernmental			291,395	-	71,355	-	-	-
Investment income	3,985	109	2,177	3,082	15,156	12,402		7,424
Capital development fees				-	2,163,588	878,400		363,550
Charges for services							49,166	
Rents & royalties				-	-	-	20,735	-
Other				40,667	-	-	279,632	-
<b>Total revenues</b>	<b>3,985</b>	<b>1,413,309</b>	<b>993,572</b>	<b>590,784</b>	<b>2,250,099</b>	<b>890,801</b>	<b>349,533</b>	<b>370,974</b>
<b>Expenditures:</b>								
<b>Current:</b>								
General government	32,071			27,681			47,681	
Public Safety								
Highways & improvements			2,344			13,431		14,923
Parks, recreation etc		4,494			2,858			
Community & Econ Developmnt				-				
Operating Lease payments								
<b>Debt service:</b>								
Principal on long-term debt	-	840,000	265,000	455,000				
Interest on long-term debt	-	573,200	741,894	22,525				
Capital outlay:	-	-	-		1,458,946		3,475,091	100,000
<b>Total expenditures</b>	<b>32,071</b>	<b>1,417,694</b>	<b>1,009,238</b>	<b>505,206</b>	<b>1,461,805</b>	<b>13,431</b>	<b>3,522,772</b>	<b>114,923</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(28,086)</b>	<b>(4,384)</b>	<b>(15,665)</b>	<b>85,577</b>	<b>788,294</b>	<b>877,370</b>	<b>(3,173,239)</b>	<b>256,051</b>
<b>Other financing sources (uses):</b>								
Transfers in			21,715	238	-	-	2,500,579	
Transfers out					(75,000)	(1,814,252)	(216,970)	(206,664)
Payments to other taxing agencies								
Proceeds of note payable								
Interfund utility services				(238)	-	-	(579)	-
Property sales							788,345	
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>21,715</b>	<b>-</b>	<b>(75,000)</b>	<b>(1,814,252)</b>	<b>3,071,375</b>	<b>(206,664)</b>
<b>Net change in fund balances</b>	<b>(28,086)</b>	<b>(4,384)</b>	<b>6,050</b>	<b>85,577</b>	<b>713,294</b>	<b>(936,882)</b>	<b>(101,863)</b>	<b>49,387</b>
<b>Fund balances, beginning of year</b>	<b>253,599</b>	<b>246,266</b>	<b>394,230</b>	<b>644,597</b>	<b>2,928,220</b>	<b>2,524,912</b>	<b>17,040,417</b>	<b>1,659,258</b>
<b>Fund balances, end of year</b>	<b>\$225,513</b>	<b>\$241,882</b>	<b>\$400,280</b>	<b>\$730,174</b>	<b>\$3,641,514</b>	<b>\$1,588,030</b>	<b>\$16,938,554</b>	<b>\$1,708,645</b>

(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, 2014  
(continued)

Capital Projects Funds

	Fire Dept Impact	Police Impact	Street Bonds Cap. Proj.	2010 Flood Reconstruction	2012 Flood Reconstruction	Total
<b>Revenues:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,336,079
Contributions from other governments						3,433,033
Assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	536,930	-	2,243,490
Investment income	504	54	165	-	-	103,937
Capital development fees	197,569	95,271	-	-	-	3,698,378
Charges for services	-	-	-	-	-	253,601
Rents & royalties	-	-	-	-	-	195,735
Other	-	-	-	-	-	489,564
<b>Total revenues</b>	<b>198,073</b>	<b>95,325</b>	<b>165</b>	<b>536,930</b>	<b>-</b>	<b>17,753,817</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government				4,499		127,011
Public Safety	2,059	2,059				4,118
Highways & improvements			3,443	628,007	16,214	1,945,468
Parks, recreation etc						602,357
Community & Econ Developmnt						445,445
Operating Lease payments		65,000				65,000
<b>Debt service:</b>						
Principal on long-term debt			2,575,000			4,715,640
Interest on long-term debt			454,744			1,914,387
Capital outlay:	-				-	7,088,442
<b>Total expenditures</b>	<b>2,059</b>	<b>67,059</b>	<b>3,033,186</b>	<b>632,506</b>	<b>16,214</b>	<b>16,907,869</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>196,014</b>	<b>28,266</b>	<b>(3,033,021)</b>	<b>(95,576)</b>	<b>(16,214)</b>	<b>845,948</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	3,030,000	17,285		8,392,462
Transfers out	-	-	-	-		(9,936,095)
Payments to other taxing agencies						(160,000)
Proceeds of note payable						1,200,000
Interfund utility services	-	-				(1,125)
Property sales						861,486
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>3,030,000</b>	<b>17,285</b>	<b>-</b>	<b>356,728</b>
<b>Net change in fund balances</b>	<b>196,014</b>	<b>28,266</b>	<b>(3,021)</b>	<b>(78,292)</b>	<b>(16,214)</b>	<b>1,202,676</b>
<b>Fund balances, beginning of year</b>	<b>15,635</b>	<b>(2,289)</b>	<b>(21,450)</b>	<b>(1,786,922)</b>	<b>34,566</b>	<b>32,878,740</b>
<b>Fund balances, end of year</b>	<b>\$211,649</b>	<b>\$25,977</b>	<b>(\$24,471)</b>	<b>(\$1,865,214)</b>	<b>\$18,352</b>	<b>\$34,081,416</b>

**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, 2014**

	<u>BUDGETED AMOUNTS</u>		<u>VARIANCE WITH FINAL BUDGET</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Business license innkeeper fees	\$ 511,000	\$ 511,000	\$ 529,977	\$ 18,977
Interest income	-	-	14,071	14,071
Contributions from other governments	489,918	489,918	366,138	(123,780)
<b>Total revenues</b>	<b>1,000,918</b>	<b>1,000,918</b>	<b>910,186</b>	<b>(90,732)</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Parks, recreation, etc.	709,568	709,568	587,345	122,223
<b>Debt service:</b>				
Principal	109,440	580,640	580,640	-
Interest	123,010	127,495	122,025	5,470
Capital outlay:			-	-
<b>Total expenditures</b>	<b>942,018</b>	<b>1,417,703</b>	<b>1,290,009</b>	<b>127,694</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>58,900</b>	<b>(416,785)</b>	<b>(379,823)</b>	<b>36,962</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from property sales			-	-
Transfers from other funds	467,000	467,000	467,000	-
<b>Total other financing sources(uses)</b>	<b>467,000</b>	<b>467,000</b>	<b>467,000</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>525,900</b>	<b>50,215</b>	<b>87,177</b>	<b>\$ 36,962</b>
Fund balance at beginning of year	517,821	517,821	517,821	
Fund balance at end of year	<b>\$ 1,043,721</b>	<b>\$ 568,036</b>	<b>\$ 604,998</b>	

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, 2014

	<u>BUDGETED AMOUNTS</u>		<u>VARIANCE WITH FINAL BUDGET</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Passenger facility charges	\$ 204,000	\$ 204,000	\$ 229,580	\$ 25,580
Interest income	1,000	1,000	1,442	442
<b>Total revenues</b>	<b>205,000</b>	<b>205,000</b>	<b>231,023</b>	<b>26,023</b>
<b>EXPENDITURES:</b>				
Current:				
Highways & public improvements	1,000	1,000	544	456
Capital projects:				
Improvements				
Property purchases			-	-
Equipment purchases	-			-
<b>Total expenditures</b>	<b>1,000</b>	<b>1,000</b>	<b>544</b>	<b>456</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>204,000</b>	<b>204,000</b>	<b>230,479</b>	<b>26,479</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	(220,000)	(220,000)	(220,000)	-
<b>Total other financing sources (uses):</b>	<b>(220,000)</b>	<b>(220,000)</b>	<b>(220,000)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(16,000)</b>	<b>(16,000)</b>	<b>10,479</b>	<b>\$26,479</b>
Fund balance at beginning of year	244,135	244,135	244,135	
Fund balance at end of year	<u>\$ 228,135</u>	<u>\$ 228,135</u>	<u>\$ 254,614</u>	

**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, 2014**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Interest income	\$ 10,000	\$ 10,000	\$ 17,050	\$ 7,050
Rent	175,000	175,000	175,000	(0)
Intergovernmental revenues				
<b>Total revenues</b>	<u>185,000</u>	<u>185,000</u>	<u>192,050</u>	<u>7,050</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Community & Economic Developmnt	50,000	53,000	37,053	15,947
<b>Capital projects:</b>				
Land purchases				
Improvements		20,000	25,926	(5,926)
<b>Total expenditures</b>	<u>50,000</u>	<u>73,000</u>	<u>62,979</u>	<u>10,021</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>135,000</u>	<u>112,000</u>	<u>129,071</u>	<u>17,071</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds		1,700,000	1,700,000	-
Transfers to other funds	(340,741)	(340,741)	(292,994)	47,747
<b>Total other financing sources(uses)</b>	<u>(340,741)</u>	<u>1,359,259</u>	<u>1,407,006</u>	<u>47,747</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(205,741)</u>	<u>1,471,259</u>	<u>1,536,077</u>	<u>\$ 64,818</u>
Fund balance at beginning of year	<u>4,078,679</u>	<u>4,078,679</u>	<u>4,078,679</u>	
Fund balance at end of year	<u>\$ 3,872,938</u>	<u>\$ 5,549,938</u>	<u>\$ 5,614,756</u>	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
Highway sales taxes	\$ 4,494,000	\$ 4,965,000	\$ 4,759,650	\$ (205,350)
Interest income	21,000	21,000	16,974	(4,026)
<b>Total revenues</b>	<b>4,515,000</b>	<b>4,986,000</b>	<b>4,776,624</b>	<b>(209,376)</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Highways and public improvements	20,000	20,000	544	19,456
<b>Capital projects:</b>				
Improvements	-	-	-	-
<b>Total expenditures</b>	<b>20,000</b>	<b>20,000</b>	<b>544</b>	<b>19,456</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>4,495,000</b>	<b>4,966,000</b>	<b>4,776,080</b>	<b>(189,920)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	(7,231,250)	(8,022,080)	(5,595,444)	2,426,636
Contributions from private sources	-	-	-	-
<b>Total other financing sources(uses)</b>	<b>(7,231,250)</b>	<b>(8,022,080)</b>	<b>(5,595,444)</b>	<b>2,426,636</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,736,250)</b>	<b>(3,056,080)</b>	<b>(819,364)</b>	<b>\$ 2,236,716</b>
Fund balance at beginning of year	2,672,092	2,672,092	2,672,092	
Fund balance at end of year	\$ (64,158)	\$ (383,988)	\$ 1,852,728	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 424,662	\$ 424,662	\$ 373,037	\$ (51,625)
Other income		-	131,707	131,707
Interest income			396	396
<b>Total revenues</b>	<b>424,662</b>	<b>424,662</b>	<b>505,141</b>	<b>80,479</b>
<b>EXPENDITURES:</b>				
Current:				
General government	10,000	10,000	5,068	4,932
Community & economic development	436,931	436,931	135,499	301,432
Capital projects:				
Purchase of property	-	1,200,000	1,503,091	(303,091)
<b>Total expenditures</b>	<b>446,931</b>	<b>1,646,931</b>	<b>1,643,657</b>	<b>3,274</b>
Excess (Deficiency) of expenditures over revenues	(22,269)	(1,222,269)	(1,138,516)	83,753
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of note payable		1,200,000	1,200,000	-
Transfer to other funds	(74,932)	(74,932)	(55,584)	19,348
<b>NET CHANGE IN FUND BALANCE</b>	<b>(97,201)</b>	<b>(97,201)</b>	<b>5,900</b>	<b>\$ 103,101</b>
Fund balance at beginning of year	45,563	45,563	45,563	
Fund balance at end of year	\$ (51,638)	\$ (51,638)	\$ 51,463	

**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, 2014**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Fees and donations	\$ 24,000	\$ 27,870	\$ 27,933	\$ 63
Interest income	100	100	151	51
<b>Total revenues</b>	<b>24,100</b>	<b>27,970</b>	<b>28,083</b>	<b>113</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government				
Parks, recreation, etc.	550	550	5,795	(5,245)
<b>Capital projects:</b>				
Improvements	15,000	20,250	15,000	5,250
<b>Total expenditures</b>	<b>15,550</b>	<b>20,800</b>	<b>20,795</b>	<b>5</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>8,550</b>	<b>7,170</b>	<b>7,289</b>	<b>119</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	-	-	-	-
Appropriated fund balance				
<b>Total other financing sources(uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>8,550</b>	<b>7,170</b>	<b>7,289</b>	<b>\$ 119</b>
Fund balance at beginning of year	30,359	30,359	30,359	
Fund balance at end of year	\$ 38,909	\$ 37,529	\$ 37,648	

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, 2014

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET	
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Admission fees	\$ -	\$ -	\$ -	\$ -
Other revenues	-	-	-	-
Investment income	350	350	265	(85)
	<u>350</u>	<u>350</u>	<u>265</u>	<u>(85)</u>
<b>EXPENDITURES:</b>				
Current				
Parks, recreation, etc.	2,000	2,000	1,866	134
Capital projects:				
Improvements				-
	<u>2,000</u>	<u>2,000</u>	<u>1,866</u>	<u>134</u>
Excess (Deficiency) of expenditures over revenues	<u>(1,650)</u>	<u>(1,650)</u>	<u>(1,601)</u>	<u>49</u>
<b>OTHER FINANCING SOURCES:</b>				
Contributions from private sources		-	-	-
Transfers from other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,650)</b>	<b>(1,650)</b>	<b>(1,601)</b>	<b>\$ 49</b>
Fund balance at beginning of year	<u>65,344</u>	<u>65,344</u>	<u>65,344</u>	
Fund balance at end of year	<u>\$ 63,694</u>	<u>\$ 63,694</u>	<u>\$ 63,743</u>	

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, 2014

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET	
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Interest income	2,500	2,500	3,078	578
<b>Total revenues</b>	<b>2,500</b>	<b>2,500</b>	<b>3,078</b>	<b>578</b>
<b>EXPENDITURES:</b>				
Current:				
Community and economic improvements	21,000	21,000	2,003	18,997
Land Purchases	350,000	350,000	-	350,000
Building Construction	229,000	229,000	-	229,000
<b>Total expenditures</b>	<b>600,000</b>	<b>600,000</b>	<b>2,003</b>	<b>597,997</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(597,500)</b>	<b>(597,500)</b>	<b>1,075</b>	<b>598,575</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	195,000	195,000	155,337	(39,663)
Sale of property			73,141	73,141
<b>Total other financing sources (uses):</b>	<b>195,000</b>	<b>195,000</b>	<b>228,478</b>	<b>33,478</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(402,500)</b>	<b>(402,500)</b>	<b>229,553</b>	<b>\$ 632,053</b>
Fund balance at beginning of year	680,135	680,135	680,135	
Fund balance at end of year	<b>\$ 277,635</b>	<b>\$ 277,635</b>	<b>\$ 909,688</b>	

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)
<b>REVENUES:</b>				
Economic development taxes	\$ 1,200,000	\$ 1,200,000	\$ 161,260	\$ (1,038,740)
Contributions from other governments			945,532	945,532
Interest income	5,000	5,000	2,164	(2,836)
<b>Total revenues</b>	<b>1,205,000</b>	<b>1,205,000</b>	<b>1,108,955</b>	<b>(96,045)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	1,000	1,000	544	456
Community & Economic development	327,203	392,203	60,291	331,912
Capital Outlay:				
Improvements	-	-	-	-
<b>Total expenditures</b>	<b>328,203</b>	<b>393,203</b>	<b>60,835</b>	<b>332,368</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>876,797</b>	<b>811,797</b>	<b>1,048,120</b>	<b>236,323</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	(581,500)	(735,000)	(738,700)	(3,700)
Total other financing sources (uses):	(581,500)	(735,000)	(738,700)	(3,700)
<b>NET CHANGE IN FUND BALANCE</b>	<b>295,297</b>	<b>76,797</b>	<b>309,420</b>	<b>\$ 232,623</b>
Fund balance at beginning of year	31,760	31,760	31,760	
Fund balance at end of year	\$ 327,057	\$ 108,557	\$ 341,180	

**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, 2014**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Economic development taxes	\$ 800,000	\$ 800,000	\$ 69,383	\$ (730,617)
Contributions from other governments			406,820	406,820
Interest income	1,000	1,000	980	(20)
<b>Total revenues</b>	<b>801,000</b>	<b>801,000</b>	<b>477,183</b>	<b>(323,817)</b>
<b>EXPENDITURES:</b>				
Current:				
Professional & technical services	1,000	1,000	544	456
Community & economic development	193,000	193,000	161,223	31,777
Housing programs				-
<b>Total expenditures</b>	<b>194,000</b>	<b>194,000</b>	<b>161,766</b>	<b>32,234</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>607,000</b>	<b>607,000</b>	<b>315,417</b>	<b>(291,583)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	(406,000)	(406,000)	(316,891)	89,109
<b>Total other financing sources (uses):</b>	<b>(406,000)</b>	<b>(406,000)</b>	<b>(316,891)</b>	<b>89,109</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>201,000</b>	<b>201,000</b>	<b>(1,474)</b>	<b>\$ (202,474)</b>
Fund balance at beginning of year	6,265	6,265	6,265	
Fund balance at end of year	<b>\$ 207,265</b>	<b>\$ 207,265</b>	<b>\$ 4,791</b>	

**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, 2014**

	<u>BUDGETED AMOUNTS</u>		<u>VARIANCE WITH FINAL BUDGET</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Economic development taxes	\$ 500,000	\$ 500,000	\$ 43,780	\$ (456,220)
Contributions from other governments			256,702	256,702
Interest income	3,000	3,000	1,377	(1,623)
<b>Total revenues</b>	<b>503,000</b>	<b>503,000</b>	<b>301,859</b>	<b>(201,141)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	1,000	1,000	545	455
Community & economic development	70,000	70,000	49,377	20,623
Housing programs			-	-
<b>Total expenditures</b>	<b>71,000</b>	<b>71,000</b>	<b>49,922</b>	<b>21,078</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>432,000</b>	<b>432,000</b>	<b>251,938</b>	<b>(180,062)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Payments to other taxing agencies	(215,875)	(215,875)	(160,000)	55,875
Transfers to other funds	(88,125)	(88,125)	(70,596)	17,529
<b>Total other financing sources (uses):</b>	<b>(304,000)</b>	<b>(304,000)</b>	<b>(230,596)</b>	<b>73,404</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>128,000</b>	<b>128,000</b>	<b>21,342</b>	<b>\$ (106,658)</b>
Fund balance at beginning of year	191,392	191,392	191,392	
Fund balance at end of year	<b>\$ 319,392</b>	<b>\$ 319,392</b>	<b>\$ 212,734</b>	

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, 2014

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET	
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Economic development taxes	\$ 525,000	\$ 543,500	\$ 49,546	\$ (493,954)
Contributions from other governments			290,509	290,509
Interest income	1,000	1,000	932	(68)
<b>Total revenues</b>	<b>526,000</b>	<b>544,500</b>	<b>340,987</b>	<b>(203,513)</b>
<b>EXPENDITURES:</b>				
Current:				
Professional & technical fees	1,000	19,500	8,380	11,120
Community & economic development				
Capital outlay:			-	-
<b>Total expenditures</b>	<b>1,000</b>	<b>19,500</b>	<b>8,380</b>	<b>11,120</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>525,000</b>	<b>525,000</b>	<b>332,608</b>	<b>(192,392)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	(324,875)	(324,875)	(333,000)	(8,125)
Transfers from other funds			-	-
<b>Total other financing sources (uses):</b>	<b>(324,875)</b>	<b>(324,875)</b>	<b>(333,000)</b>	<b>(8,125)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>200,125</b>	<b>200,125</b>	<b>(392)</b>	<b>\$ (200,517)</b>
Fund balance at beginning of year	5,074	5,074	5,074	
Fund balance at end of year	<b>\$ 205,199</b>	<b>\$ 205,199</b>	<b>\$ 4,682</b>	

