

Council Business Meeting

December 20, 2022

Agenda Item	Acceptance of Fiscal Year 2022 (2021/2022) Annual Comprehensive Financial Report (ACFR)	
From	Sabrina Cotta	Deputy City Manager/Interim Finance Director
Contact	Sarbrina.Cotta@ashland.or.us (541) 552-2106	

SUMMARY

The City of Ashland prepares annual financial statements for review by its external auditor, Moss-Adams Assurance Services, LLP. The auditors review the City's financial reporting and internal controls according to state and national standards including those required by the State of Oregon and the Government Accounting Standards Board. The fiscal year (FY) 2022 Annual Comprehensive Financial Report (ACFR) or annual audit has received an unqualified opinion, meaning there are no material deficiencies or concerns with how the City's finances are reported.

POLICIES, PLANS & GOALS SUPPORTED

Administrative/Governance goal:

"To ensure on-going fiscal ability to provide desired and required services at an acceptable level"

PREVIOUS COUNCIL ACTION

The ACFR is presented to Council for acceptance every December.

BACKGROUND AND ADDITIONAL INFORMATION

The City of Ashland's FY2022 Annual Comprehensive Financial Report (ACFR) provides a snapshot of the City's financial condition as of June 30, 2022. The ACFR has been audited by the City's external auditor Moss-Adams Assurance Services, LLP and determined to warrant an unqualified opinion, indicating the City meets the state and national standards for financial reporting. Moss-Adams also reviews the City's internal controls for compliance with these standards and makes recommendations for improvements.

FISCAL IMPACTS

No direct impacts. Issuance of an unqualified audit opinion and assurance of the City's healthy financial condition as indicated by fund balances and retained earnings assists the City in maintaining its bond rating and financial market position.

STAFF RECOMMENDATION

That the Council accept the attached FY2022 Annual Comprehensive Financial Report.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to accept the City of Ashland FY2022 Annual Comprehensive Financial Report.

REFERENCES & ATTACHMENTS

Attachment: FY2022 Annual Comprehensive Financial Report

CITY OF
ASHLAND



STATE OF OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT
for the year ended June 30, 2022

Prepared by the Finance Department Cindy Hanks, Accounting Manager



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INTRODUCTORY SECTION





December 15, 2022

RE: City of Ashland Annual Comprehensive Financial Report FY 2022

To the Citizens of the City of Ashland:

The City of Ashland is pleased to submit our Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. State statutes require the City of Ashland to issue an annual report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants licensed by the State of Oregon to conduct municipal audits.

This report must be published within six months of the end of each fiscal year. Management holds responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to fairly present the financial position and the results of operations of the various funds and component unit of the City of Ashland. All disclosures necessary to enable the reader to gain an understanding of the City of Ashland's activities have been included.

Based upon their audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion and that the City's financial statements for the year ended June 30, 2022, are presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report. It is followed by a Management Discussion and Analysis (MD&A). The reader is encouraged to review the MD&A for a better understanding of the City, its financial condition, and its activities for the year.

The financial reporting entity includes all the funds of the City of Ashland. The City provides a full range of services including police protection, fire protection, building inspection, planning services, economic development, social services, senior program, emergency medical services, electric, internet access, water, streets, storm drain, wastewater treatment, airport, cemetery, band, parks and recreation activities.

GOVERNMENTAL STRUCTURE, ECONOMIC CONDITIONS AND OUTLOOK

The City, incorporated in 1874, is located in the southwest part of the state and currently has a land area of 6.65 square miles with a population of 21,554. The City is a home-rule city and has all powers necessary or convenient for the conduct of its municipal affairs, including the power to levy a property tax on both real and personal property located within its boundaries. The City also has the power, by state statute, to extend its corporate limits by annexation within the state designated urban growth boundary, which is done periodically when deemed appropriate by the City Council.

The City operates under the council-city manager form of government. Policymaking and legislative authority are vested in the Mayor and City Council. The governing Mayor and Council are responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and the City Attorney. The City Council consists of a



mayor and six-member Council. The Mayor, who presides at the Council meetings, is elected at-large for a four-year term. Six Council members are elected at-large for four-year staggered terms with three Council members elected every two years. Other elected officials are the City Recorder/Treasurer, Municipal Judge, and the five-member Parks Commission, which also serves as the Recreation Commission.

The City Manager is charged with general oversight of all operational and management functions, except for those under the Parks Commission and Recreation Commission. The City Manager is responsible for the appointment or dismissal of department heads (Fire Chief, Police Chief, Public Works Director, Community Development Director, Finance Director, Electric Director and Information Technology Director, HR Director). The Mayor, with confirmation of the City Council, appoints the City Manager, the City Attorney, and the City boards and commissions except for the Budget Committee, which, by state law is appointed by the full Council. The City Manager is responsible for carrying out the policies and ordinances of the City Council and overseeing the day-to-day operations of the City.