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, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>		FINAL BUDGET
				<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Transit fares	\$ 165,000	\$ 170,037	\$ 186,170	\$ 16,133
Advertising fees	8,000	28,000	18,265	(9,735)
Intergovernmental revenues	1,037,992	1,135,029	970,773	(164,256)
Other revenues	-	-	9,625	9,625
<b>Total revenues</b>	<b>1,210,992</b>	<b>1,333,066</b>	<b>1,184,833</b>	<b>(148,233)</b>
<b>EXPENDITURES:</b>				
Current:				
Highways & public improvements	1,286,787	1,316,861	1,266,020	50,841
Capital projects:				
Improvements	435,665	550,665	510,388	40,277
<b>Total expenditures</b>	<b>1,722,452</b>	<b>1,867,526</b>	<b>1,776,408</b>	<b>91,118</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(511,460)</b>	<b>(534,460)</b>	<b>(591,574)</b>	<b>(57,114)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund utility services	-	(308)	(308)	(0)
Transfers from other funds	500,000	500,308	500,308	(0)
<b>Total other financing sources(uses)</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>(0)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(11,460)</b>	<b>(34,460)</b>	<b>(91,574)</b>	<b>\$ (57,115)</b>
Fund balance at beginning of year	379,082	379,082	379,082	
Fund balance at end of year	<b>\$ 367,622</b>	<b>\$ 344,622</b>	<b>\$ 287,508</b>	

**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, 2014**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Special assessments collected	\$ 40,000	\$ 40,000	\$ -	\$ (40,000)
Miscellaneous revenues				
Interest income	<u>10,000</u>	<u>10,000</u>	<u>3,985</u>	<u>(6,015)</u>
<b>Total revenues</b>	<u>50,000</u>	<u>50,000</u>	<u>3,985</u>	<u>(46,015)</u>
<b>EXPENDITURES:</b>				
General:				
General government	10,600	10,600	32,071	(21,471)
Debt service:				
Principal	-	-	-	-
Interest & other charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>10,600</u>	<u>10,600</u>	<u>32,071</u>	<u>(21,471)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>39,400</u>	<u>39,400</u>	<u>(28,086)</u>	<u>(67,486)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds				
Sale of property	<u>-</u>	<u>-</u>	<u>-</u>	<u>0</u>
<b>Total other financing sources (uses):</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>39,400</u>	<u>39,400</u>	<u>(28,086)</u>	<u>(\$67,486)</u>
<b>Fund balance at beginning of year</b>	<u>253,599</u>	<u>253,599</u>	<u>253,599</u>	
<b>Fund balance at end of year</b>	<u>\$ 292,999</u>	<u>\$ 292,999</u>	<u>\$ 225,513</u>	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Current property taxes	\$ 1,413,200	\$ 1,413,200	\$ 1,413,200	\$ -
Interest income	200	200	109	(91)
<b>Total revenues</b>	<b>1,413,400</b>	<b>1,413,400</b>	<b>1,413,309</b>	<b>(91)</b>
<b>EXPENDITURES:</b>				
<b>General:</b>				
Parks, recreation, etc.	3,500	6,750	4,494	2,256
<b>Debt service:</b>				
Principal	840,000	840,000	840,000	
Interest & other charges	573,200	573,200	573,200	-
<b>Total expenditures</b>	<b>1,416,700</b>	<b>1,419,950</b>	<b>1,417,694</b>	<b>2,256</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(3,300)</b>	<b>(6,550)</b>	<b>(4,384)</b>	<b>2,166</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds			-	
Loss on bond refunding			-	-
<b>Total other financing sources (uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(3,300)</b>	<b>(6,550)</b>	<b>(4,384)</b>	<b>\$2,166</b>
Fund balance at beginning of year	246,266	246,266	246,266	
Fund balance at end of year	<b>\$ 242,966</b>	<b>\$ 239,716</b>	<b>\$ 241,882</b>	

**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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Tax rebates on bonds	\$ 285,870	\$ 285,870	\$ 291,395	\$ 5,525
Contributions from other governments	\$ 700,000	\$ 700,000	\$ 700,000	
Interest income	2,000	2,000	2,177	177
<b>Total revenues</b>	<b>987,870</b>	<b>987,870</b>	<b>993,572</b>	<b>5,702</b>
<b>EXPENDITURES:</b>				
General:				
Highways and public improvements	2,500	2,500	2,344	156
Debt service:				
Principal	265,000	265,000	265,000	
Interest & other charges	741,894	741,894	741,894	
<b>Total expenditures</b>	<b>1,009,394</b>	<b>1,009,394</b>	<b>1,009,238</b>	<b>156</b>
Excess (deficiency) of revenues over (under) expenditures	(21,524)	(21,524)	(15,665)	5,859
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	27,241	27,241	21,715	(5,526)
Loss on bond refunding			-	-
<b>Total other financing sources (uses):</b>	<b>27,241</b>	<b>27,241</b>	<b>21,715</b>	<b>(5,526)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>5,717</b>	<b>5,717</b>	<b>6,050</b>	<b>\$333</b>
Fund balance at beginning of year	394,230	394,230	394,230	
Fund balance at end of year	<b>\$ 399,947</b>	<b>\$ 399,947</b>	<b>\$ 400,280</b>	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Redevelopment taxes	\$ 825,000	\$ 825,000	\$ 79,703	\$ (745,297)
Contributions from other governments	-	-	467,332	467,332
Miscellaneous	70,000	70,000	40,667	(29,333)
Interest income	2,500	2,500	3,082	582
<b>Total revenues</b>	<b>897,500</b>	<b>897,500</b>	<b>590,784</b>	<b>(306,716)</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	63,500	63,500	27,681	35,819
<b>Capital projects:</b>				
Improvements	5,000	5,000	-	5,000
Land purchases				-
Equipment purchases				-
<b>Debt service:</b>				
Bond principal	455,000	455,000	455,000	-
Interest	22,525	22,525	22,525	-
Lease payments	-	-	-	-
<b>Total expenditures</b>	<b>546,025</b>	<b>546,025</b>	<b>505,206</b>	<b>40,819</b>
<b>Excess (deficiency) revenues over (under) expenditures:</b>	<b>351,475</b>	<b>351,475</b>	<b>85,577</b>	<b>(265,898)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	-	238	238	
Interfund utility services	-	(238)	(238)	
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>351,475</b>	<b>351,475</b>	<b>85,577</b>	<b>\$ (265,898)</b>
Fund balance at beginning of year	644,597	644,597	644,597	
Fund balance at end of year	\$ 996,072	\$ 996,072	\$ 730,174	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
Capital development fees	\$ 1,500,000	\$ 1,839,726	\$ 2,163,588	\$ 323,862
Intergovernmental	75,000	75,000	71,355	(3,645)
Interest income	10,000	10,000	15,156	5,156
<b>Total revenues</b>	<b>1,585,000</b>	<b>1,924,726</b>	<b>2,250,099</b>	<b>325,373</b>
<b>EXPENDITURES:</b>				
Current:				
Parks, recreation, etc	20,000	20,000	2,858	17,142
Capital projects:				
Improvements	2,455,050	3,144,776	1,458,946	1,685,830
Property purchases	350,000	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>2,825,050</b>	<b>3,164,776</b>	<b>1,461,805</b>	<b>1,702,971</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,240,050)</b>	<b>(1,240,050)</b>	<b>788,294</b>	<b>2,028,344</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	95,000	95,000	-	(95,000)
Transfers to other funds	(75,000)	(75,000)	(75,000)	-
<b>Total other financing sources (uses):</b>	<b>20,000</b>	<b>20,000</b>	<b>(75,000)</b>	<b>(95,000)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,220,050)</b>	<b>(1,220,050)</b>	<b>713,294</b>	<b>\$1,933,344</b>
Fund balance at beginning of year	2,928,220	2,928,220	2,928,220	
Fund balance at end of year	\$ 1,708,170	\$ 1,708,170	\$ 3,641,514	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Capital development fees	\$ 900,000	\$ 900,000	\$ 878,400	\$ (21,600)
Interest income	12,000	12,000	12,402	402
Other			-	-
<b>Total revenues</b>	<b>912,000</b>	<b>912,000</b>	<b>890,801</b>	<b>(21,199)</b>
<b>EXPENDITURES:</b>				
Current:				
Highways and public improvements	15,000	15,000	13,431	1,569
Capital projects:				
Improvements	50,000	50,000	-	50,000
<b>Total expenditures</b>	<b>65,000</b>	<b>65,000</b>	<b>13,431</b>	<b>51,569</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>847,000</b>	<b>847,000</b>	<b>877,370</b>	<b>30,370</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	(2,920,000)	(3,180,000)	(1,814,252)	1,365,748
Total other financing sources (uses):	(2,920,000)	(3,180,000)	(1,814,252)	1,365,748
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,073,000)</b>	<b>(2,333,000)</b>	<b>(936,882)</b>	<b>\$ 1,396,118</b>
Fund balance at beginning of year	2,524,912	2,524,912	2,524,912	
Fund balance at end of year	\$ 451,912	\$ 191,912	\$ 1,588,030	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	42,000	42,000	49,166	7,166
Rents & royalties	18,000	18,000	20,735	2,735
Miscellaneous revenues		578,412	279,632	(298,780)
<b>Total revenues</b>	<b>60,000</b>	<b>638,412</b>	<b>349,533</b>	<b>-288,879</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	22,000	22,000	47,681	(25,681)
<b>Capital projects:</b>				
Improvements	3,141,650	4,845,680	3,475,091	1,370,589
Property purchases		-	-	-
<b>Total expenditures</b>	<b>3,163,650</b>	<b>4,867,680</b>	<b>3,522,772</b>	<b>1,344,908</b>
<b>Excess (Deficiency) of expenditures over revenues</b>	<b>(3,103,650)</b>	<b>(4,229,268)</b>	<b>(3,173,239)</b>	<b>1,056,029</b>
<b>OTHER FINANCING SOURCES:</b>				
Transfers from other funds	3,465,066	3,972,079	2,500,579	(1,471,500)
Transfers to other funds	(1,613,050)	(1,802,053)	(216,970)	1,585,083
Interfund utility services		(579)	(579)	
Sale of property		-	788,345	788,345
<b>Total other financing sources (uses):</b>	<b>1,852,016</b>	<b>2,169,447</b>	<b>3,071,375</b>	<b>901,928</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,251,634)</b>	<b>(2,059,821)</b>	<b>(101,864)</b>	<b>1,957,957</b>
Fund balance at beginning of year	17,040,417	17,040,417	17,040,417	
Fund balance at end of year	<u>\$ 15,788,783</u>	<u>\$ 14,980,596</u>	<u>\$ 16,938,553</u>	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Capital development fees	\$ 440,000	\$ 440,000	\$ 363,550	\$ (76,450)
Interest income	11,000	11,000	7,424	(3,576)
<b>Total revenues</b>	<b>451,000</b>	<b>451,000</b>	<b>370,974</b>	<b>(80,026)</b>
<b>EXPENDITURES:</b>				
Current:				
Highways & public improvements	15,000	15,000	14,923	77
Capital projects:				
Land purchases	-	-	-	-
Improvements	100,000	100,000	100,000	-
<b>Total expenditures</b>	<b>115,000</b>	<b>115,000</b>	<b>114,923</b>	<b>77</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>336,000</b>	<b>336,000</b>	<b>256,051</b>	<b>(79,949)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers to other funds	(1,850,000)	(1,850,000)	(206,664)	1,643,336
Transfers from other funds			-	-
<b>Total other financing sources(uses)</b>	<b>(1,850,000)</b>	<b>(1,850,000)</b>	<b>(206,664)</b>	<b>1,643,336</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,514,000)</b>	<b>(1,514,000)</b>	<b>49,387</b>	<b>\$ 1,563,387</b>
Fund balance at beginning of year	1,659,259	1,659,259	1,659,259	
Fund balance at end of year	\$ 145,259	\$ 145,259	\$ 1,708,646	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Capital development fees	\$ 200,000	\$ 200,000	\$ 197,569	\$ (2,431)
Interest income	-	-	504	504
<b>Total revenues</b>	<b>200,000</b>	<b>200,000</b>	<b>198,073</b>	<b>(1,927)</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	4,000	4,000	2,059	1,941
Capital Projects:				
Building Construction	-	-	-	-
<b>Total expenditures</b>	<b>4,000</b>	<b>4,000</b>	<b>2,059</b>	<b>1,941</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>196,000</b>	<b>196,000</b>	<b>196,014</b>	<b>14</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	-	-	-	-
Appropriated fund balance	-	-	-	-
<b>Total other financing sources (uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>196,000</b>	<b>196,000</b>	<b>196,014</b>	<b>\$ 14</b>
Fund balance at beginning of year	15,635	15,635	15,635	
Fund balance at end of year	\$ 211,635	\$ 211,635	\$ 211,649	

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, 2014

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET	
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Capital development fees	\$ 80,000	\$ 80,000	\$ 95,271	\$ 15,271
Interest income	-	-	54	54
<b>Total revenues</b>	<b>80,000</b>	<b>80,000</b>	<b>95,325</b>	<b>15,325</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	2,500	2,500	2,059	441
Lease payments	65,000	65,000	65,000	-
<b>Total expenditures</b>	<b>67,500</b>	<b>67,500</b>	<b>67,059</b>	<b>441</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>12,500</b>	<b>12,500</b>	<b>28,266</b>	<b>15,766</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	-	-	-	-
Appropriated fund balance	-	-	-	-
<b>Total other financing sources (uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>12,500</b>	<b>12,500</b>	<b>28,266</b>	<b>\$ 15,766</b>
Fund balance (deficit) at beginning of year	(2,289)	(2,289)	(2,289)	
Fund balance at end of year	<u>\$ 10,211</u>	<u>\$ 10,211</u>	<u>\$ 25,977</u>	

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, 2014

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET	
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Interest earnings	\$ 1,000	\$ 1,000	\$ 165	\$ (835)
Property sales	-	-	-	-
Sundry revenues	-	-	-	-
<b>Total revenues</b>	<b>1,000</b>	<b>1,000</b>	<b>165</b>	<b>(835)</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Highways & public improvements	5,000	5,000	3,443	1,557
<b>Debt Service:</b>				
Principal payments	2,575,000	2,575,000	2,575,000	-
Interest payments	454,744	454,744	454,744	-
<b>Total expenditures</b>	<b>3,034,744</b>	<b>3,034,744</b>	<b>3,033,187</b>	<b>1,557</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(3,033,744)</b>	<b>(3,033,744)</b>	<b>(3,033,022)</b>	<b>722</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	3,029,750	3,029,750	3,030,000	250
Transfers to other funds	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>3,029,750</b>	<b>3,029,750</b>	<b>3,030,000</b>	<b>250</b>
	(3,994)	(3,994)	(3,022)	<u>\$ 972</u>
<b>NET CHANGE IN FUND BALANCE</b>				
Fund balance (deficit) at beginning of year	(21,450)	(21,450)	(21,450)	
Fund balance (deficit) at end of year	<u>(\$25,444)</u>	<u>(\$25,444)</u>	<u>(\$24,472)</u>	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 1,765,000	\$ 1,765,000	\$ 536,930	\$ (1,228,070)
Interest income			-	-
<b>Total revenues</b>	<b>1,765,000</b>	<b>1,765,000</b>	<b>536,930</b>	<b>(1,228,070)</b>
<b>EXPENDITURES:</b>				
Professional & technical fees	1,000	1,000	4,499	(3,499)
Highways and public improvements	725,000	781,154	628,007	153,147
<b>Total expenditures</b>	<b>726,000</b>	<b>782,154</b>	<b>632,506</b>	<b>149,648</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,039,000</b>	<b>982,846</b>	<b>(95,576)</b>	<b>(1,078,422)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers from other funds	214,500	270,654	17,285	(253,369)
Sale of bonds	-	-	-	-
<b>Total other financing sources (uses):</b>	<b>214,500</b>	<b>270,654</b>	<b>17,285</b>	<b>(253,369)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,253,500</b>	<b>1,253,500</b>	<b>(78,291)</b>	<b>\$ (1,331,791)</b>
Fund balance (deficit) at beginning of year	(1,786,922)	(1,786,922)	(1,786,922)	
Fund balance (deficit) at end of year	\$ (533,422)	\$ (533,422)	\$ (1,865,213)	

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, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Intergovernmental	\$ 90,000	\$ 90,000	\$ -	\$ (90,000)
Interest income				
Other income				
<b>Total revenues</b>	<b>90,000</b>	<b>90,000</b>	<b>-</b>	<b>(90,000)</b>
<b>EXPENDITURES:</b>				
Current:				
Highways and public improvements	120,000	120,000	16,214	103,786
Capital projects:				
Improvements	-	-	-	-
Property purchases				
<b>Total expenditures</b>	<b>120,000</b>	<b>120,000</b>	<b>16,214</b>	<b>103,786</b>
Excess (Deficiency) of expenditures over revenues	(30,000)	(30,000)	(16,214)	13,786
<b>OTHER FINANCING SOURCES:</b>				
Transfers from other funds	77,500	77,500	-	(77,500)
<b>NET CHANGE IN FUND BALANCE</b>	<b>47,500</b>	<b>47,500</b>	<b>(16,214)</b>	<b>\$ (63,714)</b>
Fund balance at beginning of year	34,566	34,566	34,566	
Fund balance at end of year	<b>\$ 82,066</b>	<b>\$ 82,066</b>	<b>\$ 18,352</b>	

**City of St. George, UT**  
**NonMajor Proprietary Funds**  
**Combining Statement of Net Position**  
**June 30, 2014**

**Business-type Activities**  
**Enterprise Funds**

<u>Assets</u>	<u>Refuse Collection</u>	<u>Municipal Building Authority</u>	<u>Drainage Utility</u>	<u>Wastewater Collection</u>	<u>Golf Courses</u>	<u>Total Non-Major</u>
Cash and investments	\$ -	\$ 30,786	\$ 424,492	\$ 694,458	\$ 2,400	\$ 1,152,137
Accounts Receivable - net of uncollectible reserve	410,924		174,480	613,533	-	1,198,937
Notes Receivable				998		998
Furniture, Fixtures, & equip		10,770,124		12,295,632	18,564,747	41,630,502
Less depreciation		(1,578,531)		(7,504,439)	(7,449,300)	(16,532,270)
Prepaid expenses		20,727			-	20,727
Total assets	<u>410,924</u>	<u>9,243,106</u>	<u>598,972</u>	<u>6,100,182</u>	<u>11,117,847</u>	<u>27,471,032</u>
<b>Liabilities</b>						
<b>Liabilities:</b>						
Accrued liabilities	\$ 305,527	\$ 6,587	\$ 80,623	\$ 71,252	\$ 618,390	\$ 1,082,379
Due to other funds	35,700		-		4,231,125	4,266,825
Customer guarantee deposits	61,096		25,941	84,471		171,509
Leases payable					1,015,775	1,015,775
Bonds payable		514,000				514,000
Total liabilities	<u>402,323</u>	<u>520,587</u>	<u>106,564</u>	<u>155,723</u>	<u>5,865,290</u>	<u>7,050,488</u>
<b>Net Position</b>						
Net investment in capital assets		8,698,320	-	4,791,192	10,099,672	23,589,184
Restricted for impact fee construction				489,400		489,400
Unrestricted	8,602	24,199	492,408	663,866	(4,847,115)	(3,658,040)
Total Net Position	<u>\$ 8,602</u>	<u>\$ 8,722,519</u>	<u>\$ 492,408</u>	<u>\$ 5,944,458</u>	<u>\$ 5,252,557</u>	<u>\$ 20,420,544</u>

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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, 2014

Business-type Activities  
Enterprise Funds

	<u>Refuse Collection</u>	<u>Municipal Building Authority</u>	<u>Drainage Utility</u>	<u>Wastewater Collection</u>	<u>Golf Courses</u>	<u>Total Non-Major</u>
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 3,805,056		\$ 1,018,486	\$ 5,439,051	\$ 3,550,340	13,812,934
Other operating revenues				827,551		827,551
<b>Total operating revenues</b>	<b>3,805,056</b>	<b>-</b>	<b>1,018,486</b>	<b>6,266,602</b>	<b>3,550,340</b>	<b>14,640,485</b>
<b>OPERATING EXPENSES:</b>						
Salary and wages				680,411	1,448,968	2,129,379
Supplies				19,804	397,852	417,656
Service vehicle expense				99,264	27,829	127,093
Equipment rental				429	4,758	5,187
Depreciation		98,336		382,171	348,437	828,944
Payroll tax & employee benefits				326,085	676,977	1,003,062
Office & dept. supplies	18,768		5,059	36,835	105,318	165,980
Professional services	544	9,493	14,368	9,874	577,005	611,283
R. & M. - equipment				139,557	41,319	180,876
R. & M. - buildings and grounds			-	12,022	729,467	741,489
Insurance & surety bonds				18,018	32,627	50,645
Travel				5,809	2,547	8,355
Subscriptions & memberships				1,513	1,261	2,774
Contract labor	3,557,718			3,235,059		6,792,776
Billing & administration	220,000		76,000	500,000		796,000
<b>Total operating expenses</b>	<b>3,797,029</b>	<b>107,828</b>	<b>95,427</b>	<b>5,466,850</b>	<b>4,394,364</b>	<b>13,861,498</b>
<b>Operating income (loss)</b>	<b>8,027</b>	<b>(107,828)</b>	<b>923,059</b>	<b>799,752</b>	<b>(844,023)</b>	<b>778,987</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest income		813	1,085	3,774		5,673
Rent		122,955			7,945	130,900
Miscellaneous income				-	32,560	32,560
Gain on lease renewal					353,118	353,118
Interfund Utility Services					(9,621)	(9,621)
Interest charges		(21,824)			-	(21,824)
<b>Total non-operating revenue (expense)</b>	<b>-</b>	<b>101,944</b>	<b>1,085</b>	<b>3,774</b>	<b>384,002</b>	<b>490,806</b>
<b>Income before transfers</b>	<b>8,027</b>	<b>(5,884)</b>	<b>924,145</b>	<b>803,526</b>	<b>(460,021)</b>	<b>1,269,793</b>
<b>Transfers (to) from other funds</b>		<b>(200,000)</b>	<b>(237,061)</b>	<b>(2,190,482)</b>	<b>198,198</b>	<b>(2,429,344)</b>
<b>Changes in Net Position</b>	<b>8,027</b>	<b>(205,884)</b>	<b>687,084</b>	<b>(1,386,955)</b>	<b>(261,823)</b>	<b>(1,159,552)</b>
<b>Total Net Position - beginning of year</b>	<b>575</b>	<b>8,928,403</b>	<b>(194,676)</b>	<b>7,331,413</b>	<b>5,514,380</b>	<b>21,580,095</b>
<b>Total Net Position - end of year</b>	<b>\$ 8,602</b>	<b>\$ 8,722,519</b>	<b>\$ 492,408</b>	<b>\$ 5,944,458</b>	<b>\$ 5,252,557</b>	<b>\$ 20,420,543</b>

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Business-type Activities - Enterprise Funds

	REFUSE COLLECTION	MUNICIPAL BUILDING AUTHORITY	DRAINAGE UTILITY	WASTEWATER COLLECTION	GOLF COURSES	TOTAL NON-MAJOR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers and users	\$ 3,806,567	\$ -	\$ 1,028,340	\$ 6,307,201	\$ 3,602,051	\$ 14,744,160
Payments to suppliers	(3,778,264)	(10,823)	(95,647)	(4,067,550)	(1,886,561)	(9,838,845)
Payments to employees	-	-	-	(1,006,496)	(2,125,945)	(3,132,441)
Net cash provided by operating activities	<u>28,303</u>	<u>(10,823)</u>	<u>932,693</u>	<u>1,233,155</u>	<u>(410,454)</u>	<u>1,772,874</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Rents received		122,955			7,945	130,900
Miscellaneous non-operating income				-	32,560	32,560
Interfund receivable/payable activity	(28,303)		(272,225)		504,959	204,431
Interfund utility services					(9,621)	(9,621)
Economic development transfer		(200,000)	(237,061)	(2,190,482)	198,198	(2,429,344)
Net cash provided (used) by noncapital and related financing activities	<u>(28,303)</u>	<u>(77,045)</u>	<u>(509,286)</u>	<u>(2,190,482)</u>	<u>734,041</u>	<u>(2,071,074)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchases of capital assets				(337,449)	(107,675)	(445,124)
Principal paid on capital debt		(98,000)				(98,000)
Interest on capital debt net of disc/premiums		(14,915)				(14,915)
Principal paid on leases					(213,512)	(213,512)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(112,915)</u>	<u>-</u>	<u>(337,449)</u>	<u>(321,187)</u>	<u>(771,551)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received	-	813	1,085	3,774	-	5,673
Net increase (decrease) in cash and cash equivalents	<u>-</u>	<u>(199,970)</u>	<u>424,493</u>	<u>(1,291,001)</u>	<u>2,400</u>	<u>(1,064,078)</u>
Cash and equivalents at beginning of year	-	230,756	-	1,985,459	-	2,216,215
Cash and equivalents at end of year	<u>\$ -</u>	<u>\$ 30,786</u>	<u>\$ 424,493</u>	<u>\$ 694,458</u>	<u>\$ 2,400</u>	<u>\$ 1,152,137</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 8,027	\$ (107,828)	\$ 923,059	\$ 799,752	\$ (844,023)	\$ 778,987
Adjustments to reconcile net income from operations to net cash provided by operating activities:						
Depreciation	-	98,336	-	382,171	348,437	828,944
Changes in assets & liabilities:						
Decrease (increase) in receivables	(4,488)		8,691	30,400	10,423	45,026
Decrease (increase) in prepaids					41,288	41,288
Decrease (increase) in note receivable				6,988		6,988
Increase (decrease) in deposits	5,999		1,163	3,211		10,373
Increase (decrease) in accruals	18,765	(1,331)	(220)	10,633	33,422	61,269
Total adjustments	<u>20,276</u>	<u>97,005</u>	<u>9,634</u>	<u>433,403</u>	<u>433,570</u>	<u>993,888</u>
Net cash provided by operating activities:	<u>\$ 28,303</u>	<u>\$ (10,824)</u>	<u>\$ 932,693</u>	<u>\$ 1,233,155</u>	<u>\$ (410,453)</u>	<u>\$ 1,772,874</u>

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

JUNE 30, 2014

**GOVERNMENTAL FUNDS CAPITAL ASSETS:**

Land	\$	86,371,849
Buildings		36,498,968
Improvements		70,214,492
Infrastructure assets		241,171,105
Equipment		31,033,030
		31,033,030
Total Governmental Funds Capital Assets	\$	465,289,444

**INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:**

<b>Capital Projects Funds:</b>		
General Fund	\$	108,014,333
CDBG Grant Fund		1,503,091
Dinosaur Museum Funds		71,620
Economic Development Fund		2,500,857
Downtown Redevelopment revenues		11,707,681
WCIA - (Dixie Center interlocal agency)		10,207,697
Recreation General Obligation bonds		17,991,801
Capital equipment fund		37,203,498
Public Works Capital projects fund		62,359,074
Replacement Airport capital projects fund		147,312,365
Industrial Park fund		2,401,462
Sewer Impact fund		245,866
Park Impact fund		22,890,333
Fire Impact fund		3,235,128
Drainage Impact fund		1,181,915
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		4,237,879
Art Permanent Collection Fund		153,930
Police Seizures Fund		105,706
Airport PFC fund		22,049
Housing Improvement Fund		306,916
		306,916
Total Governmental Funds Capital Assets	\$	465,289,444

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

JUNE 30, 2014

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS	INFRASTRUCTURE	EQUIPMENT
<b>GENERAL GOVERNMENT:</b>						
Gen. government bldgs.	\$ 26,177,507	\$ 18,066,468	\$ 6,916,325	\$ 1,194,714	\$ -	\$ -
WCIA (Dixie Center)	10,255,803	1,774,067	8,481,736	-	-	-
Downtown Redevelopment	13,617,880	2,480,452	2,823,172	8,314,256	-	-
Community development (Industrial Park)	1,626,676	162,489	-	1,464,187	-	-
Administration	2,090,186	-	-	-	-	2,090,186
<b>Total general government</b>	<b>53,768,052</b>	<b>22,483,476</b>	<b>18,221,233</b>	<b>10,973,157</b>	<b>-</b>	<b>2,090,186</b>
<b>PUBLIC SAFETY:</b>						
Police protection	9,754,607	-	82,589	168,531	-	9,503,487
Fire protection	9,784,928	613,048	4,281,206	86,490	-	4,804,184
<b>Total public safety</b>	<b>19,539,535</b>	<b>613,048</b>	<b>4,363,795</b>	<b>255,021</b>	<b>-</b>	<b>14,307,671</b>
<b>PUBLIC WORKS:</b>	<b>321,760,637</b>	<b>55,960,915</b>	<b>6,050,297</b>	<b>8,911,735</b>	<b>241,025,953</b>	<b>9,811,737</b>
<b>PARKS, RECREATION, &amp; PUBLIC PROPERTY:</b>	<b>70,221,220</b>	<b>7,314,410</b>	<b>7,863,642</b>	<b>50,074,550</b>	<b>145,152</b>	<b>4,823,466</b>
<b>Total governmental fund capital assets allocated to function</b>	<b>\$ 465,289,444</b>	<b>\$ 86,371,849</b>	<b>\$ 36,498,967</b>	<b>\$ 70,214,463</b>	<b>\$ 241,171,105</b>	<b>\$ 31,033,060</b>

**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, 2014**

<b>FUNCTION AND ACTIVITY</b>	<b>GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2013</b>		<b>ADDITIONS</b>		<b>DELETIONS</b>		<b>GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2014</b>	
<b>GENERAL GOVERNMENT:</b>								
Gen. government bldgs.	\$	23,610,613	\$	3,488,764	\$	384,331	\$	26,715,046
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		2,035,761		-		-		2,035,761
		<b>50,663,620</b>		<b>3,488,764</b>		<b>384,331</b>		<b>53,768,053</b>
<b>PUBLIC SAFETY:</b>								
Police protection		9,297,497		457,110		-		9,754,607
Fire protection		9,731,986		52,942		-		9,784,928
		<b>19,029,483</b>		<b>510,052</b>		<b>-</b>		<b>19,539,535</b>
<b>PUBLIC WORKS:</b>		<b>306,359,329</b>		<b>15,401,308</b>		<b>-</b>		<b>321,760,637</b>
<b>PARKS, RECREATION, &amp; PUBLIC PROPERTY:</b>		<b>67,317,401</b>		<b>2,903,818</b>		<b>-</b>		<b>70,221,219</b>
<b>TOTAL GOVERNMENTAL FUND CAPITAL ASSETS</b>		<b>\$443,369,833</b>		<b>\$22,303,942</b>		<b>\$384,331</b>		<b>\$465,289,444</b>

# *STATISTICAL SECTION*

CITY OF ST. GEORGE, UTAH

ELECTRIC FUND

STATISTICAL ANALYSIS

JUNE 30, 2014

Year Ended June 30,  
2014                      2013

Production Cost Analysis:

Kilowatt hours generated	84,459,495	76,327,706
Kilowatt hours purchased	<u>729,333,315</u>	<u>733,519,681</u>
Total Kilowatt Hours	<u>813,792,810</u>	<u>809,847,387</u>
Total Operating Costs	<u>\$61,606,164</u>	<u>\$59,183,366</u>
Cost per Kilowatt Hour	<u>\$ .07570</u>	<u>\$ .07308</u>

Summary of Kilowatt Hours and Costs for previous period

<u>YEAR</u>	<u>KILOWATT HOURS</u>	<u>COST PER KILOWATT HOUR</u>
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
2014	813,792,810	.07570

2014                      2013

Average Revenue Analysis:

Kilowatt Hours billed	734,595,938	755,378,562
Unbilled Hours-line loss, street lights	<u>79,196,872</u>	<u>54,468,825</u>
Total Kilowatt Hours	<u>813,792,810</u>	<u>809,847,387</u>
Total Revenue Billed	\$61,386,968	\$57,489,697
Number of Customers	29,711	28,486
Average monthly billing	\$172.18	\$168.18
	2,060 KWh	2,210 KWh

CITY OF ST. GEORGE, UTAH

WATER FUND

STATISTICAL ANALYSIS

JUNE 30, 2014

	<u>Year Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>
Production cost analysis:		
Number of gallons billed	10,093,884,407	10,072,397,053
Expense of operations *	\$14,393,831	\$14,512,833
Cost per billed gallon	\$ .001426	\$ .001441
Average Revenue Analysis:		
Number of metered customers	24,201	21,949
Water usage billed	\$17,641,536	\$16,447,677
Average monthly billing per metered customer	\$60.75	\$62.45

\* 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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Net Investment in capital assets	\$ 77,190	\$ 89,565	\$ 109,818	\$ 129,100	\$ 184,237	\$ 220,811	\$ 249,625	\$ 260,036	\$ 275,793	\$ 287,652
Restricted	7,340	7,308	4,549	2,487	1,884	1,508	1,334	1,109	894	16,567
Unrestricted	36,417	43,111	43,165	58,600	38,253	23,226	18,456	21,658	31,162	24,703
Total governmental activities net position	<u>\$ 120,947</u>	<u>\$ 139,984</u>	<u>\$ 157,532</u>	<u>\$ 190,187</u>	<u>\$ 224,374</u>	<u>\$ 245,545</u>	<u>\$ 269,415</u>	<u>\$ 282,803</u>	<u>\$ 307,849</u>	<u>\$ 328,922</u>
Business-type activities:										
Net Investment in capital assets	\$ 96,644	\$ 119,982	\$ 133,387	\$ 154,740	\$ 141,070	\$ 163,547	\$ 167,225	\$ 185,172	\$ 191,725	\$ 190,317
Restricted	16,168	4,857	7,642	12,945	30,571	6,068	6,068	6,072	6,150	6,627
Unrestricted	24,147	34,767	33,596	30,382	33,265	42,700	39,951	38,202	32,975	40,357
Total business-type activities net position	<u>\$ 136,959</u>	<u>\$ 159,606</u>	<u>\$ 174,625</u>	<u>\$ 198,067</u>	<u>\$ 204,906</u>	<u>\$ 212,315</u>	<u>\$ 213,244</u>	<u>\$ 229,446</u>	<u>\$ 230,850</u>	<u>\$ 237,301</u>
Primary government:										
Net Investment in capital assets	\$ 173,834	\$ 209,547	\$ 243,205	\$ 283,840	\$ 325,307	\$ 384,358	\$ 416,850	\$ 445,208	\$ 467,518	\$ 477,969
Restricted	23,508	12,165	12,191	15,432	32,455	7,576	7,402	7,181	7,044	23,194
Unrestricted	60,564	77,878	76,761	88,982	71,518	65,926	58,407	59,860	64,137	65,060
Total primary government net position	<u>\$ 257,906</u>	<u>\$ 299,590</u>	<u>\$ 332,157</u>	<u>\$ 388,254</u>	<u>\$ 429,280</u>	<u>\$ 457,860</u>	<u>\$ 482,659</u>	<u>\$ 512,249</u>	<u>\$ 538,699</u>	<u>\$ 566,223</u>

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

\*\* 2014 Restricted net position reclassified per GASB requirements

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

	FISCAL YEAR									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>EXPENSES:</b>										
Governmental activities:										
General government	\$ 2,205	\$ 5,004	\$ 4,433	\$ 5,935	\$ 8,877	\$ 9,338	\$ 7,352	\$ 7,251	\$ 6,959	\$ 7,478
Public safety	10,357	11,497	13,824	14,885	14,726	14,178	15,229	16,638	16,761	17,841
Highways & public improvements	17,231	14,096	14,814	14,887	17,516	13,200	11,959	17,579	14,277	14,360
Parks, recreation, & public property	12,167	11,087	13,525	14,607	11,175	11,032	11,293	12,344	14,306	13,620
Community & economic development	1,957	2,058	2,359	2,544	1,700	1,470	2,000	2,824	2,429	2,423
Interest on long-term debt	1,122	1,411	1,480	1,776	2,800	2,914	3,525	3,134	2,656	2,348
<b>Total governmental activities expenses:</b>	<b>45,039</b>	<b>45,153</b>	<b>50,435</b>	<b>54,634</b>	<b>56,794</b>	<b>52,132</b>	<b>51,358</b>	<b>59,770</b>	<b>57,388</b>	<b>58,070</b>
Business-type activities:										
Energy services	38,667	44,254	48,304	48,734	54,554	56,351	59,600	60,266	62,095	64,044
Water services	10,455	13,161	15,383	15,756	15,026	14,563	14,779	15,678	14,513	14,394
Wastewater collection	7,021	7,250	7,876	7,599	8,043	7,774	7,729	7,775	5,273	5,467
Regional wastewater treatment	4,083	4,174	4,878	5,015	5,058	5,059	5,114	5,292	4,894	5,140
Golf courses	4,624	4,637	5,224	5,181	4,989	4,299	4,252	4,586	4,448	4,394
Municipal building authority	435	371	352	265	250	165	149	142	137	130
Solid waste	2,560	2,812	3,104	3,075	3,178	3,279	3,391	3,493	3,612	3,797
Drainage utility	1	6	16	4	143	122	111	122	95	95
<b>Total business-type activities expenses:</b>	<b>67,845</b>	<b>76,660</b>	<b>85,127</b>	<b>85,641</b>	<b>91,102</b>	<b>91,633</b>	<b>95,136</b>	<b>97,343</b>	<b>95,094</b>	<b>97,461</b>
<b>Total primary government expenses</b>	<b>\$ 112,884</b>	<b>\$ 121,813</b>	<b>\$ 135,562</b>	<b>\$ 140,275</b>	<b>\$ 147,896</b>	<b>\$ 143,765</b>	<b>\$ 146,494</b>	<b>\$ 157,113</b>	<b>\$ 152,482</b>	<b>\$ 155,531</b>
<b>PROGRAM REVENUES:</b>										
Governmental activities:										
Charges for services:										
General government	\$ 3,054	\$ 3,063	\$ 3,496	\$ 3,872	\$ 3,871	\$ 4,158	\$ 4,257	\$ 4,255	\$ 4,384	\$ 4,792
Public safety	2,220	2,338	2,815	2,810	2,874	3,100	3,142	3,062	3,140	3,261
Highways & public improvements	319	570	680	627	549	488	733	1,110	1,070	1,116
Parks, recreation, & public property	2,114	2,733	2,501	2,587	2,514	2,855	2,915	2,989	3,172	3,418
Community & economic development	3,656	3,685	3,238	2,019	1,105	808	885	1,271	1,826	1,940
Operating grants & contributions	10,710	9,000	8,043	9,601	7,324	7,663	8,150	8,772	8,766	9,705
Capital grants & contributions	2,462	5,457	8,355	22,538	31,062	20,794	19,868	12,857	17,318	13,711
<b>Total governmental activities program revenues</b>	<b>24,535</b>	<b>26,846</b>	<b>29,128</b>	<b>44,054</b>	<b>49,299</b>	<b>39,866</b>	<b>39,950</b>	<b>34,316</b>	<b>39,676</b>	<b>37,943</b>
Business-type activities:										
Charges for services:										
Energy services	44,253	48,604	52,688	54,091	54,102	53,859	54,109	55,662	58,818	62,779
Water services	15,463	15,682	15,167	15,506	14,745	14,772	13,825	15,073	17,454	18,382
Wastewater collection	7,246	7,256	7,966	7,967	7,866	7,900	7,963	8,176	6,060	6,267
Regional wastewater treatment	9,841	9,763	9,297	8,283	8,232	8,403	8,536	8,917	5,697	5,823