In addition to the help they receive from their appointed staff and employees, 20 standing advisory boards and commissions and various ad hoc committees assist the City Council which were consolidated in the beginning of FY 2023. Over 150 Ashland citizens serve on these boards and commissions and make a valuable contribution to the City of Ashland.

The City of Ashland's economic base depends primarily on higher education and tourism, with a consistently high level of small, home occupation businesses and several niche manufacturing businesses. In addition, the U.S. Fish and Wildlife National Forensics Laboratory is in Ashland. It is the only crime lab in the world dedicated entirely to wildlife and serves both the national and international communities. Ashland's downtown business district has a relatively high occupancy rate with a variety of shops, restaurants, hotels, commercial businesses, and financial institutions. The state has a major economic presence in the area in Southern Oregon University (SOU), which is located on a 175-acre campus within the city limits approximately one mile from the city center.

The tourism sector of the local economy, like most nationally, was impacted by the COVID-19 pandemic and was further impacted by persistent smoke from wildfires in the region. COVID-19 impacts will continue to be felt until federal government vaccine solutions ease the public health related regulatory constraints on the national, state, and local economy. Housing values remain strong and the Transient Lodging Tax and Food and Beverage Tax revenue impacts from COVID-19 were not as severe as initially projected and expenditure adjustments across affected Departments and programs were made to remain financially stable.

FINANCIAL INFORMATION

Management is responsible for establishing and maintaining an internal control structure designed to ensure that assets of the City are protected from loss or theft and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurances that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) management must use its best judgment to value the costs and benefits as it relates to cost of internal control.

The City's system of internal accounting controls is designed to provide reasonable, although not absolute, assurance regarding the safeguarding of assets against loss from unauthorized



use or disposition. Annually, the City's audit by an independent audit firm includes a review of internal controls and sampling to look for fraud and review processes.

As a frequent recipient of federal, state and local financial assistance, the City must also have an adequate internal control structure in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and staff.

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the biennium appropriations budget resolution adopted by the City Council. All funds are included in the biennium appropriated budget. The biennium 2021-23 budget was prepared on a fund basis with department, program, and line-item detail.

Accounting principles generally accepted in the United States of America require that management provide a discussion and analysis to accompany the financial statements. This letter of transmittal compliments management's discussion and analysis and should be read in conjunction with it. The City's Management's Discussion and Analysis can be found immediately following the independent auditors report.

Legal level of Budgetary Control. Management cannot overspend the budget without the approval of the governing body. Appropriation level is on a biennially basis for all funds. Management must request change to the appropriation level.

There are three ways in which to change appropriations after the budget is adopted.

1. A transfer of appropriations decreases an appropriation and increases another. This is the simplest budget change allowed under Oregon Budget Law. This does not increase the overall budget. This is approved by a City Council resolution.
2. A supplemental budget of less than 10 percent of total appropriations within an individual fund follows a process like the transfer of appropriations. This process includes a notice in a newspaper of record prior to Council taking action.
3. A supplemental budget in excess of 10 percent of total appropriations requires a longer process. This process includes a notice in the paper and a public hearing prior to the Council taking action.

OTHER INFORMATION

Tax Limitation. Article IX of the Oregon Constitution contains various limitations of property taxes levied by local jurisdictions. The Constitution calls for taxes imposed upon property to be segregated into two categories: one to fund the public school system and community colleges and the other for local governments.

The citizens of the State of Oregon approved a property tax limitation, commonly referred to as Measure 5, in November 1991. This constitutional amendment divides property taxes into an education category and an "all other" local government category.

The education category property taxes were limited to \$15.00 per thousand of real market value (RMV) initially and have been lowered to \$5.00 per thousand. The education category includes the Education Service District, Rogue Community College, and Ashland School District 5. Specifically, the Ashland Schools tax rate is \$5.4501 (\$4.1601 - permanent rate and \$1.29 - local option operating tax).



The local government category is limited to \$10.00 per thousand. The 2021-2022 local net general government tax rate which includes Jackson County, RVTD, Jackson Soil & Water Conservation, Jackson County Library District, Vector Control, and 4-H Extension Service, in the City of Ashland was \$9.7366, and the City of Ashland's specific tax rate was \$4.2865. General obligation debt is subject to voter approval and is not subject to the \$10.00 limitation.