Golf courses	3,957	4,340	4,597	4,750	4,013	3,763	3,283	3,520	3,568	3,550
Municipal building authority										
Solid waste	2,624	2,812	2,969	3,078	3,095	3,246	3,407	3,503	3,622	3,805
Drainage utility	837	869	906	955	973	983	992	992	1,006	1,018
Operating grants & contributions	791			9,571	7	560	165	34	348	57
Capital grants & contributions		5,500	-	-	-	-	-	17,515	-	-
Total business-type activities program revenues	85,012	94,826	93,590	104,201	93,033	93,486	92,280	113,392	96,573	101,681
Total primary government program revenues	\$ 109,547	\$ 121,672	\$ 122,718	\$ 148,255	\$ 142,332	\$ 133,352	\$ 132,230	\$ 147,708	\$ 136,249	\$ 139,624

Net (expense) / revenue										
Governmental activities	\$ (20,504)	\$ (18,307)	\$ (21,307)	\$ (10,580)	\$ (7,495)	\$ (12,266)	\$ (11,408)	\$ (25,454)	\$ (17,712)	\$ (20,127)
Business-type activities	17,167	18,166	8,463	18,560	1,931	1,853	(2,856)	16,049	1,479	4,220
Total primary government net expense	\$ (3,337)	\$ (141)	\$ (12,844)	\$ 7,980	\$ (5,564)	\$ (10,413)	\$ (14,264)	\$ (9,405)	\$ (16,233)	\$ (15,907)

**GENERAL REVENUES AND OTHER  
CHANGES IN NET POSITION**

Governmental activities:										
Taxes										
Property taxes for general purposes	\$ 6,327	\$ 6,520	\$ 7,532	\$ 8,887	\$ 9,158	\$ 10,118	\$ 10,315	\$ 10,514	\$ 11,064	\$ 12,076
Property taxes for debt service	1,660	2,054	2,329	2,446	2,050	2,155	2,392	1,900	1,939	1,493
Franchise taxes	5,086	5,839	6,035	6,541	6,319	6,087	6,165	6,180	6,624	6,609
General sales & highway sales taxes	16,035	19,317	20,447	19,768	16,678	15,477	15,806	17,194	18,913	20,172
Business licenses	468	532	639	628	630	712	683	694	749	761
Investment income	1,077	1,889	2,458	2,312	1,211	470	258	239	163	205
Lease payments	(466)	(97)	(193)	(175)	(175)	(164)	(106)	(103)	(105)	(101)
Gain on sale of assets	650	388	1,333	2,187	28	812	435	66	1,329	897
Rents and concessions	30	35	33	30	25	34	52	237	262	219
Miscellaneous	68	195	45	327	143	189	93	61	446	201
Transfers	1,864	670	(1,703)	283	(291)	(2,454)	(814)	1,873	1,375	(2)
Total governmental activities	32,799	37,342	38,955	43,234	35,776	33,436	35,279	38,855	42,759	42,530
Business-type activities:										
Investment income	958	1,828	1,992	1,976	1,562	378	149	181	163	269
Lease payments		839	2,448	2,448	2,597	2,294	2,563	1,458	1,356	1,360
Miscellaneous	590	2,483	413	740	459	429	259	388	348	601
Transfers	(1,864)	(670)	1,703	(283)	291	2,454	814	(1,873)	(1,375)	2
Total business-type activities	(316)	4,480	6,556	4,881	4,909	5,555	3,785	154	492	2,232
Total primary government	\$ 32,483	\$ 41,822	\$ 45,511	\$ 48,115	\$ 40,685	\$ 38,991	\$ 39,064	\$ 39,009	\$ 43,251	\$ 44,762

**CHANGE IN NET POSITION**

Governmental activities	\$ 12,295	\$ 19,035	\$ 17,648	\$ 32,654	\$ 28,281	\$ 21,170	\$ 23,871	\$ 13,401	\$ 25,047	\$ 22,403
Business-type activities	16,851	22,646	15,019	23,441	6,840	7,408	929	16,203	1,971	6,452
Total primary government	\$ 29,146	\$ 41,681	\$ 32,667	\$ 56,095	\$ 35,121	\$ 28,578	\$ 24,800	\$ 29,604	\$ 27,018	\$ 28,855

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

<u>Fiscal</u> <u>Year</u>	<u>General</u> <u>Property Tax</u>	<u>Debt Serv</u> <u>Property Tax</u>	<u>General Sales &amp;</u> <u>Highway Sales Tax</u>	<u>Franchise</u> <u>Tax</u>	<u>Total</u>
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
2014	12,076	1,493	20,172	6,609	40,350

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									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General fund										
Reserved for police seizures	\$ 90	\$ 67	\$ 103	\$ 119	\$ 70	\$ 83	\$ 106	\$ 158	\$ 265	\$ 229
Reserved for notes receivable	343	714	1,501	1,618	1,626	1,621	1,621	1,617	570	663
Reserved for perpetual care	139	181	236	318	148	161	141	112	122	127
Unreserved	3,881	3,905	3,009	2,852	2,912	2,891	3,776	3,808	5,871	5,829
Total general fund	<u>\$ 4,453</u>	<u>\$ 4,867</u>	<u>\$ 4,849</u>	<u>\$ 4,907</u>	<u>\$ 4,756</u>	<u>\$ 4,756</u>	<u>\$ 5,644</u>	<u>\$ 5,695</u>	<u>\$ 6,828</u>	<u>\$ 6,848</u>
All other governmental funds										
Restricted for:										
Special revenue funds	6,144	8,336	10,343	10,224	6,476	5,627	7,829	9,974	8,948	
Transportation programs										3,983
Housing & comm. Devlpmnt										910
Parks const. & devlpmnt										3,641
Community & econ. Devlpmnt										656
Debt service funds	3,218	3,694	3,045	23,520	1,884	1,507	1,334	1,109	894	868
Capital projects funds	24,271	34,347	30,456	23,743	28,608	15,199	8,083	6,632	16,016	2,439
Assigned to:										
Community & econ. Devlpmnt										6,178
Parks const. & devlpmnt										101
Capital projects funds										19,212
Unassigned: (deficit)										(2,885)
Total all other governmental funds	<u>\$ 33,633</u>	<u>\$ 46,377</u>	<u>\$ 43,844</u>	<u>\$ 57,487</u>	<u>\$ 36,968</u>	<u>\$ 22,333</u>	<u>\$ 17,246</u>	<u>\$ 17,715</u>	<u>\$ 25,858</u>	<u>\$ 35,103</u>

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REVENUES:</b>										
Taxes & special assessments	\$ 30,274	\$ 35,693	\$ 37,306	\$ 38,668	\$ 35,155	\$ 34,689	\$ 35,591	\$ 37,450	\$ 39,541	\$ 38,743
Licenses & permits	3,656	3,545	3,190	2,271	1,622	1,393	1,424	1,755	2,200	2,244
Intergovernmental	10,197	7,476	7,165	23,004	35,906	23,089	23,559	16,704	20,214	17,262
Charges for services	6,176	7,137	8,001	8,236	7,762	8,473	8,849	9,376	9,815	10,810
Fines & forfeitures	987	928	1,018	851	856	1,035	1,081	995	954	961
Investment income	1,067	1,868	2,431	2,283	1,202	467	256	238	161	203
Rents & concessions	30	35	33	30	26	34	52	237	262	219
Miscellaneous	325	195	145	329	143	195	94	62	475	559
Contributions from other sources	558	300	66	71	138	96	139	94	109	1,009
Capital development fees	5,030	4,121	3,144	3,283	1,551	1,324	1,479	2,372	3,381	3,698
<b>Total revenues</b>	<b>58,300</b>	<b>61,298</b>	<b>62,499</b>	<b>79,026</b>	<b>84,361</b>	<b>70,795</b>	<b>72,524</b>	<b>69,283</b>	<b>77,112</b>	<b>75,708</b>
<b>EXPENDITURES:</b>										
General government	5,773	7,300	8,271	8,688	8,239	7,614	5,794	5,704	5,496	5,539
Public safety	10,355	12,023	13,933	15,283	14,043	13,647	14,709	16,636	16,818	17,344
Highways & public improvements	10,021	9,505	8,070	8,289	12,761	6,852	9,491	14,970	11,681	11,780
Parks, recreation, & public property	7,334	8,068	8,610	9,885	8,770	8,422	9,638	10,906	11,704	12,842
Community & economic development	1,638	1,967	2,155	3,025	2,879	3,325	1,968	2,792	2,394	2,262
Capital outlay	28,823	16,946	22,955	51,536	57,264	50,496	30,425	11,512	12,345	19,903
Debt service										
Capital leases	466	197	193	175	175	164	106	103	104	101
Principal	1,441	1,188	6,849	1,814	26,666	5,733	10,411	7,482	9,822	9,265
Interest & other admin charges	1,251	1,462	1,411	1,301	2,558	2,207	2,697	4,904	2,897	2,552
<b>Total expenditures</b>	<b>67,102</b>	<b>58,656</b>	<b>72,447</b>	<b>99,996</b>	<b>133,355</b>	<b>98,460</b>	<b>85,239</b>	<b>75,009</b>	<b>73,261</b>	<b>81,588</b>
Excess of revenues over (under) expend.	(8,802)	2,642	(9,948)	(20,970)	(48,994)	(27,665)	(12,715)	(5,726)	3,851	(5,880)
<b>OTHER FINANCING SOURCES (USES):</b>										
Transfers in	14,701	13,795	13,364	21,312	16,816	26,264	10,958	16,068	18,659	15,460
Transfers out	(11,797)	(11,768)	(14,458)	(20,380)	(16,264)	(28,168)	(11,214)	(13,648)	(16,736)	(14,403)
Payments to other taxing agencies										(160)
Interfund utility services										(459)
Contributions from private sources	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	3,423
Proceeds from sale of capital assets	650	388	1,333	2,186	28	812	434	67	1,329	897
Loss on bond refinancing			(93)	-	-	-	-	-	-	-
Premiums on bonds sold							275			1,037
Issuance of notes/bonds/ or leases	4,510	343	5,265	24,755	27,107	10,227	5,395	2,228	-	9,350
<b>Total other financing sources (uses)</b>	<b>8,192</b>	<b>3,936</b>	<b>7,398</b>	<b>34,670</b>	<b>28,324</b>	<b>13,030</b>	<b>8,515</b>	<b>6,246</b>	<b>5,425</b>	<b>15,145</b>
<b>Net change in fund balance</b>	<b>\$ (610)</b>	<b>\$ 6,578</b>	<b>\$ (2,550)</b>	<b>\$ 13,700</b>	<b>\$ (20,670)</b>	<b>\$ (14,635)</b>	<b>\$ (4,200)</b>	<b>\$ 520</b>	<b>\$ 9,276</b>	<b>\$ 9,265</b>
Debt service as a percentage of non-capital expenditures	8.99%	7.33%	17.08%	6.79%	38.41%	16.90%	24.11%	19.16%	26.66%	23.92%
					(1)		(2)	(2)		

(1) 2007 Sales Tax bonds refunded

(2) 2006 GO Tax bonds refunded

CITY OF ST. GEORGE, UTAH  
 SALES TAX PAYERS BY SECTOR  
 JUNE 30, 2014  
 (amounts expressed in thousands)

CALENDAR YEAR 2013				CALENDAR YEAR 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	\$ 301,637,302	18.56%	1	Retail - Gen Merchandise	\$ 210,140,808	15.88%
2	Retail - Motor vehicles	237,897,931	14.64%	2	Retail - Motor vehicles	196,741,872	14.87%
3	Food services & drinking places	152,877,774	9.41%	5	Food services & drinking places	94,345,554	7.13%
4	Retail - Bldg & Gardening	119,458,096	7.35%	3	Retail - Bldg & Gardening	146,923,320	11.10%
5	Retail - Food stores	115,294,430	7.09%	6	Retail - Food stores	83,903,741	6.34%
6	Retail - Clothing & clothing accessories	80,278,206	4.94%	7	Retail - Clothing & clothing accessories	52,014,028	3.93%
7	Wholesale - Durable goods	74,460,599	4.58%	4	Wholesale - Durable goods	102,594,701	7.75%
8	Accommodations	53,180,670	3.27%	12	Accommodations	32,352,736	2.45%
9	Other services - except public admin.	52,781,295	3.25%	11	Other services - except public admin.	34,253,095	2.59%
10	Retail - Furniture & home furnishing stores	49,444,380	3.04%	8	Retail - Furniture & home furnishing stores	51,143,103	3.87%
11	Public administration	48,750,000	3.00%	10	Public administration	36,770,000	2.78%
12	Retail - Sporting Goods, Hobbies, Books	45,487,310	2.80%	15	Retail - Sporting Goods, Hobbies, Books	26,463,073	2.00%
13	Manufacturing	42,974,897	2.64%	9	Manufacturing	38,060,006	2.88%
14	Retail - Miscellaneous retail trade	40,038,780	2.46%	13	Retail - Miscellaneous retail trade	30,255,176	2.29%
15	Information	34,381,966	2.12%	20	Information	18,439,071	1.39%
16	Retail - Gasoline stations	25,786,995	1.59%	19	Retail - Gasoline stations	22,816,907	1.72%
17	Construction	23,372,602	1.44%	17	Construction	25,573,293	1.93%
18	Real estate rental and leasing	21,467,465	1.32%	14	Real estate rental and leasing	27,171,355	2.05%
19	Prior-period payments & refunds	16,044,569	0.99%	18	Prior-period payments & refunds	23,993,579	1.81%
20	Retail - Electronics & Appliances	15,167,371	0.93%	21	Retail - Electronics & Appliances	11,264,173	0.85%
21	Wholesale trade - Nondurable goods	13,902,722	0.86%	25	Wholesale trade - Nondurable goods	5,279,723	0.40%
22	Retail - Health & personal care stores	12,621,256	0.78%	23	Retail - Health & personal care stores	8,468,521	0.64%
23	Arts, Entertainment and recreation	12,123,319	0.75%	24	Arts, Entertainment and recreation	6,951,470	0.53%
24	Professional, Scientific & technical services	11,487,803	0.71%	22	Professional, Scientific & technical services	10,401,054	0.79%
25	Nonstore Retailers	6,053,253	0.37%	27	Nonstore Retailers	3,741,580	0.28%
26	Health care & social assistance	5,792,015	0.36%	28	Health care & social assistance	3,725,680	0.28%
27	Admin & support & Waste Mngmt services	3,620,745	0.22%	26	Admin & support & Waste Mngmt services	5,161,884	0.39%
28	Services - Education	2,138,040	0.13%	29	Services - Education	3,216,581	0.24%
29	Mining, quarrying & Oil & Gas extraction	2,123,587	0.13%	34	Mining, quarrying & Oil & Gas extraction	1,401,000	0.11%
30	Finance & insurance	1,895,373	0.12%	33	Finance & insurance	1,992,472	0.15%
31	Transportation & warehousing	1,300,000	0.08%	30	Transportation & warehousing	2,950,000	0.22%
32	Wholesale trade - Electronic markets	826,355	0.05%	32	Wholesale trade - Electronic markets	2,001,000	0.15%
33	Occasional /Nonclassifiable	335,222	0.02%	36	Occasional /Nonclassifiable	66,783	0.01%
34	Management of companies & enterprises	302,000	0.02%	35	Management of companies & enterprises	300,000	0.02%
35	Agriculture, Forestry, Fishing & hunting	150,000	0.01%	31	Agriculture, Forestry, Fishing & hunting	2,251,000	0.17%
		<u>\$ 1,625,454,328</u>				<u>\$ 1,323,128,339</u>	

Source: Utah State Tax Commission statistical reports for calendar year ended December 31, 2013 and December 31, 2004.

CITY OF ST. GEORGE, UTAH  
 PRINCIPAL TAXABLE PROPERTIES  
 JUNE 30, 2014  
 (amounts expressed in thousands)

2014

2005

<u>NAME</u>	<u>TYPE OF BUSINESS</u>	<u>TAXABLE VALUE</u>	<u>% OF TOTAL</u>
IHC HEALTH SERVICES INC	MEDICAL PROVIDER	\$ 38,483,700	0.68%
BAJA BROADBAND	BROADBAND COMMUNICATIONS	24,833,235	0.44%
GENERAL GROWTH PROPERTIES	LAND DEVELOPMENT	22,190,200	0.39%
DIXIE ESCALANTE RURAL ELECTRIC	ELECTRICAL COOPERATIVE	19,619,064	0.35%
SUBURBAN LAND RESERVE INC	PROPERTY INVESTMENTS	18,793,400	0.33%
SKYWEST AIRLINES	REGIONAL AIRLINE CARRIER	18,349,630	0.33%
QUESTAR GAS	NATURAL GAS PROVIDER	17,687,894	0.31%
VIRACON INC	GLASS FABRICATION MANUF.	14,006,190	0.25%
MAINSTREET PARTNERS	PROPERTY INVESTMENTS	13,900,600	0.25%
S W A C EAST LLC	PROPERTY INVESTMENTS	13,337,500	0.24%
		<u>\$ 201,201,413</u>	<u>3.58%</u>

<u>NAME</u>	<u>TYPE OF BUSINESS</u>	<u>TAXABLE VALUE</u>	<u>% OF TOTAL</u>
PRICE DEVELOPMENT	REGIONAL SHOPPING MALL	\$ 30,264,415	0.91%
FIRST AMERICAN TAX VALUATION	PROPERTY INVESTMENTS	30,099,890	0.91%
LESTER WITTWER INVESTMENTS	PROPERTY INVESTMENTS	18,184,145	0.55%
SUNSET CORNER PROPERTIES	PROPERTY INVESTMENTS	16,568,955	0.50%
RIMROCK MARKETPLACE	PROPERTY INVESTMENTS	15,209,410	0.46%
WELLS DAIRY INC	ICE CREAM MANUFACTURING FACILITY	14,318,815	0.43%
WAL-MART INC	SUPER WAL-MART RETAIL STORE	13,397,710	0.40%
THE PLANTATIONS @ ST. GEORGE	PROPERTY INVESTMENTS	12,235,275	0.37%
COSTCO WHOLESALE	WHOLESALE SHOPPING CLUB	10,035,980	0.30%
TARGET CORP	SUPER TARGET RETAIL STORE	8,972,520	0.27%
		<u>\$ 169,287,115</u>	<u>5.10%</u>

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				Commercial Attached Personal Property	Less Adjustments to Taxable Value	Total Taxable Value	Estimated Actual Value	Taxable Value as a Percentage of Actual Value
	Primary Residential Property	Non-Primary Residential Property	Commercial & Other Property	State Assessed Property					
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%
2014	2,523,549	1,585,348	1,382,212	131,115		-	5,622,224	7,859,544	71.53%

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

Fiscal Year	City of St. George			Washington County					Washington Co School District			(1) Special Districts	Direct & Overlapping Rates
	Operating Rate	Debt Service Rate	Total City Rate	County Library Rate	County General Rate	County G.O. Bond Rate	Assess & Collect Rate	Total County Rate	Local School Fund Rate	State School Fund Rate	Total School Rate		
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
2014	0.001593	0.000191	0.001784	0.000304	0.000763	0.000298	0.000626	0.001991	0.006233	0.001311	0.007544	0.000927	0.012246

(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
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%
2014*	10,171	9,499	93.39%	704	10,203	100.31%

\*Source: Washington County Financial Statements with Report of Certified Public Accountants  
Year-ended December 31, 2013

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

Fiscal Year	Governmental Activities					Business-Type Activities						Total Primary Government	Per Capita
	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		
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
2014	13,155	1,213	8,150	-	-	2,675	13,427	58,275	514	-	-	97,409	1,146

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
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
2014	13,155	-	13,155	0.2340%		155

CITY OF ST. GEORGE, UTAH  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 AS OF JUNE 30, 2014  
 (amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Washington County	\$ 17,230	54.91%	\$ 9,461
Washington County School District	230,944	54.91%	126,811
Washington County Water Conservancy	2,680	54.91%	1,472
sub-total overlapping debt	250,854		137,744
City of St. George direct debt	13,155		13,155
 Total direct & overlapping debt	 <u>\$ 264,009</u>		 <u>\$ 150,899</u>

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

	FISCAL YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 410,848	\$ 503,555	\$ 669,296	\$ 823,545	\$ 896,826	\$ 721,366	\$ 652,656	\$ 628,110	\$ 628,110	\$ 628,764
Total net debt applicable to limit	85,060	81,933	74,318	71,218	64,594	64,594	56,112	34,066	34,066	-
Legal debt margin	<u>\$ 325,788</u>	<u>\$ 421,622</u>	<u>\$ 594,978</u>	<u>\$ 752,327</u>	<u>\$ 832,232</u>	<u>\$ 656,772</u>	<u>\$ 596,544</u>	<u>\$ 594,044</u>	<u>\$ 594,044</u>	<u>\$ 628,764</u>
Total net debt applicable to the limit as a percentage of debt limit										

**Legal Debt Margin Calculation for Fiscal Year 2014**

Fair market value of taxable property	<u>\$ 7,859,544,241</u>
Debt limit:	
General obligation 4%	\$ 314,381,770
Water, Sewer & electric 4%	314,381,770
Total debt limit	<u>\$ 628,763,539</u>
Debt applicable to limit:	
General obligation bonds	\$ 13,155,000
less: amt set aside for repayment of debt	
Water, sewer, and electric bonds	16,102,000
less: amt set aside for repayment of debt	(3,809,087)
Total net debt applicable to limit	<u>25,447,913</u>
Legal debt margin	<u>\$ 603,315,626</u>

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

Fiscal Year	Sewer Revenue Bonds (Regional Treatment Fund)						Water Revenue Bonds					
	Sewer Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage	Water Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2005	\$ 10,374	\$ 2,591	\$ 7,783	\$ 2,692	\$ 505	2.43	\$ 15,895	\$ 6,467	\$ 9,428	\$ 2,115	\$ 1,214	2.83
2006	10,790	2,706	8,084	2,917	484	2.38	16,116	8,651	7,465	840	2,354	2.34
2007	10,217	3,216	7,001	2,922	415	2.10	15,443	10,670	4,773	1,880	2,323	1.14
2008	9,355	3,308	6,047	2,131	374	2.41	17,628	10,846	6,782	2,410	2,027	1.53
2009	8,726	3,294	5,432	1,931	330	2.40	17,016	10,188	6,828	2,515	1,925	1.54
2010	8,547	3,312	5,235	1,999	281	2.30	16,891	9,794	7,097	2,610	1,810	1.61
2011	8,536	3,304	5,232	2,079	227	2.27	16,259	10,109	6,150	2,665	1,855	1.36
2012	8,917	3,531	5,386	2,169	166	2.31	16,441	11,986	4,455	2,605	1,273	1.15
2013	5,697	3,273	2,424	1,040	205	1.95	18,765	11,897	6,868	1,566	628	3.13
2014	5,823	3,439	2,384	1,080	143	1.95	18,852	11,965	6,887	3,200	405	1.91

Fiscal Year	Energy Services Revenue Bonds					
	Energy Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
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
2014	63,598	55,959	7,639	1,830	2,788	1.65

\*\* 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
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	27,184		25,775	7.3
2010	83,500	not available	26,933	32.5	25,202	9.6
2011	82,000	not available	27,920		not available	10.1
2012	83,000	not available	28,597		not available	7.1
2013	83,000	not available	27,159		not available	5.4
2014	85,000	not available	not available		not available	3.8

(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

2014

2005

<u>Employer</u>	<u>Employees</u>	<u>Industry</u>	<u>Employer</u>	<u>Employees</u>	<u>Industry</u>
Washington County School District (1)	3,000-3,999	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
Wal-Mart	1,000-1,999	Supercenters	Dixie College	500-700	Higher Education
Dixie State University	1,000-1,999	Higher Education	Red Cliffs Mall	300-500	Shopping mall
City of St. George	700-999	Local Government	City of St. George	300-400	Local Government
Skywest Airlines	500-699	Air Transportation	Skywest Airlines	200-300	Air Transportation
United States Government	500-699	Federal 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

FUNCTION	FISCAL YEAR									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government	64	50	51	52	50	64	64	65	74	80
Community & development services (2) (3)	24	39	39	29	27	21	21	21	20	42
Public Safety										
Police										
Officers	89	93	97	103	103	103	103	104	104	106
Reserves	8	4	4							
Civilians	30	37	39	39	39	40	40	46	47	46
Fire										
Firefighters & officers	19	22	22	23	23	31	31	31	31	31
Volunteers firefighters	55	64	64	64	64	64	64	64	64	64
Civilians	1	1	1	1	1	1	1	1	1	1
Highways & streets										
Engineering & Administration (3)	24	22	25	22	17	14	14	15	15	31
Maintenance	28	31	32	32	32	32	32	32	33	33
Fleet maintenance (1)	11	12	13	13	13	0	0	0	0	0
Culture & recreation										
Recreation	14	12	14	14	14	14	14	14	14	14
Parks & design	34	39	41	42	42	42	42	42	53	58
Building maintenance	6	7	11	10	9	10	10	10	0	0
Dixie Center	9	9	9	12	12	12	12	11	11	12
Administration & others	9	8	8	6	6	6	6	6	6	4
Water services	52	54	54	49	49	49	49	49	49	49
Wastewater collections	17	19	19	19	17	17	17	17	17	17
Energy services	49	53	56	51	52	52	52	53	54	54
Golf courses (2)	33	33	33	34	31	31	31	32	32	0
Wastewater treatment	18	21	21	19	20	20	20	20	21	21
Public transit	11	15	15	14	14	15	15	16	16	21
<b>Total</b>	<b>605</b>	<b>645</b>	<b>668</b>	<b>648</b>	<b>635</b>	<b>638</b>	<b>638</b>	<b>649</b>	<b>662</b>	<b>684</b>

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(1) moved to General government in 2011 fiscal year

(2) Golf moved to General Fund in 2015 fiscal year

(3) Reorganization of departments moved several divisions

Note: 2015 based upon number of approved positions in fiscal year 2015 approved budget

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***SINGLE AUDIT SECTION***

MEMBERS:

CHAD B. ATKINSON, CPA  
KRIS J. BRAUNBERGER, CPA  
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ROBERT S. COX, CPA  
TODD B. FELTNER, CPA  
K. MARK FROST, CPA

KENNETH A. HINTON, CPA  
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PHILLIP S. PEINE, CPA  
MICHAEL K. SPILKER, CPA  
KEVIN L. STEPHENS, CPA  
MARK E. TICHENOR, CPA

**Independent Auditors' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

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, 2014, 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 November 7, 2014.

**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.

### **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.



HintonBurdick, PLLC  
St. George, Utah  
November 7, 2014

**ST. GEORGE CITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Grantor Agency	Federal CFDA Number	Federal Expenditures
<b>U.S. Department of Housing and Urban Development</b>		
Community Development Block Grants/ Entitlement Grants Program	14.218	\$ 373,037
<b>U.S. Department of Interior</b>		
Water Conservation Field Services Grant Program	15.530	32,602
<b>U.S. Department of Justice</b>		
Passed through the State of Utah:		
Crime Victim Assistance	16.575	39,025
Edward Byrne Memorial Justice Assistance Grant Program	16.738	1,643
Regional Fugitive Task Force	16.xxx	7,978
Drug Enforcement Administration:		
Equitable Sharing Program	16.922	106,731
Total U.S. Department of Justice		<u>155,377</u>
<b>U.S. Department of Transportation</b>		
Federal Transportation Administration:		
Federal Transit-Capital Investment Grants (1)	20.500	299,258
Federal Transit-Formula Grants (1)	20.507	671,515
Passed through the State of Utah:		
Recreational Trails Program	20.219	71,355
Federal Aviation Administration:		
Passed through the State of Utah:		
Airport Improvement Program	20.106	10,782,430
Small Community Air Service Development Program	20.930	418,869
Total U.S. Department of Transportation		<u>12,243,427</u>
<b>Executive Office of the President, Office of National Drug Control Policy</b>		
High Intensity Drug Trafficking Area (HIDTA)	95.001	160,326
<b>U.S. Department of Homeland Security</b>		
Federal Emergency Management Agency:		
Passed through the State of Utah:		
Disaster Grants-Public Assistance	97.036	536,930
Hazard Mitigation Grant Program	97.039	468,406
Total U.S. Department of Homeland Security		<u>1,005,336</u>
Total expenditures of federal awards		<u>\$ 13,970,105</u>

(1) Programs 20.500 and 20.507 are included in a cluster.

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, 2014**

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**Note 1. Basis of Presentation**

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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.

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**Note 2. Sub-recipients**

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St. George City provided federal awards to the following sub-recipients:

CDBG (14.218)

Five County Association of Governments	\$14,362
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Equity Sharing Program (16.922)

Washington County, Utah	7,300
Hurricane City, Utah	13,700
Washington City, Utah	15,000
Ivins City, Utah	8,000

**ST. GEORGE CITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

**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: unmodified

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:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
20.106	Airport Improvement Program
20.500, 20.507	Federal Transit—Capital Investment Grants, Federal Transit—Formula Grants
97.036	Disaster Grants – Public Assistance
97.039	Hazard Mitigation Grant

Dollar threshold used to distinguish between type A and type B programs: \$ 419,103

Auditee qualified as low-risk auditee?   x   yes      \_\_\_no

**ST. GEORGE CITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

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**Section II – Financial Statement Findings**

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No matters reported

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**Section III – Federal Award Findings and Questioned Costs**

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No matters or questioned costs reported

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

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**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, 2014. 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.

***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, 2014.

## 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.



HintonBurdick, PLLC  
St. George, Utah  
November 7, 2014



**Independent Auditor's Report in accordance with the *State Compliance Audit Guide* on Compliance with General State Compliance Requirements, Compliance for each Major State Program, Internal Control over Compliance, and the Schedule of Expenditures of State Awards**

The Honorable Mayor and  
City Council  
St. George, Utah

**Report On Compliance with General State Compliance Requirements and for Each Major State Program**

We have audited St. George City, Utah's compliance with the applicable general state and major state program compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on St. George City, Utah or each of its major state programs for the year ended June 30, 2014.

General state compliance requirements were tested for the year ended June 30, 2014 in the following areas:

Budgetary Compliance  
Fund Balance  
Utah Retirement Systems  
Transfers from Utility Enterprise Funds

St. George City, Utah received state funding from the following programs classified as major programs for the year ended June 30, 2014:

B&C Road Funds

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on St. George City, Utah's compliance based on our audit of the 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 the *State Compliance Audit Guide*. Those standards and the *State 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 direct and material effect on St. George City, Utah or its major state programs occurred. An audit includes examining, on a test basis, evidence 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 on compliance with general state compliance requirements and for each major state program. However, our audit does not provide a legal determination of St. George City, Utah's compliance.

### ***Opinion on General State Compliance Requirements and Each Major State Program***

In our opinion, St. George City, Utah complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on St. George City, Utah or on each of its major state programs for the year ended June 30, 2014.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide* and which are described in the accompanying Schedule of Findings and Recommendations as items 08-01, and 14-01.

St. George City, Utah's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Recommendations. St. George City, Utah's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

### ***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.

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

**Report on Schedule of Expenditures of State Awards as Required by the *State Compliance Audit Guide***

We have audited 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, 2014, and the related notes to the financial statements, which collectively comprise St. George City, Utah's basic financial statements. We issued our report thereon dated November 7, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis as required by the *State Compliance Audit Guide* and is 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state awards is fairly stated in all material respects in relation to the financial statements as a whole.



HintonBurdick, PLLC  
St. George, Utah  
November 7, 2014

CITY OF ST. GEORGE, UT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014

<u>Grant Name</u>	<u>Award/Contract # (if applicable)</u>	<u>Year of Last Audit</u>	<u>Expenditures</u>
Utah Department of Transportation			
St George Municipal Airport - 2012 Pavement Maintenance	Project #139604		\$87,025.30
St George Municipal Airport - 2014 Pavement Maintenance	Project #149593		<u>\$180,000.00</u>
subtotal - Utah Department of Transportation			<u>\$267,025.30</u>
Department of Natural Resources			
Ut Division of Forestry, Fire, & State Lands Community Forestry Partnership Grant	Tree Inventory Project		<u>\$8,000.00</u>
Utah Department of Heritage & Arts			
Arts & Museums Division	FY 2014 OMS Project Grant		\$3,200.00
Arts & Museums Division	FY 2014 Local Arts Agency		<u>4,000.00</u>
subtotal - Utah Department of Heritage & Arts			<u>\$7,200.00</u>
Utah Department of Public Safety			
E-911 Committee	Dispatch Center upgrade		\$140,943.48
Utah Commission on Criminal & Juvenile Justice	Grant #14F16		90,219.07
Emergency Medical Services	Manikin		4,413.00
Highway Safety	Digital Cameras		4,941.00
Highway Safety	Reimb Dec thru June		8,014.12
Highway Safety	DUI OT reimbursement		<u>12,851.18</u>
subtotal - Utah Department of Public Safety			<u>\$261,381.85</u>
TOTAL GRANT, CONTRACT, AND LOAN FUND EXPENDITURES			<u><u>\$543,607.15</u></u>



**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

November 7, 2014

St. George City Officials  
 St. George, Utah 84770

Dear Sirs:

During our audit of the funds of St. George City for the fiscal year 2013 - 2014, we found two instances of non-compliance with state law. We do not believe these items to be material; however, we are required to communicate them to you. We recommend that appropriate action be taken to bring the City in full compliance with state laws.

08-02. Finding - Budgetary Compliance:

*The Fiscal Procedures Act for Utah Cities* requires cities to restrict expenditures to the authorized department or fund budget. We noted that the Special Assessments Debt Service Fund over-spent its budget. 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 fund budgets.

14-01. Finding – Interfund Transfers:

UCA 10-6-135 states that before a transfer is made from an enterprise fund to another fund the governing body must:

- Hold a public hearing;
- Prepare a written notice of the date, time, place, and purpose of the hearing,; and
- Mail the written notice to each enterprise fund customer at least seven days before the day of the hearing.

We noted that an unbudgeted transfer in the amount of \$2,190,482 was made from the Wastewater Collection Fund to the Wastewater Treatment fund.

Recommendation

We recommend that the City operate within the confines of State law by following the above listed guidelines prior to making transfers out of an enterprise fund.

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,

A handwritten signature in cursive script that reads "Hinton Burdick, PLLC".

HintonBurdick, PLLC

November 7, 2014



November 7, 2014

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, 2014

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.
2. This was an oversight on our part because the transfers were between two enterprise funds. Enterprise funds are not required to report on actual vs. budget like certain governmental funds are thus this was simply an oversight. In the future we will make sure that all interfund transfers are done in accordance with the requirements of the state.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2013

The June 30, 2013 findings included the current finding on budgets. We will continue to monitor and review budgets to do our best to avoid this finding again in the 2015 fiscal year.

***CONTINUING DISCLOSURE SECTION***

CITY OF ST. GEORGE, UT  
 Continuing Disclosure - Franchise Tax Revenue Bonds, Series 2014  
 Fiscal Year Ended June 30, 2014

<u>Fiscal Year</u>	<u>Revenues from Electric Suppliers</u>	<u>Revenues from Natural Gas Suppliers</u>	<u>Total Revenues from Pledged Taxes</u>	<u>Percent Change from Prior Year</u>
2014	\$ 4,136,934	\$ 971,495	\$ 5,108,429	1.35%
2013	4,178,110	862,119	5,040,229	10.63% (1)
2012	3,732,321	823,597	4,555,918	0.73%
2011	3,629,411	893,485	4,522,896	1.89%
2010	3,612,106	826,836	4,438,942	-0.81%
2009	3,594,251	880,749	4,475,000	-1.72%
2008	3,684,271	868,839	4,553,110	9.81%
2007	3,440,774	705,578	4,146,352	0.11%
2006	3,174,155	967,817	4,141,972	17.04%
2005	2,879,999	658,964	3,538,963	n/a

(1) The increase in Revenues from Pledged Taxes in 2013 is in part a result of the City's 7% user rate increase on all users with the City's electric system effective July 1, 2012

Source: The City

CITY OF ST. GEORGE, UT  
 Continuing Disclosure - Franchise Tax Revenue Bonds, Series 2014  
 Fiscal Year Ended June 30, 2014

Debt Service Coverage Actual and Projected

Fiscal Year	Total Pledged Taxes (1)	Series 2014 Bonds Debt Service	Coverage
2014	\$ 5,108,429	\$ 104,304	48.98
2015	5,159,513	762,825	6.76
2016	5,211,108	762,800	6.83
2017	5,263,220	758,425	6.94
2018	5,315,852	761,425	6.98
2019	5,369,010	761,350	7.05
2020	5,422,700	762,975	7.11
2021	5,476,927	758,475	7.22
2022	5,531,697	762,725	7.25
2023	5,587,014	760,600	7.35
2024	5,642,884	762,100	7.40
2025	5,699,313	762,100	7.48
2026	5,756,306	760,600	7.57
2027	5,813,869	762,475	7.62
2028	5,872,007	759,500	7.73
2029	5,930,727	761,763	7.79

(1) Projections based on actual fiscal year 2014 Pledged Taxes of \$5,108,429 and assuming an annual increase of 1%

**CITY OF ST. GEORGE, UT**  
**Balance Sheet - General Fund**  
(This summary has not been audited)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>					
Cash	\$ 4,796,318	\$ 4,528,595	\$ 1,954,945	\$ 1,746,858	\$ 2,651,528
Accounts receivable	11,831,981	11,480,435	3,428,067	3,070,277	2,845,560
Prepaid items	40,990	39,774	38,420	7,718	72,758
Inventory	101,231	112,346	98,415	113,172	92,317
Notes receivable	49,935	70,000	1,616,708	1,621,140	1,621,109
Due from other funds	612,809	500,000	500,000	500,000	500,000
<b>Total assets</b>	<b>\$ 17,433,264</b>	<b>\$ 16,731,150</b>	<b>\$ 7,636,555</b>	<b>\$ 7,059,165</b>	<b>\$ 7,783,272</b>
<b>LIABILITIES</b>					
<b>Liabilities:</b>					
Construction bonds held	689,412	\$ 682,700	\$ 189,430	\$ 178,065	\$ 176,206
Due to other funds	-	-			388,645
Accrued liabilities	1,534,650	1,161,319	1,697,360	1,187,915	2,419,677
Deferred revenues			54,489	49,409	42,322
<b>Total liabilities</b>	<b>2,224,062</b>	<b>1,844,019</b>	<b>1,941,279</b>	<b>1,415,389</b>	<b>3,026,850</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues - property tax levy	8,300,000	8,000,000			
Unavailable revenues - city cache cards	61,660	59,450			
<b>Total deferred inflows of resources</b>	<b>8,361,660</b>	<b>8,059,450</b>	-	-	-
<b>Fund Balances (deficits):</b>					
<b>Nonspendable:</b>					
Inventories & prepaids	142,221	152,119	136,834	120,891	
Noncurrent receivables	662,744	570,000	2,116,708	2,121,140	
<b>Restricted for:</b>					
Public safety programs	228,710	264,774	157,928	105,866	
Cemetery perpetual care	126,929	121,665	112,320	141,068	161,540
Reserved for police seizures					82,865
Reserved for notes receivable					1,621,109
<b>Unassigned:</b>	<b>5,686,938</b>	<b>5,719,123</b>	<b>3,171,486</b>	<b>3,154,811</b>	<b>2,890,908</b>
<b>Total fund balances (deficits)</b>	<b>6,847,542</b>	<b>6,827,681</b>	<b>5,695,276</b>	<b>5,643,776</b>	<b>4,756,422</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 17,433,264</b>	<b>\$ 16,731,150</b>	<b>\$ 7,636,555</b>	<b>\$ 7,059,165</b>	<b>\$ 7,783,272</b>

(1) Accounting changes required under GASB 63 relating to the reporting of deferred inflows and outflows and net position were put into effect with the City's fiscal year beginning July 1, 2012. This information was not required in prior years.