In November 1996, the citizens of the State of Oregon approved another property tax limitation, commonly referred to as Measure 47. Prior to enactment, this measure was repealed and replaced by Measure 50, by special election on May 20, 1997. Measure 50 changed the property tax limitation on levies, rates assessment, and equalization, after the 1996-1997 fiscal year. Measure 50 includes a reduction of property tax to previous levels and a limit on the growth in assessed valuation, which will result in a limit on a tax increase in subsequent years. Specifically, Measure 50 rolled the assessed value of each unit of property for the tax year 1997-98 back to its 1995-96 "real market value" less ten percent. The measure limited increases in assessed value in future years to three percent per year. The measure also establishes a new permanent tax rate for each taxing district. Ashland's permanent rate for the operating levies is set at \$4.2865. The measure also provides for voter approved "Local Option Levies" for levies outside the limits. No local option levies were included in the biennium budget.

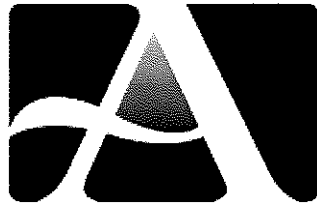
Awards. The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for fiscal year ended June 30, 2021. This was the thirty-fourth year the City had submitted and received the award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. This award is valid for a period of one year. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we intend to submit it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Ashland submitted and received the GFOA's Award for Distinguished Budget Presentation for its biennial 2021-2023 budget. To qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including policy documentation, as an operational guide, as a financial plan, and as a communication device.

Acknowledgments. The timely preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the City of Ashland Finance Department, all other departments. Each member has our sincere appreciation for the contribution made, with special thanks to the Accounting Division and Finance Administration staff for their dedicated efforts in maintaining the accounting systems, audit preparation and report writing.

Sincerely,


Joseph Lessard
City Manager





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ashland
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

**CITY OF ASHLAND
ELECTED CITY OFFICIALS
as of June 30, 2022**

Term Expires December 31

Julie Akins	Mayor	2024
Gina DuQueene	Council Member	2024
Paula Hyatt	Council Member	2024
Shaun Moran	Council Member	2024
Tonya Graham	Council Member	2022
Stephen Jensen	Council Member	2022
Stefani Seffinger	Council Member	2022
Melissa Huhtala	City Recorder	2022
Pamela B. Turner	Municipal Judge	2022

Principal Officials

Joseph Lessard, City Manager
Douglas McGeary, Interim City Attorney
Sabrina Cotta, Deputy City Manager/Interim Finance Director