(Source: Information extracted from the City's audited financial statements for the fiscal years 2010-2014. This summary itself is not audited.

**CITY OF ST. GEORGE, UTAH**  
**Statement of Net Position**  
**Governmental Activities**  
(This summary has not been audited)

	2014	2013	2012	2011	2010
<b>ASSETS:</b>					
Cash	\$ 37,546,416	\$ 31,148,104	\$ 10,193,257	\$ 17,442,032	\$ 29,314,425
Accounts receivable (net of allowance for doubtful accounts)	30,827,047	30,787,149	16,808,142	6,552,468	6,345,128
Inventory	101,231	112,346	98,415	113,173	92,317
Notes receivable	49,935	70,000	1,616,708	1,621,140	1,621,109
Internal Balances	(7,453,638)	(14,415,780)	500,000	500,000	500,000
Prepaid expenses	40,989	39,773	38,420	7,718	79,315
Capital assets (net of depreciation)					
Land	86,371,849	86,553,089	87,143,915	86,217,371	82,825,345
Buildings	21,805,887	19,153,011	19,236,991	20,116,726	18,886,037
Improvements	43,780,598	44,136,826	43,498,930	44,409,692	46,009,998
Infrastructure	180,101,009	169,417,163	164,764,337	159,379,610	139,130,642
Machinery & equipment	10,445,764	9,904,498	9,594,371	9,056,947	9,038,394
Total assets	<u>\$ 403,617,087</u>	<u>\$ 376,906,179</u>	<u>\$ 353,493,486</u>	<u>\$ 345,416,877</u>	<u>\$ 333,842,710</u>
<b>LIABILITIES:</b>					
Accrued liabilities	\$ 4,476,131	\$ 1,937,294	\$ 4,912,219	\$ 2,271,018	\$ 9,660,732
Construction bonds held	689,413	682,700	189,429	178,065	176,206
Deferred compensation	1,355,320	1,232,176	1,222,513	1,244,808	1,322,561
Interest payable	482,284	582,672	751,600	2,479,691	1,657,706
Unearned revenues	137,088	59,450	163,870	272,523	401,093
Notes payable:					
Due within one year	4,070,552	4,551,420	2,613,000	2,613,270	825,247
Due in more than one year	1,697,899	4,566,189	11,789,464	12,712,893	15,234,415
Bonds payable:					
Due within one year	5,126,000	4,885,000	4,987,000	4,793,000	4,543,000
Due in more than one year	37,442,000	34,418,000	39,303,000	44,261,000	49,002,000
Capital leases:					
Due within one year	309,380	289,440	256,000	256,080	461,900
Due in more than one year	4,077,780	3,348,220	3,651,540	3,961,500	4,217,580
Bond premiums	1,646,705	730,224	850,863	971,502	795,736
Total liabilities	<u>61,510,552</u>	<u>57,282,785</u>	<u>70,690,498</u>	<u>76,015,350</u>	<u>88,298,176</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable rev. - Property tax levy	13,184,650	11,773,450	-	-	-
<b>NET POSITION:</b>					
Net investment in capital assets	287,652,507	275,793,422	260,036,077	247,131,410	220,810,537
Restricted for:					
Unspent bond/impact fees for const.					
Debt service	867,676	894,095	1,108,756	1,334,328	1,507,515
Unrestricted	40,401,703	31,162,428	21,658,155	20,935,789	23,226,482
Total Net Position	<u>\$ 328,921,885</u>	<u>\$ 307,849,944</u>	<u>\$ 282,802,988</u>	<u>\$ 269,401,527</u>	<u>\$ 245,544,534</u>

(1) Accounting changes required under GASB 63 relating to the reporting of deferred inflows and outflows and net position were put into effect with the City's fiscal year beginning July 1, 2012. This information was not required in prior years.

(Source: Information extracted from the City's audited financial statements for the fiscal years 2010-2014. This summary itself is not audited.

**CITY OF ST. GEORGE, UT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Total Governmental Funds**  
(This summary has not been audited)

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Revenues:</b>					
Taxes & special assessments	\$ 38,743,090	\$ 39,541,270	\$ 37,449,795	\$35,590,522	\$ 34,688,928
Contributions from other governments	\$ 3,433,033				
Licenses and permits	2,243,650	2,200,214	1,755,314	1,423,821	1,393,101
Intergovernmental	17,262,508	20,213,530	16,704,043	23,559,000	23,088,968
Charges for services	10,810,277	9,814,766	9,376,063	8,849,343	8,472,802
Fines & forfeitures	960,326	953,653	995,256	1,081,108	1,034,449
Investment income	203,222	161,133	237,574	256,109	466,672
Rents & concessions	219,143	261,639	236,640	51,985	34,359
Miscellaneous	558,658	474,878	62,591	93,392	195,480
Contributions from other sources	1,008,807	109,441	93,701	139,335	96,329
Capital development fees	3,698,378	3,381,482	2,372,041	1,479,092	1,324,275
<b>Total revenues</b>	<b>79,141,092</b>	<b>77,112,006</b>	<b>69,283,018</b>	<b>72,523,707</b>	<b>70,795,363</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	5,539,004	5,496,246	5,703,689	5,794,084	7,613,577
Public safety	17,344,449	16,817,989	16,635,602	14,708,957	13,647,208
Highways & public improvements	11,779,644	11,680,913	14,970,065	9,490,489	6,852,007
Parks, recreation & public property	12,841,969	11,703,703	10,906,528	9,637,969	8,421,535
Community & economic development	2,262,219	2,393,630	2,792,178	1,968,337	3,324,562
Capital outlay	19,902,648	12,345,190	11,512,584	30,424,645	50,496,483
<b>Debt service</b>					
Capital leases	100,905	104,505	102,768	105,993	164,361
Principal	9,264,799	9,821,735	7,481,779	10,411,398	5,733,080
Interest & admin charges	2,552,383	2,896,991	4,903,890	2,697,287	2,206,865
<b>Total expenditures</b>	<b>81,588,020</b>	<b>73,260,902</b>	<b>75,009,083</b>	<b>85,239,159</b>	<b>98,459,678</b>
Excess (deficiency) of revenues over expenditures	(2,446,928)	3,851,104	(5,726,065)	(12,715,452)	(27,664,315)
<b>Other financing sources (uses):</b>					
Transfers in	15,459,739	18,659,261	16,068,531	10,958,001	26,264,411
Transfers out	(14,403,095)	(16,736,518)	(13,647,697)	(11,214,569)	(28,168,623)
Payments to other taxing agencies	(160,000)				
Unbilled utility services	(459,224)				
Contributions from private sources		1,028,150	867,991	808,551	810,226
Proceeds from sale of capital assets	896,977	1,329,377	66,534	434,470	811,928
Contributions from other governments	(10,000)	1,144,922	662,698	1,859,172	3,084,858
Proceeds of bonds and/or notes	9,350,000		2,228,000	5,395,000	10,227,000
Premium on refunding bonds	1,037,120			275,233	
<b>Total other financing sources (uses)</b>	<b>11,711,517</b>	<b>5,425,192</b>	<b>6,246,057</b>	<b>8,515,858</b>	<b>13,029,800</b>
<b>Net change in fund balances</b>	<b>9,264,589</b>	<b>9,276,296</b>	<b>519,992</b>	<b>(4,199,594)</b>	<b>(14,634,515)</b>
<b>Fund balances, beginning of year,</b>	<b>32,686,172</b>	<b>23,409,876</b>	<b>22,889,885</b>	<b>27,089,480</b>	<b>41,723,995</b>
<b>Fund balances (deficit), end of year</b>	<b>\$ 41,950,761</b>	<b>\$ 32,686,172</b>	<b>\$ 23,409,877</b>	<b>\$ 22,889,886</b>	<b>\$ 27,089,480</b>

Source: Information extracted from the City's audited financial statements. This summary has not been audited.

City of St. George, UT  
 Continuing Disclosure - Series 2004 & Series 2010 General Obligation Parks & Rec Bonds  
 Fiscal Year Ended June 30, 2014

**Comparative Property Tax Rates Within Washington County**

<u>Tax Levying Entity</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Hurricane	0.002690	0.002723	0.002754	0.002523	0.002492
Ivins	0.001981	0.002125	0.002097	0.001990	0.001736
LaVerkin	0.002750	0.002805	0.002776	0.002676	0.001945
St. George City	0.001784	0.001889	0.001857	0.001750	0.001504
Washington City	0.001621	0.001711	0.001681	0.001625	0.001393

(Source: Washington County Auditor)

## DEBT STRUCTURE

### *Outstanding General Obligation Indebtedness*

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Current Balance Outstanding</u>
2004	Parks and Recreation	11,645,000	August 1, 2021	8,220,000
2010	Parks and Recreation	5,395,000	August 1, 2023	4,935,000

### *Outstanding Tax Increment Bond Indebtedness*

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Current Balance Outstanding</u>
2011	Sales tax rev.	\$2,228,000	June 15, 2015	\$ 870,000
2009	Sales tax rev.	22,485,000	Nov. 1, 2017	11,260,000

### *Outstanding Revenue Indebtedness*

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Current Balance Outstanding</u>
2011	Water Refunding	\$6,120,000	June 1, 2020	\$ 4,660,000
2004	Water	\$31,000,000	July 1, 2014	\$ 1,400,000
2004	Sewer	\$7,015,000	July 1, 2016	\$ 2,675,000
2013	Electric Revenue	\$11,280,000	June 1, 2025	\$ 11,235,000
2008	Electric Revenue	\$50,000,000	June 1, 2038	\$ 46,225,000
2009A	Build America Bonds	\$3,504,000	December 1, 2021	\$ 2,410,000
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	\$ 3,537,000
2014	Franchise Tax bonds	\$8,150,000	Dec 1, 2028	\$ 8,150,000

### *Outstanding Lease Purchase Indebtedness*

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Current Balance Outstanding</u>
1999A	MBA Refunding	\$6,270,000	September 1, 2017	\$ 370,000
2000	MBA Woodward	\$350,000	April 1, 2021	\$ 144,000

### **Debt Ratios**

Direct General Obligation Debt is .234% of 2014 Taxable Value.

Total Direct and Overlapping General Obligation Debt is 1.92% of 2014 Taxable Value

Per Capita Direct General Obligation Debt is \$155 based on the estimated population of 85,000.

Per Capita Direct and Overlapping General Obligation Debt is \$1,775 based on estimated population.

City of St. George, UT  
 Continuing Disclosure - 2004 Sewer Revenue Bonds  
 Fiscal Year Ended June 30, 2014

Table 1 - Sewer Fees by Fiscal Year per Entity

Entity	-----Fiscal Year Ended June 30-----				
	2014	2013 (1)	2012	2011	2010
City of St. George	\$ 3,235,059	\$ 3,183,915	\$ 5,791,457	\$ 5,727,765	\$ 5,669,907
Washington City	816,957	865,852	1,422,272	1,353,479	1,338,761
City of Santa Clara	177,555	173,522	330,488	325,983	322,579
Town of Ivins	255,923	227,025	471,375	463,729	458,921
	<u>\$ 4,485,494</u>	<u>\$ 4,450,314</u>	<u>\$ 8,015,592</u>	<u>\$ 7,870,956</u>	<u>\$ 7,790,168</u>

(1) Rates were reduced during the 2013 fiscal year

(Source: The City)

Table 2 - Sewer Connections by Fiscal Year per Entity

Entity	-----Fiscal Year Ended June 30-----				
	2014	2013	2012	2011	2010
City of St. George	35,945	35,654	33,750	33,379	33,041
Washington City	9,077	9,621	8,288	7,887	7,802
City of Santa Clara	1,973	1,928	1,926	1,900	1,880
Town of Ivins	2,844	2,523	2,747	2,702	2,674
	<u>49,839</u>	<u>49,726</u>	<u>46,711</u>	<u>45,868</u>	<u>45,397</u>

City of St. George, UT  
 Continuing Disclosure - 2004 Sewer Revenue Bonds  
 Fiscal Year Ended June 30, 2014

Enterprise Fund - Wastewater Collection  
 Balance Sheet

	-----Fiscal Year Ended June 30-----				
	2014	2013	2012	2011	2010
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash	\$ 694,458	\$ 1,985,459	\$ 1,307,087	\$ 899,443	\$ 405,198
Accts Rec./Due from other funds	614,531	651,919	57,366	58,364	95,822
<b>Total current assets</b>	<b>1,308,989</b>	<b>2,637,378</b>	<b>1,364,453</b>	<b>957,807</b>	<b>501,020</b>
Property Plant & Equipment	12,295,632	11,958,183	11,919,131	11,531,005	11,298,355
Accumulated depreciation	(7,504,439)	(7,122,268)	(6,700,059)	(6,293,894)	(5,846,117)
<b>Net property, plant &amp; equipment</b>	<b>4,791,193</b>	<b>4,835,915</b>	<b>5,219,072</b>	<b>5,237,111</b>	<b>5,452,238</b>
<b>Total Assets</b>	<b>\$ 6,100,182</b>	<b>\$ 7,473,293</b>	<b>\$ 6,583,525</b>	<b>\$ 6,194,918</b>	<b>\$ 5,953,258</b>
<b>Liabilities and fund equity:</b>					
<b>Current Liabilities:</b>					
Accrued liabilities	\$ 71,252	\$ 60,619	\$ 50,814	\$ 73,620	\$ 69,164
Customer guarantee deposits	84,471	81,260			
<b>Total current liabilities</b>	<b>155,723</b>	<b>141,879</b>	<b>50,814</b>	<b>73,620</b>	<b>69,164</b>
<b>Total Liabilities</b>	<b>155,723</b>	<b>141,879</b>	<b>50,814</b>	<b>73,620</b>	<b>69,164</b>
<b>Fund Equity:</b>					
<b>Contributed capital:</b>					
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
<b>Total contributions</b>	<b>2,051,824</b>	<b>2,051,824</b>	<b>2,051,824</b>	<b>2,051,824</b>	<b>2,051,824</b>
<b>Retained Earnings:</b>					
Unreserved/unrestricted	3,892,635	5,279,590	4,480,887	4,069,474	3,832,270
<b>Total retained earnings</b>	<b>3,892,635</b>	<b>5,279,590</b>	<b>4,480,887</b>	<b>4,069,474</b>	<b>3,832,270</b>
<b>Total fund equity</b>	<b>5,944,459</b>	<b>7,331,414</b>	<b>6,532,711</b>	<b>6,121,298</b>	<b>5,884,094</b>
<b>Total liabilities and equity</b>	<b>\$ 6,100,182</b>	<b>\$ 7,473,293</b>	<b>\$ 6,583,525</b>	<b>\$ 6,194,918</b>	<b>\$ 5,953,258</b>

City of St. George, UT  
Continuing Disclosure - 2004 Sewer Revenue Bonds  
Fiscal Year Ended June 30, 2014

Enterprise Fund - Wastewater Treatment  
Balance Sheet

	-----Fiscal Year Ended June 30-----				
	2014	2013	2012	2011	2010
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash	\$ 26,616,380	\$ 16,099,676	\$ 34,965,963	\$ 32,350,548	\$ 29,502,267
Restricted cash	918,725	1,480,993	2,300,767	2,334,681	2,307,326
Accounts receivable	282,837	322,111	241,095	389,072	469,645
Bond discounts & insurance	30,350	40,467	89,679	240,542	391,405
Due from other funds	11,720,463	18,478,173	-	-	-
<b>Total current assets</b>	<b>39,568,755</b>	<b>36,421,420</b>	<b>37,597,504</b>	<b>35,314,843</b>	<b>32,670,643</b>
Property Plant & Equipment	74,563,864	74,068,713	72,100,666	71,146,346	70,569,214
Accumulated depreciation	(20,514,139)	(18,956,695)	(17,454,541)	(15,971,354)	(14,499,890)
<b>Net property, plant &amp; equipment</b>	<b>54,049,725</b>	<b>55,112,018</b>	<b>54,646,125</b>	<b>55,174,992</b>	<b>56,069,324</b>
<b>Total Assets</b>	<b>\$ 93,618,480</b>	<b>\$ 91,533,438</b>	<b>\$ 92,243,629</b>	<b>\$ 90,489,835</b>	<b>\$ 88,739,967</b>
<b>Liabilities and fund equity:</b>					
<b>Current Liabilities:</b>					
Accrued liabilities	\$ 236,885	\$ 238,162	\$ 783,109	\$ 644,891	\$ 337,674
Bonds payable - short term	850,000	1,080,000	-	-	-
<b>Total current liabilities</b>	<b>1,086,885</b>	<b>1,318,162</b>	<b>783,109</b>	<b>644,891</b>	<b>337,674</b>
Bonds payable - long term	1,824,522	2,674,522	4,868,154	7,110,785	9,263,417
<b>Total Liabilities</b>	<b>2,911,407</b>	<b>3,992,684</b>	<b>5,651,263</b>	<b>7,755,676</b>	<b>9,601,091</b>
<b>Fund Equity:</b>					
<b>Contributed capital:</b>					
Subdivisions	-	-	-	-	-
Government agencies	2,761,568	2,761,568	2,761,568	2,761,568	2,761,568
<b>Total contributions</b>	<b>2,761,568</b>	<b>2,761,568</b>	<b>2,761,568</b>	<b>2,761,568</b>	<b>2,761,568</b>
<b>Retained Earnings:</b>					
Restricted for bond retirement	918,725	1,480,993	2,300,767	2,334,681	2,307,326
Unreserved/unrestricted	87,026,780	83,298,193	81,530,031	77,637,910	74,069,982
<b>Total retained earnings</b>	<b>87,945,505</b>	<b>84,779,186</b>	<b>83,830,798</b>	<b>79,972,591</b>	<b>76,377,308</b>
<b>Total fund equity</b>	<b>90,707,073</b>	<b>87,540,754</b>	<b>86,592,366</b>	<b>82,734,159</b>	<b>79,138,876</b>
<b>Total liabilities and equity</b>	<b>\$ 93,618,480</b>	<b>\$ 91,533,438</b>	<b>\$ 92,243,629</b>	<b>\$ 90,489,835</b>	<b>\$ 88,739,967</b>

City of St. George, UT  
 Continuing Disclosure - 2004 Sewer Revenue Bonds  
 Fiscal Year Ended June 30, 2014

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

	-----Fiscal Year Ended June 30-----				
	2014	2013 (1)	2012	2011	2010
Operating revenues:					
Charges for services	\$ 5,439,051	\$ 5,331,420	\$ 7,685,742	\$ 7,706,792	\$ 7,628,073
Impact and connection fees					
Other operating revenues	795,851	728,199	489,887	256,617	272,305
<b>Total operating revenues</b>	<b>6,234,902</b>	<b>6,059,619</b>	<b>8,175,629</b>	<b>7,963,409</b>	<b>7,900,378</b>
Operating expenses:					
Salary & Wages	680,411	612,710	631,730	622,646	656,092
Deprecation	382,171	422,209	406,165	447,778	456,801
Bad debts	-	-	-	-	-
Payroll tax & employee benefits	326,085	277,508	276,261	269,190	291,060
Office & department supplies	58,580	67,374	45,949	51,292	39,067
Professional services	9,874	10,676	14,519	8,547	7,056
Repair & maintenance - equipment	238,821	242,865	133,162	123,668	110,653
Repair & maintenance - bldg & grounds	12,022	2,904	969	6,852	3,210
Insurance & surety bonds	18,018	18,743	18,428	16,618	14,113
Travel	5,809	4,982	6,019	4,684	6,171
Contract labor	3,235,059	3,162,855	5,791,457	5,727,765	5,669,907
Billing and administration	500,000	450,000	450,000	450,000	520,000
<b>Total operating expenses</b>	<b>5,466,850</b>	<b>5,272,826</b>	<b>7,774,659</b>	<b>7,729,040</b>	<b>7,774,130</b>
Operating income (loss)	768,052	786,793	400,970	234,369	126,248
Non-operating revenues (expenses)					
Interest income	3,774	11,907	4,173	2,189	2,853
Miscellaneous income	-	-	6,270	647	19,739
<b>Total non-operating revenue (expense)</b>	<b>3,774</b>	<b>11,907</b>	<b>10,443</b>	<b>2,836</b>	<b>22,592</b>
Net Income	771,826	798,700	411,413	237,205	148,840
Transfers to other funds	(2,158,780)	-	-	-	-
Retained earnings at beginning of year	5,279,589	4,480,889	4,069,476	3,832,271	3,683,431
<b>Retained earnings at end of year</b>	<b>3,892,635</b>	<b>5,279,589</b>	<b>4,480,889</b>	<b>4,069,476</b>	<b>3,832,271</b>

(1) Rates were reduced in 2013

City of St. George, UT  
Continuing Disclosure - 2004 Sewer Revenue Bonds  
Fiscal Year Ended June 30, 2014

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

	-----Fiscal Year Ended June 30-----				
	2014	2013 (1)	2012	2011	2010
Operating revenues:					
Charges for services	\$ 4,473,387	\$ 4,450,314	\$ 8,015,592	\$ 7,870,955	\$ 7,790,169
Impact and connection fees	-	-	-	-	-
Other operating revenues	1,349,301	1,247,041	901,186	664,951	612,617
<b>Total operating revenues</b>	<b>5,822,688</b>	<b>5,697,355</b>	<b>8,916,778</b>	<b>8,535,906</b>	<b>8,402,786</b>
Operating expenses:					
Salary & Wages	982,424	938,319	1,025,748	929,639	986,605
Supplies	434,384	435,052	405,723	409,983	434,843
Equipment rental	449	1,010	986	2,684	1,899
Deprecation	1,557,444	1,502,153	1,483,187	1,471,464	1,353,635
Payroll tax & employee benefits	447,612	395,433	416,748	394,731	402,842
Office & department supplies	73,418	91,004	43,853	50,379	33,277
Professional services	115,270	141,755	213,054	166,092	282,606
Repair & maintenance - equipment	559,485	543,083	699,312	606,895	571,247
Repair & maintenance - bldg & grounds	14,799	15,494	15,303	24,514	14,736
Insurance & surety bonds	56,088	56,967	54,039	58,897	57,801
Travel	5,331	4,913	5,849	10,023	6,697
Billing and administration	750,000	650,000	650,000	650,000	520,000
<b>Total operating expenses</b>	<b>4,996,704</b>	<b>4,775,183</b>	<b>5,013,802</b>	<b>4,775,301</b>	<b>4,666,188</b>
Operating income (loss)	825,984	922,172	3,902,976	3,760,605	3,736,598
Non-operating revenues (expenses)					
Interest income	222,300	113,851	132,962	101,043	194,257
Miscellaneous income	70,376	62,136	100,895	72,613	62,578
Interest charges	(142,821)	(118,496)	(278,626)	(338,977)	(393,285)
<b>Total non-operating revenue (expense)</b>	<b>149,855</b>	<b>57,491</b>	<b>(44,769)</b>	<b>(165,321)</b>	<b>(136,450)</b>
Net Income	975,839	979,663	3,858,207	3,595,284	3,600,148
Restatement of retained earnings for GASB		(31,277)	-	-	-
Tranfers (to) from other funds	2,190,481	-	-	-	-
Retained earnings at beginning of year	84,779,185	83,830,799	79,972,592	76,377,308	72,777,160
<b>Retained earnings at end of year</b>	<b>\$ 87,945,505</b>	<b>\$ 84,779,185</b>	<b>\$ 83,830,799</b>	<b>\$ 79,972,592</b>	<b>\$ 76,377,308</b>

(1) Rates were reduced in 2013

City of St. George, UT  
Continuing Disclosure - 2004 Sewer Revenue Bonds  
Fiscal Year Ended June 30, 2014

Balance Sheet- General Fund

	-----Fiscal Year Ended June 30-----				
	2014	2013	2012	2011	2010
<b>Assets and other debits:</b>					
Cash	\$ 4,796,318	\$ 4,528,595	\$ 1,954,945	\$ 1,746,858	\$ 2,651,528
Accounts receivable (net of allowance)	3,531,981	3,480,435	3,428,067	3,070,277	2,845,560
Inventory	101,231	112,346	98,415	113,173	92,317
Due from other funds	612,809	500,000	500,000	500,000	500,000
Prepaid items	40,989	39,773	38,420	7,718	72,758
Notes receivable	49,935	70,000	1,616,708	1,621,140	1,621,109
<b>Total assets and other debits</b>	<b>\$ 9,133,263</b>	<b>\$ 8,731,149</b>	<b>\$ 7,636,555</b>	<b>\$ 7,059,166</b>	<b>\$ 7,783,272</b>
<b>Liabilities:</b>					
Accrued liabilities	\$ 1,534,650	\$ 1,161,319	\$ 1,697,360	\$ 1,187,916	\$ 2,419,677
Construction bonds held	689,413	682,700	189,429	178,065	176,206
Due to other funds	-	-	-	-	388,645
Deferred revenues	61,660	59,450	54,489	49,409	42,322
<b>Total liabilities</b>	<b>2,285,723</b>	<b>1,903,469</b>	<b>1,941,278</b>	<b>1,415,390</b>	<b>3,026,850</b>
<b>Fund equity and other credits:</b>					
<b>Fund Balances:</b>					
Reserved by statute	355,640	386,439	270,248	246,934	244,405
Reserved for notes receivable	662,744	570,000	1,616,708	1,621,140	1,621,109
Unreserved - undesignated	5,829,156	5,871,241	3,808,321	3,775,702	2,890,908
<b>Total fund equity and other credits</b>	<b>6,847,540</b>	<b>6,827,680</b>	<b>5,695,277</b>	<b>5,643,776</b>	<b>4,756,422</b>
<b>Total Liabilities, Equity, and other credits</b>	<b>\$ 9,133,263</b>	<b>\$ 8,731,149</b>	<b>\$ 7,636,555</b>	<b>\$ 7,059,166</b>	<b>\$ 7,783,272</b>

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, 2010 through June 30, 2014. The summary has not been audited

	-----Fiscal Year Ended June 30-----				
	2010	2011	2012	2013	2014
<b>REVENUES:</b>					
Taxes and special assessments	\$ 26,166,847	\$ 26,964,263	\$ 28,381,246	\$ 30,609,031	\$ 31,407,011
Licenses and permits	1,393,101	1,423,821	1,755,314	2,200,214	2,243,650
Intergovernmental	3,059,885	3,170,062	3,359,693	3,485,640	3,775,612
Charges for services	8,472,802	8,808,926	9,283,576	9,772,606	10,556,676
Fines and forfeitures	1,034,449	1,081,108	995,256	953,653	960,326
Miscellaneous	129,308	82,590	57,315	73,143	69,093
Interest income	208,978	164,324	126,859	64,097	89,423
Rents and concessions	24,871	30,213	39,857	61,846	23,408
Proceeds from sale of property	-	-	-	-	-
<b>Total revenues</b>	<b>40,490,241</b>	<b>41,725,307</b>	<b>43,999,116</b>	<b>47,220,230</b>	<b>49,125,199</b>
<b>EXPENDITURES:</b>					
General government	5,752,407	5,601,325	5,471,034	5,287,619	5,411,993
Public safety	13,647,208	14,707,869	16,623,981	16,812,718	17,340,330
Highways and public improvements	6,852,007	6,687,773	7,336,466	7,701,982	8,666,064
Parks, recreation and public prop.	8,407,835	8,888,809	10,237,209	11,092,834	12,239,611
Community and economic development	1,425,660	1,110,749	1,875,605	1,761,570	1,816,774
Capital projects	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital leases	125,180	55,993	52,768	44,505	35,905
<b>Total expenditures</b>	<b>36,210,297</b>	<b>37,052,518</b>	<b>41,597,063</b>	<b>42,701,228</b>	<b>45,510,677</b>
<b>Excess (deficiency of Revenues over Expenditures)</b>	<b>4,279,944</b>	<b>4,672,789</b>	<b>2,402,053</b>	<b>4,519,002</b>	<b>3,614,522</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds of bond sales/capital leases	-	-	-	-	-
Contributions from other entities	96,329	139,335	93,701	109,441	119,478
Operating transfers out	(4,620,073)	(4,667,000)	(2,967,000)	(3,967,000)	(4,467,000)
Operating transfers in	240,430	708,823	469,906	393,281	1,175,470
Interfund utility services	-	-	-	-	(458,099)
Proceeds from sale of fixed assets	3,470	33,408	52,839	77,681	35,491
<b>Total other financing sources (uses)</b>	<b>(4,279,844)</b>	<b>(3,785,434)</b>	<b>(2,350,554)</b>	<b>(3,386,597)</b>	<b>(3,594,660)</b>
<b>Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses</b>	<b>100</b>	<b>887,355</b>	<b>51,499</b>	<b>1,132,405</b>	<b>19,862</b>
Residual equity transfer to PFC Spec Rev Fund	-	-	-	-	-
Unappropriated Fund Balances at the beginning of the year	4,756,321	4,756,421	5,643,776	5,695,275	6,827,680 **
<b>Fund Balances at the end of year</b>	<b>\$ 4,756,421</b>	<b>\$ 5,643,776</b>	<b>\$ 5,695,275</b>	<b>\$ 6,827,680</b>	<b>\$ 6,847,542</b>

\*\* (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, 2014

Historical Summaries of Taxable Values of Property

Set by County Assessor Locally Assessed	2013		2012		2011		2010		2009		2008	
	Taxable Value	% of T.V.										
Residential Real Estate - primary use	\$ 657,010,220	11.69%	\$ 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%
Residential Real Estate - Not primary use	677,935,670	12.06%	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%
Commercial and Industrial Real Estate	638,982,240	11.37%	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%
Agricultural Real Estate - Improved - Not F.A.A.	28,057,900	0.50%	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%
Real Estate - Under FAA-Agricultural	2,025,410	0.04%	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%
Unimproved Real Estate - Not F.A.A.	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Total Real Estate</b>	<b>2,004,011,440</b>	<b>35.64%</b>	<b>1,960,925,535</b>	<b>37.79%</b>	<b>2,028,803,025</b>	<b>39.38%</b>	<b>2,186,179,335</b>	<b>41.21%</b>	<b>2,642,662,555</b>	<b>43.96%</b>	<b>3,062,484,810</b>	<b>41.80%</b>
Residential Buildings - Primary use	1,866,538,850	33.20%	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%
Residential Buildings - Not primary use	907,412,450	16.14%	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%
Commercial and Industrial Buildings	710,851,415	12.64%	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%
Agricultural Buildings	2,295,150	0.04%	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%
<b>Total Buildings</b>	<b>3,487,097,865</b>	<b>62.02%</b>	<b>3,110,326,740</b>	<b>59.94%</b>	<b>3,000,731,670</b>	<b>58.25%</b>	<b>2,995,870,920</b>	<b>56.48%</b>	<b>3,245,328,500</b>	<b>53.99%</b>	<b>4,028,827,465</b>	<b>54.99%</b>
<b>Total Real Property</b>	<b>5,491,109,305</b>	<b>97.67%</b>	<b>5,071,252,275</b>	<b>97.73%</b>	<b>5,029,534,695</b>	<b>97.64%</b>	<b>5,182,050,255</b>	<b>97.69%</b>	<b>5,887,991,055</b>	<b>97.95%</b>	<b>7,091,312,275</b>	<b>96.79%</b>
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%	-	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%
<b>Total Personal Property</b>	<b>-</b>	<b>0.00%</b>										
<b>Total Locally Assessed</b>	<b>5,491,109,305</b>	<b>97.67%</b>	<b>5,071,252,275</b>	<b>97.73%</b>	<b>5,029,534,695</b>	<b>97.64%</b>	<b>5,182,050,255</b>	<b>97.69%</b>	<b>5,887,991,055</b>	<b>97.95%</b>	<b>7,091,312,275</b>	<b>96.79%</b>
<b>Total Centrally Assessed</b>	<b>131,115,013</b>	<b>2.33%</b>	<b>118,029,935</b>	<b>2.27%</b>	<b>121,753,283</b>	<b>2.36%</b>	<b>122,477,787</b>	<b>2.31%</b>	<b>123,394,584</b>	<b>2.05%</b>	<b>234,970,051</b>	<b>3.21%</b>
<b>Total Taxable Value</b>	<b>\$ 5,622,224,318</b>	<b>100.00%</b>	<b>\$ 5,189,282,210</b>	<b>100.00%</b>	<b>\$ 5,151,287,978</b>	<b>100.00%</b>	<b>\$ 5,304,528,042</b>	<b>100.00%</b>	<b>\$ 6,011,385,639</b>	<b>100.00%</b>	<b>\$ 7,326,282,326</b>	<b>100.00%</b>

(Source: Washington County Information Technology)

Memo: Total Market Value is \$7,859,544,541.

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	2013 Refunding 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
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
2014	17,641,536	2,507,224	4,968	20,153,728	11,964,889	8,188,839		110,894	1,097,250	1,466,500	858,000	100,263	3,632,907	2.25

(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**

	2014	2013	2012	2011	2010	2009	2008
<b>ASSETS</b>							
-							
<b>Current Assets:</b>							
Cash	\$ 774,065	\$ (1,890,465)	\$ (1,556,925)	\$ (539,510)	\$ 842,799	\$ 945,796	\$ 1,240,894
Restricted Cash	2,890,362	2,738,218	2,477,884	3,228,193	3,213,913	3,325,629	3,292,054
Accts. Receivable	3,121,279	2,946,122	281,551	81,965	205,880	220,971	605,381
Inventory	685,321	628,371	597,605	587,902	525,895	578,079	565,193
Bond Discounts	140,900	213,172	570,127	645,535	544,309	602,090	659,870
Prepaid Expenses	-	-	1,024	1,160	1,115	-	-
<b>Total Current Assets</b>	<b>7,611,927</b>	<b>4,635,418</b>	<b>2,371,266</b>	<b>4,005,245</b>	<b>5,333,911</b>	<b>5,672,565</b>	<b>6,363,392</b>
<b>Property, Plant &amp; Equipment</b>							
Improvements	139,652,500	138,363,645	136,800,086	134,032,864	130,907,373	128,148,411	125,122,446
Less Accum. Depr.	(43,315,092)	(40,719,330)	(38,148,872)	(35,314,692)	(32,338,002)	(29,388,823)	(26,462,417)
<b>Net prop. plant &amp; equip.</b>	<b>96,337,408</b>	<b>97,644,315</b>	<b>98,651,214</b>	<b>98,718,172</b>	<b>98,569,371</b>	<b>98,759,588</b>	<b>98,660,029</b>
<b>TOTAL ASSETS</b>	<b>\$ 103,949,335</b>	<b>\$ 102,279,733</b>	<b>\$ 101,022,480</b>	<b>\$ 102,723,417</b>	<b>\$ 103,903,282</b>	<b>\$ 104,432,153</b>	<b>\$ 105,023,421</b>
<b>LIABILITIES &amp; FUND EQUITY</b>							
-							
<b>Current Liabilities:</b>							
Accrued Liabilities	\$ 1,281,315	\$ 1,318,662	\$ 1,667,591	\$ 2,027,052	\$ 1,947,501	\$ 2,014,549	\$ 1,941,395
Deposits payable	404,489	366,747	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>1,685,804</b>	<b>1,685,409</b>	<b>1,667,591</b>	<b>2,027,052</b>	<b>1,947,501</b>	<b>2,014,549</b>	<b>1,941,395</b>
<b>Long-Term Liabilities:</b>							
Bonds Payable	13,505,800	16,705,800	19,387,513	39,507,513	42,172,513	44,782,513	47,168,713
Bond premiums	428,900	940,426	1,561,501	2,060,766	2,192,485	2,400,743	2,609,001
Capital leases	-	-	-	-	-	-	-
Deferred gain on bond redemption	-	-	-	-	-	-	-
<b>Total long-term liabilities</b>	<b>13,934,700</b>	<b>17,646,226</b>	<b>20,949,014</b>	<b>41,568,279</b>	<b>44,364,998</b>	<b>47,183,256</b>	<b>49,777,714</b>
<b>TOTAL LIABILITIES</b>	<b>15,620,504</b>	<b>19,331,635</b>	<b>22,616,605</b>	<b>43,595,331</b>	<b>46,312,499</b>	<b>49,197,805</b>	<b>51,719,109</b>
<b>FUND EQUITY</b>							
-							
<b>Contributed Capital:</b>							
Subdivisions	278,131	278,131	278,131	278,131	278,131	278,131	278,131
Government Agencies	19,130,652	19,130,652	19,130,652	1,615,652	1,615,652	1,615,652	1,615,652
<b>Total Contributions</b>	<b>19,408,783</b>	<b>19,408,783</b>	<b>19,408,783</b>	<b>1,893,783</b>	<b>1,893,783</b>	<b>1,893,783</b>	<b>1,893,783</b>
<b>Retained Earnings:</b>							
Reserved for bond retirement	2,890,362	2,738,218	2,477,884	3,228,193	3,213,913	3,325,629	3,292,054
Unreserved	66,029,686	60,801,097	56,519,208	54,006,110	52,483,087	50,014,936	48,118,475
<b>Total retained earnings</b>	<b>68,920,048</b>	<b>63,539,315</b>	<b>58,997,092</b>	<b>57,234,303</b>	<b>55,697,000</b>	<b>53,340,565</b>	<b>51,410,529</b>
<b>TOTAL FUND EQUITY</b>	<b>88,328,831</b>	<b>82,948,098</b>	<b>78,405,875</b>	<b>59,128,086</b>	<b>57,590,783</b>	<b>55,234,348</b>	<b>53,304,312</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 103,949,335</b>	<b>\$ 102,279,733</b>	<b>\$ 101,022,480</b>	<b>\$ 102,723,417</b>	<b>\$ 103,903,282</b>	<b>\$ 104,432,153</b>	<b>\$ 105,023,421</b>