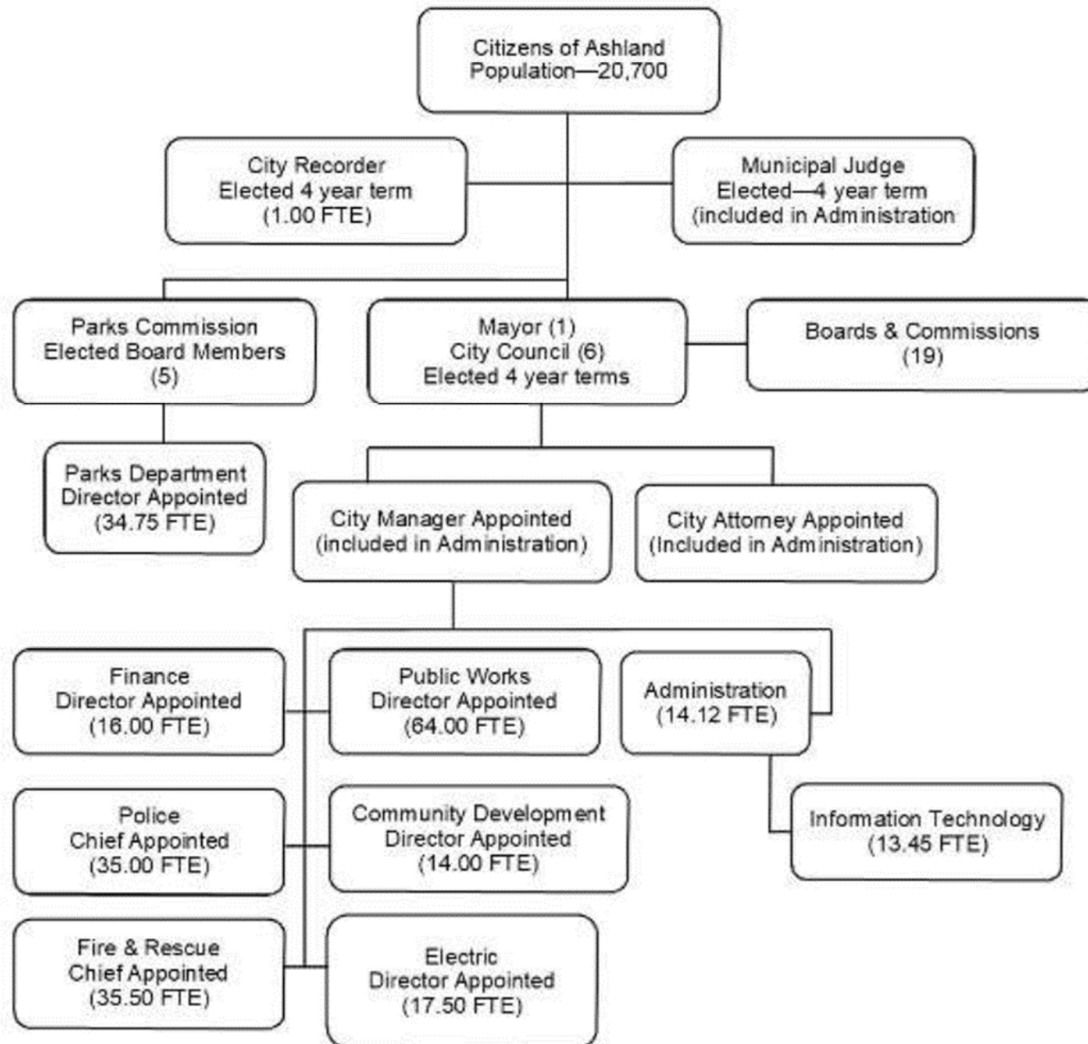
City Address

City of Ashland
20 East Main Street
Ashland, Oregon 97520

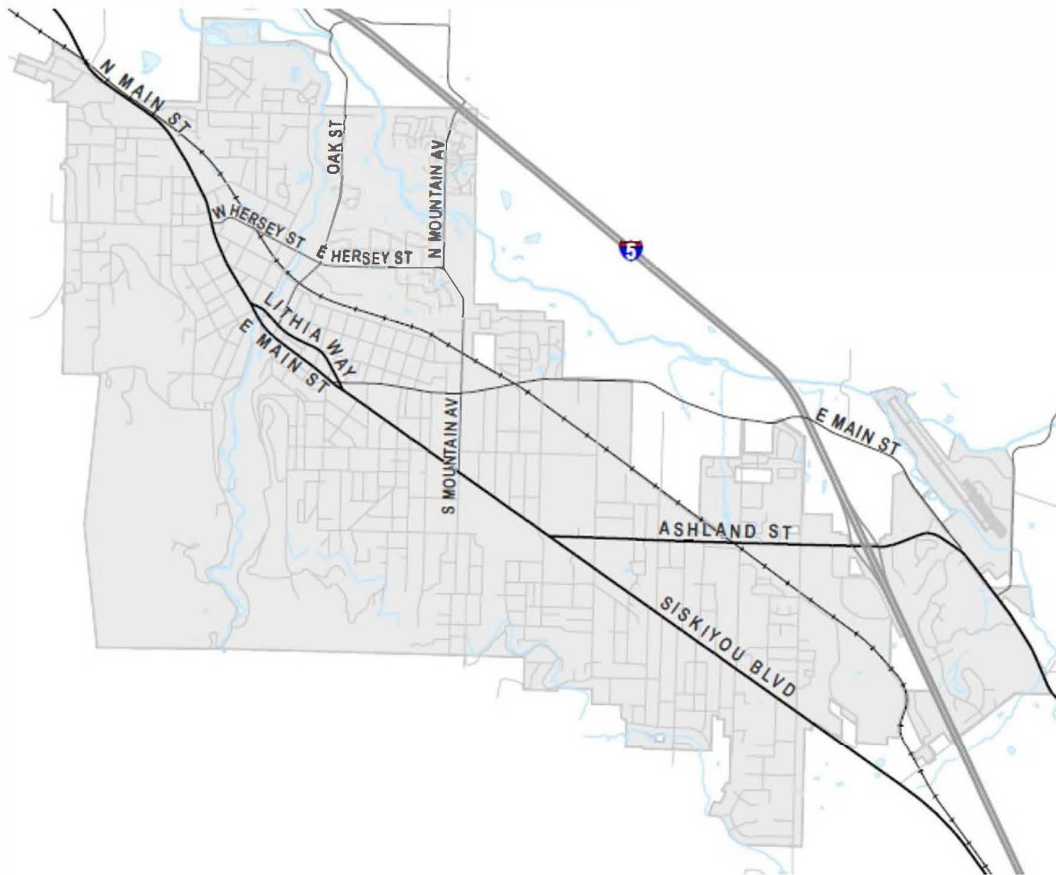
City of Ashland

245.32 FTE

BN 2021-23



**CITY OF
ASHLAND**





FINANCIAL SECTION



Report of Independent Auditors

To the Mayor and City Council
City of Ashland, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of change in other post-employment benefits, liability and related ratios – medical benefits, schedule of proportionate share of net OPEB (asset) liability and schedule of contributions, schedule of proportionate share of net pension liability and schedule of contributions, and budgetary comparisons be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 management's discussion and analysis, schedule of change in other post-employment benefits, liability and related ratios – medical benefits, schedule of proportionate share of net OPEB (asset) liability and schedule of contributions, and schedule of proportionate share of net pension liability and schedule of contributions 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary comparison information described above is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The budgetary comparison 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 budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (collectively, supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

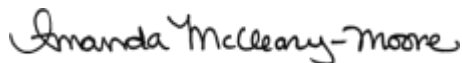
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated on our consideration of the City'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 solely 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 the effectiveness of the City's 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 the City's internal control over financial reporting and compliance.

Other Reporting Required by *Minimum Standards for Audits of Oregon Municipal Corporations*

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 15, 2022, on our consideration of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Amanda McCleary-Moore, Partner
For Moss Adams
Medford, Oregon
December 15, 2022



MANAGEMENT DISCUSSION AND ANALYSIS

City of Ashland (the “City”) management offers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022 for its residents, rate payers and property owners. Please read Management’s Discussion and Analysis (MD&A) in conjunction with the transmittal letter included in the introductory section of this report and the City’s Financial Statements which follow.

Overview of the Report

The City’s annual financial report consists of several sections that, taken together, provide a comprehensive financial look at the City. The components of the report include the following:

Management’s Discussion and Analysis

This section of the report provides financial highlights and overviews.

Basic Financial Statements

Includes Statements of Net Position, Statement of Activities, Fund Financial Statements and the Notes of the Financial Statements. Statements of Net Position and Activities focus on an entity-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated into a total for the City.

- o The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the community owns, the liabilities it owes and the net difference.
- o The Statement of Activities focuses on gross and net costs of City programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user’s analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- o Fund Financial Statements focus separately on major governmental funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The City’s major governmental funds are presented in their own column and the remaining funds are combined into a column titled “Other Governmental Funds”.
- o The Notes to Basic Financial Statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City’s financial condition.
- o Required Supplementary Information contains budgetary comparison statements for the major governmental fund types, presented in a Biennium format.

Supplementary Information

Readers desiring additional information can refer to the Supplementary Information section of this report.

Components within this section include:

- o Major Fund Budgetary Schedules
- o Special Revenues Funds (non-major)
- o Debt Service Funds (non- major)
- o Capital Projects Fund (non- major)
- o Enterprise Funds (major)
- o Internal Service Funds
- o Schedule of Receipts, Disbursements and Balances by Elected Officials.

Statistical Section

This section includes trend information and demographics.

Audit Comments and Disclosures Required by State Regulations

This section includes supplemental communication on the City's compliance and internal controls as required by Oregon statutes and the Single Audit Act.

Financial Highlights

The following are the City's financial highlights for fiscal year ending June 30, 2022:

- Assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$149,186,700 (net position).
- The City of Ashland's total net position has increased by \$16,551,272 from the prior year. Governmental Activities of net position increased by \$11,947,788 while Business-Type Activities increased net position by \$4,603,484.
 - Government Activities increase was due to a significant decrease to the Public Employee Retirement Systems (PERS) unfunded liability this fiscal year. Proportional share of net pension liability decreased from \$37 million to \$18.8 million, over a 50% decrease from prior year. This was due to higher investment returns within the State's Retirement program.
 - Business-Type Activities increase to net position from prior year was due a decrease in Net Pension Liability as well as savings for larger capital projects. The City is anticipating construction of a new water treatment plant and has be increasing rates in anticipation of this project.
- At the close of fiscal year 2021-2022, the City's governmental funds reported combined ending fund balances of \$30,169,695, an increase of 44.5% (\$9,284,573) from the prior fiscal year of 2020-2021 which contained a 37% increase in combined ending fund balance. Changes to the City's financial management policies, including increasing the target ending fund balance, contribute to the 2021-22 increase, as well as transfers in from the consolidation of the Central Service Fund into the General Fund.