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**

	2014	2013	2012	2011	2010	2009	2008
<b>Operating Revenues:</b>							
Charges for services	\$ 17,641,536	\$ 16,447,677	\$ 14,278,685	\$ 13,235,565	\$ 14,073,096	\$ 14,076,339	\$ 14,377,769
Impact fees & Other	1,210,011	1,006,109	793,830	589,265	698,906	669,037	1,128,330
<b>Total operating revenues</b>	<b>18,851,547</b>	<b>17,453,786</b>	<b>15,072,515</b>	<b>13,824,830</b>	<b>14,772,002</b>	<b>14,745,376</b>	<b>15,506,099</b>
<b>Operating Expenses:</b>							
Water purchased	5,208,121	5,278,321	5,739,150	4,530,742	4,446,403	4,393,712	4,216,527
Salary and Wages	2,332,350	2,372,355	2,392,746	2,133,783	2,181,140	2,324,846	2,384,161
Service vehicle expense	249,043	236,296	210,813	185,811	150,495	168,442	201,065
Equipment rental	39,676	60,845	35,191	38,717	34,045	33,610	28,651
Depreciation	2,595,762	2,570,458	2,834,180	2,976,691	2,949,178	2,926,406	2,883,327
Bad debts	-	-	-	-	-	69,791	64,946
Payroll tax & benefits	1,082,995	1,031,893	996,896	911,802	939,302	1,007,254	1,053,418
Office supplies	375,642	323,292	339,037	250,818	165,832	180,868	387,679
Professional services	238,374	348,740	268,883	193,648	250,012	170,836	174,209
R & M - equipment	1,256,086	1,072,706	882,999	788,861	548,533	811,191	1,305,974
Insurance & surety bonds	80,358	137,478	81,059	66,653	57,284	78,243	84,251
Travel	23,160	25,037	29,238	17,318	12,435	34,810	38,947
Miscellaneous	87	468	63	598	366	1,304	816
Subscriptions	28,996	34,388	34,657	15,207	33,005	14,205	15,135
Billing & administration	1,050,000	975,000	975,000	975,000	975,000	875,000	890,000
<b>Total operating expenses</b>	<b>14,560,650</b>	<b>14,467,277</b>	<b>14,819,912</b>	<b>13,085,649</b>	<b>12,743,030</b>	<b>13,090,518</b>	<b>13,729,106</b>
<b>Operating income</b>	<b>4,290,897</b>	<b>2,986,509</b>	<b>252,603</b>	<b>739,181</b>	<b>2,028,972</b>	<b>1,654,858</b>	<b>1,776,993</b>
<b>Non-operating Rev. (Exp.):</b>							
Interest income	4,968	11,226	9,376	12,438	20,469	66,297	186,706
Rent	1,223,250	1,218,500	1,324,688	2,422,091	2,094,739	2,091,284	1,934,818
Miscellaneous	73,963	81,099	34,326	20,767	3,360	76,937	71,579
Gain on bond refunding	-	-	414,872	-	-	-	-
Interest charges	166,820	(45,553)	(1,273,076)	(1,692,704)	(1,820,070)	(1,935,346)	(2,027,164)
<b>Total Non-operating</b>	<b>1,469,001</b>	<b>1,265,272</b>	<b>510,186</b>	<b>762,592</b>	<b>298,498</b>	<b>299,172</b>	<b>165,939</b>
<b>Net Income (loss)</b>	<b>5,759,898</b>	<b>4,251,781</b>	<b>762,789</b>	<b>1,501,773</b>	<b>2,327,470</b>	<b>1,954,030</b>	<b>1,942,932</b>
Transfers (to) from other funds	(379,165)	500,000	1,000,000	35,528	28,963	(23,994)	-
GASB 65 Restatement		(209,555)					
Retaining earnings at July 1	63,539,315	58,997,089	57,234,300	55,696,999	53,340,566	51,410,530	49,467,598
<b>Retained earnings at June 30</b>	<b>\$ 68,920,048</b>	<b>\$ 63,539,315</b>	<b>\$ 58,997,089</b>	<b>\$ 57,234,300</b>	<b>\$ 55,696,999</b>	<b>\$ 53,340,566</b>	<b>\$ 51,410,530</b>

Source: City's Comprehensive Annual Financial Reports

CITY OF ST. GEORGE, UT

Continuing Disclosure - 1997A Washington County/St. George Interlocal Agency

June 30, 2014

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:

<u>Fiscal Year Ended June 30</u>	<u>Innkeepers Tax Revenue</u>
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
2014	529,977

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

<u>Fiscal Year June 30</u>	<u>Sales Tax Revenues</u>	<u>Percent Increase from prior year</u>
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%
2014	15,412,412	6.28%

**Tax Revenues by Source (Last ten fiscal years)**

See Statistical section of CAFR

**Debt Structure**

See Statistical 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 - ELECTRIC REVENUE BONDS  
FISCAL YEAR ENDED JUNE 30, 2014

**TABLE I - SYSTEM RATES**

	<u>Customer Charge</u> (per month)	<u>Energy Charge</u> (per kWh)	<u>Demand Charge</u> (per kW)	<u>Average Monthly Bill</u>
<b>Residential Service</b>				
0-800 kWh (per kWh)	\$ 15.65	\$ 0.075053		\$ 85.83
Over 800 kWh (per kWh)		0.081320		
<b>Commercial Service</b>				
<b>Small General Service</b>	13.55			
0-1,500 kWh (per kWh)		\$ 0.083995		154.64
Next 8,500 kWh (per kWh)		0.091592		
Over 10,000 kWh (per kWh)		0.106037		
0-10 kW (per kW)			\$ -	
Over 10 kW (per kW)			9.70	
<b>Large General Service</b>	70.68			2,882.52
0-10,000 kWh (per kWh)		\$ 0.061311		
Over 10,000 kWh (per kWh)		0.046224		
0-5 kW (per kW)			-	
Over 5 kW (per kW)			13.47	
<b>Agricultural Service</b>	13.55			
0-1,500 kWh (per kWh)		\$ 0.083995		
Next 8,500 kWh (per kWh)		0.091592		
Over 10,000 kWh (per kWh)		0.106037		

**TABLE II - AVERAGE REVENUE FROM RATES**

	<u>Average Revenue</u> \$ per kWh	<u>Average Monthly Bills</u>	
		<u>Summer</u> May-Oct	<u>Winter</u> Nov-Apr
Residential Service	\$ 0.08919	\$ 95.95	\$ 74.58
Small Commercial (includes demand)	0.10352	171.77	134.83
Large Commercial (includes demand)	0.08382	3,150.33	2,595.48

CITY OF ST. GEORGE, UT  
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS  
FISCAL YEAR ENDED JUNE 30, 2014

TABLE III - Summary of Kilowatt Hours and Production Costs

<u>Year</u>	<u>kWh</u>	<u>Cost per kWh</u>
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
2014	813,792,810	0.07570

TABLE IV - Ten Largest Customers of the System

<u>Name</u>	<u>Type of Business</u>	<u>kWh</u>	<u>% of City's Total kWh</u>
Dixie State University	State University	13,324,840	1.8139%
Tonaquint Data Center Inc.	Data center	13,815,300	1.8807%
IHC Dixie Regional Medical Center (300 E Campus)	Hospital	7,610,400	1.0360%
Quality Park Products	Manufacturing	6,151,200	0.8374%
IHC Dixie Regional Medical Center (River Rd Campus)	Hospital	5,985,600	0.8148%
Costco Wholesale	Large box store	5,349,280	0.7282%
Washington Co Water Conservancy District	Water agency	4,133,600	0.5627%
Harmon's City Inc	Grocery store	3,978,240	0.5416%
Dixie Medical Center (River Rd Campus)	Hospital	3,825,600	0.5208%
Dixie Medical Center (River Rd Campus)	Hospital	3,112,960	0.4238%
Dixie Medical Center (River Rd Campus)	Hospital	2,925,600	0.3983%
Lowes Home Improvement	Large box store	2,567,040	0.3494%
Albertson's Inc #329	Grocery store	2,266,800	0.3086%
Skywest Airlines	Airline Hdqtrs	2,004,000	0.2728%
		<b>77,050,460</b>	<b>10.4888%</b>

CITY OF ST. GEORGE, UT  
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS  
FISCAL YEAR ENDED JUNE 30, 2014

TABLE V Historical and Projected Operating Results

	2007	2008	2009	2010	2011	2012	2013	2014	BUDGETED 2015	2016	2017	2018
<b>Sources of Funds:</b>												
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	\$ 61,386,968	\$ 61,855,151	\$ 63,134,970	\$ 64,367,713	\$ 65,641,321
Other operating revenues	1,115,323	\$ 819,906	\$ 1,017,219	\$ 874,678	\$ 1,129,740	\$ 50,308	\$ 45,534	\$ 28,117	\$ 100,000			
Impact fees	2,741,642	2,241,959	1,273,488	843,653	1,315,694	1,161,102	1,282,873	2,014,057	1,100,000	1,500,000	1,500,000	1,500,000
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	63,429,142	63,055,151	64,634,970	65,867,713	67,141,321
<b>Uses of Funds:</b>												
Electricity purchased	36,099,643	35,466,629	37,868,364	39,785,534	38,833,578	37,491,445	40,599,715	40,704,258	38,524,707	39,619,400	42,100,000	44,000,000
Natural gas purchased	2,842,112	2,249,351	3,498,003	4,074,512	3,499,843	5,126,432	4,127,857	5,728,887	5,680,760	5,000,000	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	9,526,131	10,300,866	9,539,112	10,317,504	10,730,204
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	55,959,276	54,506,333	54,158,512	57,417,504	59,730,204
Net Operating Revenues	5,087,520	6,039,350	4,180,470	2,167,967	3,814,946	4,749,149	6,012,688	7,469,866	8,548,818	10,476,458	8,450,209	7,411,117
<b>Non-operating Revenues (Expenses)</b>												
Interest income	689,072	565,997	906,871	143,515	22,604	17,933	17,816	35,634	30,000	250,000	250,000	250,000
Other income	245,233	583,922	191,987	873,196	308,040	259,919	526,132	133,453	350,000	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	169,087	380,000	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	7,638,953	8,928,818	11,176,458	9,150,209	8,111,117
<b>Outstanding Bonds:</b>												
Series 2005 Bonds ***	1,303,301	1,302,244	1,337,629	1,335,054	1,334,454	1,334,466	1,333,466	1,095,526	855,750			
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	3,346,250
Series 2013 Bonds								184,496	427,727	1,279,282	1,278,180	1,334,500
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	4,617,647	4,628,602	4,629,782	4,631,930	4,680,750
Projected Debt Service Coverage	4.62	5.52	3.95	2.39	0.90	1.09	1.41	1.65	1.93	2.41	1.98	1.73
In fiscal years 2009 and 2010 interest was capitalized			2,354,199	2,448,625								

\*\*\* 2005 Bonds refunded with 2013 issue in December 2013

\*\*\* Impact fees increase in 2015 of 33%

\*\*\* Rate increase in Feb. 2014 of 8%

CITY OF ST. GEORGE, UT  
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS  
FISCAL YEAR ENDED JUNE 30, 2014

TABLE VI Statement of Net Position

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>					
Current assets:					
Cash	\$ 11,040,659	\$ 8,037,550	\$ 1,356,079	\$ 6,220,551	\$ 7,984,450
Restricted cash	-	-	-	-	-
Accts. receivable (net of allowance for uncollectibles)	7,258,532	8,619,364	11,120,725	9,768,023	11,080,290
Inventory	1,800,424	1,726,901	1,784,537	1,840,282	1,982,398
Bond discounts & insurance	1,707,526	1,103,776	1,480,036	1,545,906	1,611,782
Prepaid expenses			1,023	1,160	1,115
<b>Total current assets</b>	<b>21,807,141</b>	<b>19,487,591</b>	<b>15,742,400</b>	<b>19,375,922</b>	<b>22,660,035</b>
Capital assets net of accumulated depreciation	83,850,163	89,082,356	93,446,020	98,743,093	100,208,668
<b>TOTAL ASSETS</b>	<b>105,657,304</b>	<b>108,569,947</b>	<b>109,188,420</b>	<b>118,119,015</b>	<b>122,868,703</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accrued liabilities	8,290,282	8,984,007	4,387,896	7,410,426	5,407,943
Deposits payable	1,059,520	1,011,133	1,414,371	1,312,898	1,296,114
<b>Total current liabilities</b>	<b>9,349,802</b>	<b>9,995,140</b>	<b>5,802,267</b>	<b>8,723,324</b>	<b>6,704,057</b>
Long-term liabilities:					
Bonds payable - long term	58,275,000	59,235,000	60,965,000	62,610,000	64,180,000
Bond premiums	188,159	559,669	597,800	635,931	674,062
<b>Total long-term liabilities</b>	<b>58,463,159</b>	<b>59,794,669</b>	<b>61,562,800</b>	<b>63,245,931</b>	<b>64,854,062</b>
<b>Total liabilities</b>	<b>67,812,961</b>	<b>69,789,809</b>	<b>67,365,067</b>	<b>71,969,255</b>	<b>71,558,119</b>
<b>NET POSITION</b>					
Invested in capital assets, net of related debt	28,302,702	30,391,463	33,363,255	37,043,067	36,966,387
Restricted	-	-	-	-	-
Unrestricted	9,541,640	8,388,675	8,460,098	9,106,690	14,344,197
<b>Total net position</b>	<b>\$ 37,844,342</b>	<b>\$ 38,780,138</b>	<b>\$ 41,823,353</b>	<b>\$ 46,149,757</b>	<b>\$ 51,310,584</b>

CITY OF ST. GEORGE, UT  
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS  
FISCAL YEAR ENDED JUNE 30, 2014

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 61,386,968	\$ 57,489,697	\$ 54,450,360	\$ 51,663,285	\$ 52,140,945
Other operating revenues & impact fees	2,042,174	1,328,407	1,211,410	2,445,434	1,718,331
<b>Total operating revenues</b>	<b>63,429,142</b>	<b>58,818,104</b>	<b>55,661,770</b>	<b>54,108,719</b>	<b>53,859,276</b>
<b>OPERATING EXPENSES:</b>					
Electricity purchased	40,704,258	40,599,715	37,491,445	38,833,578	39,785,534
Natural gas purchased	5,728,887	4,127,857	5,126,432	3,499,843	4,074,512
Salary and wages	3,393,217	3,291,114	3,449,695	3,207,560	3,349,379
Supplies	985,176	762,296	776,745	888,178	515,160
Service vehicle expense	177,276	169,898	173,538	141,120	152,988
Equipment rental	-	-	-	-	-
Depreciation	6,298,295	6,377,950	6,369,528	6,261,468	4,030,025
Payroll tax & employee benefits	1,363,270	1,259,135	1,270,853	1,213,615	1,246,966
Office & dept. supplies	55,616	67,386	63,095	82,995	69,547
Professional services	401,565	267,432	312,825	350,185	264,740
R. & M. - equipment	485,760	372,948	526,818	393,528	586,685
R. & M. - buildings and grounds	32,595	25,382	18,542	18,089	24,112
Insurance & surety bonds	161,165	218,745	160,603	141,315	101,186
Travel	56,077	51,229	50,303	44,520	40,163
Miscellaneous	913	555	2,606	1,469	2,689
Interest expense	29,593	28,588	25,127	24,235	23,716
Subscriptions & memberships	82,501	63,136	63,995	53,544	53,933
Billing & administration	1,650,000	1,500,000	1,400,000	1,400,000	1,400,000
<b>Total operating expenses</b>	<b>61,606,164</b>	<b>59,183,366</b>	<b>57,282,150</b>	<b>56,555,242</b>	<b>55,721,335</b>
<b>Operating income (loss)</b>	<b>1,822,978</b>	<b>(365,262)</b>	<b>(1,620,380)</b>	<b>(2,446,523)</b>	<b>(1,862,059)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Interest income	35,634	17,816	17,933	22,604	143,515
Federal grants	24,039	295,887	-	144,464	557,036
Miscellaneous income	109,414	230,245	259,919	163,576	316,160
Unbilled utility services	(53,854)	-	-	-	-
Interest charges	(2,438,333)	(2,911,508)	(2,983,877)	(3,044,949)	(629,373)
<b>Total non-operating revenue (expense)</b>	<b>(2,323,100)</b>	<b>(2,367,560)</b>	<b>(2,706,025)</b>	<b>(2,714,305)</b>	<b>387,338</b>
<b>Income before transfers</b>	<b>(500,122)</b>	<b>(2,732,822)</b>	<b>(4,326,405)</b>	<b>(5,160,828)</b>	<b>(1,474,721)</b>
Contributions	-	-	-	-	-
Transfers to/from other funds	(435,674)	-	-	-	-
<b>Change in Net Position</b>	<b>(935,796)</b>	<b>(2,732,822)</b>	<b>(4,326,405)</b>	<b>(5,160,828)</b>	<b>(1,474,721)</b>
Restatement of Net position for GASB 62		(310,392)			
<b>Total net position - beginning</b>	<b>38,780,139</b>	<b>41,823,353</b>	<b>46,149,756</b>	<b>51,310,584</b>	<b>52,785,304</b>
<b>Total net position - ending</b>	<b>\$ 37,844,343</b>	<b>\$ 38,780,139</b>	<b>\$ 41,823,351</b>	<b>\$ 46,149,756</b>	<b>\$ 51,310,583</b>

## Management's Discussion of Operations

### ENERGY RESOURCES

The City saw approximately a small .14% decrease in energy sales and a 1.9% change in peak demand throughout the year (2014 budget year peak 179.85 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. The City continues to negotiate the termination of the (DGT-IPP) 20 Mw contract effective January 1, 2015. The City finalize an agreement with Questar to receive firm capacity year round. This will allow the City to operate the Millcreek Facility year round.

The following is a list of the current City Energy Services:

### CURRENT SOURCES

<b>Colorado River Storage Project Contract (Hydro) Expires 2024</b>	19 MW for summer 29 MW for winter
• Western Replacement Power	10-20 MW
• Western System Power Pool	5-10 MW
<b>Utah Associated Municipal Power (UAMPS)</b>	
• Pool – contact Sales	5-20 MW
<b>Deseret Generation and Transmission (DGT) – Contract</b>	
• Bonanza 1 – Coal – Expires 2019	50 MW
• Contract Sales (other shafts) – Expires 2024	10-20 MW
<b>City Owned Generation</b>	
• Red Rock – Diesel	14 MW
• Bloomington – Diesel	11 MW
• Millcreek #1– Natural Gas	40 MW
• Millcreek #2- Natural Gas	40 MW
<b>Long Term Purchase Contacts</b>	
• Jordanelle Hydro (Heber sale) – 50 Year Contract	4 MW
<b>Short Term Market Purchases/Sales (1-3 year contracts)</b>	
• 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
<b>Renewable Resources</b>	
• 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.
- Questar – firm pipeline capacity 3500 dthm/day.

## **FORECAST**

The City utilized forecasted and actual data developed by the Energy Services Department (ESD) to determine the energy needs throughout the 2014 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 2014 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 initial 2014 fiscal year did not include any rate adjustment. However, midway through the budget year, the city council did approve a 7% increase. The increase was required to accommodate outside transmission and scheduling increases. 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, 2014, approximately

51.99% of the System's electric sales revenues and 52.27% of energy sold through the System were attributable to commercial establishments. This compares with 51.8% of revenues and 52.3% 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 (179.85 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 2010. 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.

Fiscal year 2014 resulted in having an operating income of \$1,822,978. Midway through the budget year, the ESD revised the forecast to accommodate an increase in transmission and scheduling costs. The revised forecast resulted in an end of year loss. The city council immediately approved a 7% increase to the rates (effective February 1, 2014). The forecast was revised to accommodate the rate increase and resulted in operating gains as actually occurred.

The rate increase in February 2014 also helped the cash position to increase \$3,003,109 (37%) over last fiscal year. The ESD debt coverage ratio also increased to 1.65 versus 1.41 in fiscal year 2013. The overall net position decreased a little, but not as significantly as in past years. This is due primarily to the rate of depreciation of current fixed assets has outpaced the need to add additional fixed assets to the system.

The City continues to set financial policies to assure positive margins in the ESD for the forecasted future years. Rate increases 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.