Please see the Financial Analysis below

City of Ashland's Net Position
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current Assets:						
Cash equivalents and investments	\$ 34,478	\$ 28,133	\$ 29,100	\$ 24,243	\$ 63,578	\$ 52,376
Receivables, net	8,098	3,862	3,753	4,277	11,851	8,139
Lease receivables, net	330	-	-	-	330	-
Prepays	40	17	81	10	121	27
Inventories	19	38	1,385	1,132	1,404	1,170
Internal balances	(5,181)	(4,035)	5,181	4,035	-	-
Restricted assets:						
Cash and cash equivalents	929	916	-	-	929	916
Total current assets:	38,713	28,931	39,500	33,697	78,213	62,628
Non-current Assets:						
RHIA Assets	684	-	-	-	684	-
Leases Receivables:	200	-	-	-	200	-
Leases Assets	61	-	2	-	63	-
Capital assets	151,551	149,070	134,099	132,305	285,650	281,375
Less accumulated depreciation	(84,582)	(81,079)	(69,484)	(67,093)	(154,066)	(148,172)
Total non-current assets	67,914	67,991	64,617	65,212	132,531	133,203
Total assets	106,627	96,922	104,117	98,909	210,744	195,831
Deferred Outflows of Resources:						
Deferred outflows - Pensions	10,447	12,487	3,124	3,076	13,571	15,563
Deferred outflows - OPEB	957	1,179	286	367	1,243	1,546
Total Deferred Outflows	11,404	13,666	3,410	3,443	14,814	17,109
Current Liabilities:						
Accounts payable and accrued liabilities	4,276	5,380	2,807	3,213	7,083	8,593
Compensated absences	358	-	104	-	462	-
Total current liabilities	4,634	5,380	2,911	3,213	7,545	8,593
Long-term liabilities:						
Compensated absences	1,075	-	311	-	1,386	-
Net Pensions liability Proportional Share	18,869	37,318	5,641	9,194	24,510	46,512
Transitional Liability	487	545	-	-	487	545
Lease Liability	61	-	-	-	61	-
Net OPEB Liability	3,271	2,933	773	933	4,044	3,866
Claims	110	110	-	-	110	110
Long Term Debt	5,721	7,402	11,372	11,431	17,093	18,833
Total long-term liabilities	29,594	48,308	18,097	21,558	47,691	69,866
Total liabilities	34,228	53,688	21,008	24,771	55,236	78,459
Deferred Inflows of Resources:						
Deferred inflows - Leases	529	-	-	-	529	-
Deferred inflows - Pensions	15,365	1,069	4,594	263	19,959	1,332
Deferred inflows - OPEB	499	368	149	146	648	514
Total Deferred Inflows	16,393	1,437	4,743	409	21,136	1,846
Net Position:						
Net investment in capital assets	59,567	58,934	52,511	53,043	112,078	111,977
Nonexpendable	931	972	-	1,142	931	2,114
Restricted	4,337	4,227	3,391	3,562	7,728	7,789
Unrestricted surplus (deficit)	2,576	(8,670)	25,872	19,425	28,448	10,755
Total net position	\$ 67,411	\$ 55,463	\$ 81,774	\$ 77,172	\$ 149,185	\$ 132,635

Changes in City of Ashland's Net Position
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2022-2021
	2022	2021	2022	2021	2022	2021	
Program revenues:							
Charges for services	\$ 20,900	\$ 8,717	\$ 36,361	\$ 35,928	\$ 57,261	\$ 44,645	28.3%
Operating grants and contributions	6,750	12,550	50	509	6,800	13,059	-47.9%
Capital grants and contributions	373	-	-	-	373	-	n/a
General revenues:							
Property taxes	13,034	12,539	-	-	13,034	12,539	3.9%
Other taxes	9,466	9,241	-	2	9,466	9,243	2.4%
Interest	131	95	143	192	274	287	-4.5%
Other	-	187	67	65	67	252	-73.4%
Total revenues	<u>50,654</u>	<u>43,329</u>	<u>36,621</u>	<u>36,696</u>	<u>87,275</u>	<u>80,025</u>	9.1%
Program expenses:							
General government	11,211	6,343	-	-	11,211	6,343	76.7%
Public safety	15,415	19,734	-	-	15,415	19,734	-21.9%
Highways and streets	4,753	4,158	-	-	4,753	4,158	14.3%
Parks and Recreation	7,278	7,292	-	-	7,278	7,292	-0.2%
Interest on long-term debt	100	214	-	-	100	214	-53.3%
Water	-	-	6,695	7,190	6,695	7,190	-6.9%
Wastewater	-	-	6,185	6,603	6,185	6,603	-6.3%
Stormwater	-	-	755	925	755	925	N/A
Electric	-	-	16,053	16,928	16,053	16,928	-5.2%
Telecommunications	-	-	2,279	2,228	2,279	2,228	2.3%
Total expenses	<u>38,757</u>	<u>37,741</u>	<u>31,967</u>	<u>33,874</u>	<u>70,724</u>	<u>71,615</u>	-1.2%
Increase (decrease) in net position before transfers and disposals	11,897	5,588	4,654	2,822	16,551	8,410	96.8%
Interfund transfer	50	193	(50)	(193)	-	-	#REF!
Increase (decrease) in net position	<u>11,947</u>	<u>5,781</u>	<u>4,604</u>	<u>2,629</u>	<u>16,551</u>	<u>8,410</u>	96.8%
Net position - Beginning	<u>55,463</u>	<u>49,682</u>	<u>77,172</u>	<u>74,543</u>	<u>132,635</u>	<u>124,225</u>	6.8%
Net position - Ending	<u>\$ 67,410</u>	<u>\$ 55,463</u>	<u>\$ 81,776</u>	<u>\$ 77,172</u>	<u>\$ 149,186</u>	<u>\$ 132,635</u>	12.5%

Financial Analysis

Governmental Funds. As of the end of the current year the City's governmental funds had a combined ending fund balance of \$30,169,965, an increase from the prior year of \$9,284,573. Government operations, particularly in the administrative areas held vacancies open, and minimized operating expenditures during the fiscal year due to the uncertain with the COVID-19 pandemic. Revenues to the General Fund exceeded estimates especially for Property taxes and in Transient Lodging Tax. The large transfer into the General fund is consolidating the central service fund into the general fund.

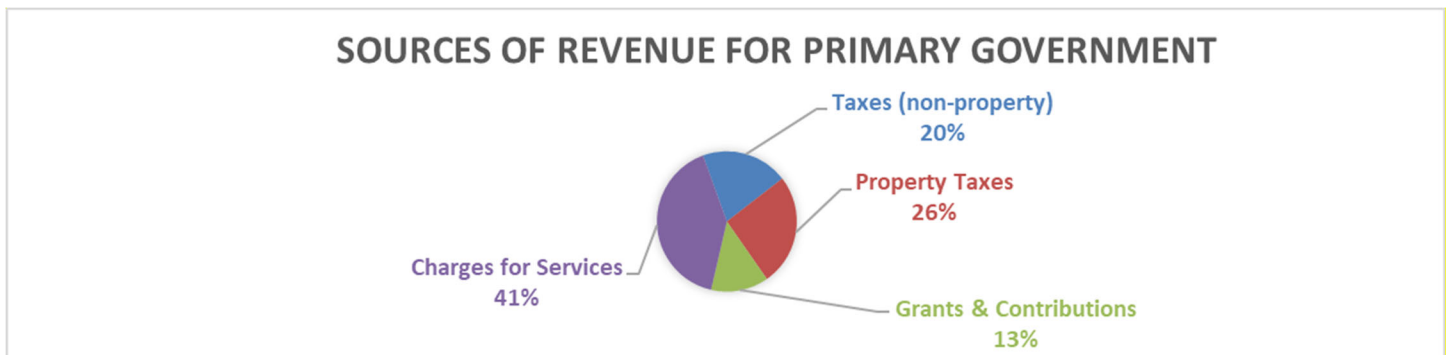
The General Fund (pg. 92) ended the year with expenditures lower than revenues. Revenues in this fund are primarily from taxes. One revenue source is Transient Lodging Tax, which is a tax on temporary or short-term lodging (30 days or less). This tax source significantly dropped due to COVID-19 compared to prior year activities; however, as noted above, actual receipts exceeded COVID adjusted expectations. Also note that on a GAAP basis, the Reserve Fund must roll into the General Fund the beginning of Biennium 2021-2023.

The Street Fund (pg. 93) ended the year with revenues ended higher than estimated. This is due to budgeted large projects, Ashland St and N Mountain Ave. These projects are in the engineering stage and will begin

construction in the second fiscal year. Construction costs were the significant of costs accrue. The Non-Major funds are comprised of seven funds including: Housing, CDBG, Airport, Capital Improvement, Parks Capital Improvement, Debt service and Cemetery. These funds remained consistent from previous year, with a small increase by a combined balance to \$466,193, an 8 percent increase over the prior year.

The most noticeable increase in ending fund balance is the Parks Capital Improvements, this increase was due to projects put on hold due to the uncertain revenue streams of the Food and Beverage Tax.

The Reserve Fund was established by Resolution #2010-18 and updated with Resolution #2020-09 and subsequently replaced with Resolution #2020-26 as part of a comprehensive financial policies updated adopted in December 2020. This fund must be rolled into the General Fund on a GAAP basis until a stabilization policy is adopted by Council. This year's ending fund balance is \$1,715,000. This large increase was a transfer Resolution #2022-17A from the General fund of \$1,415,00 and Parks Fund of \$300,000.



Business-type Funds. The City has five enterprise funds; the Water Fund, Wastewater Fund, Stormwater Fund, Electric Fund and Telecommunications Fund. Business type funds are paid by user fees for services provided.

The Water Fund (pg. 109) ended the year with an approximate \$1.553 million excess of revenues over expenditures. The City has continued design and engineering evaluations of the \$35-\$40 million water treatment plant project based on the adopted Capital Improvement Plan. The fund balance, consistent with the approved advance funding rate methodology, is anticipated to drop significantly when used as one of several funding components of the water treatment plant project construction, which is scheduled to be substantially under way in the second year of the 2021-2023 Biennium.

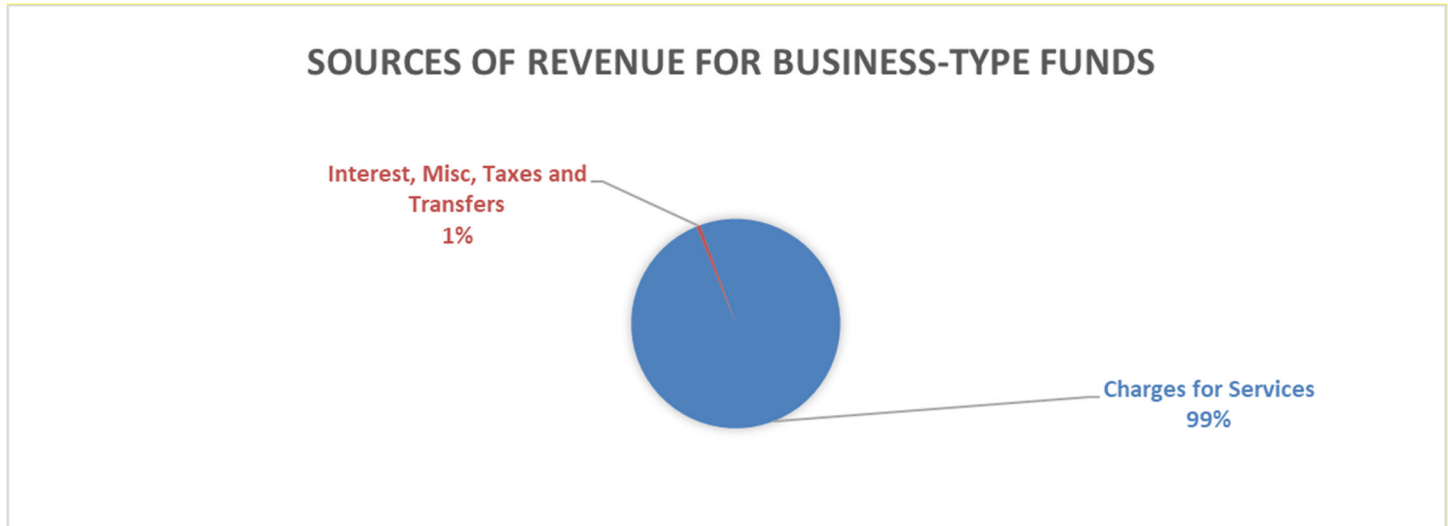
The Wastewater Fund (pg. 110) ended the year with a \$8.336 million in fund balance. This fund as begin the \$2.9 million shading/riparian improvement project.

The Stormwater Fund (pg. 111) ended the year with a \$1.867 million fund balance. This fund has completed its Master plan. This fund is working with the Street fund on the North Mountain project which will begin construction in the second year of the Biennium.

Shown on page 112, the Electric Fund ended the year with revenues over expenditures of \$1,605,801. Historically and currently, the majority of Electric infrastructure improvements are covered on a cash basis. This fund anticipates the purchase and update the substation currently owned by Bonneville Power Administration (BPA) which will reduce operating costs with a reduction in billed wholesale transmission fees from BPA to the City, and provide future operational efficiencies.

The Telecommunications Fund (pg. 113) ended in the positive with revenues exceeding expenditures. The fund balance is at \$2.6 million. However, this fund anticipates system infrastructure updates in the near term. The City anticipates evaluating the operating structure and service delivery technology in alignment with the

debt retirement associated with the original creation of Ashland Fiber Network.



Internal Service Funds. The City has three internal service funds as of this fiscal year. Central Service which is now rolled into the General fund no longer exists, Insurance Services, Health Benefits and Equipment Funds.

The Central Service Fund was rolled into the City's General fund as part of the 2021-23 Biennium budget adoption.

The Insurance Service Fund ended the year with a positive net position \$1 million. This fund will continue to struggle with rising insurance and small claims costs in the coming years. This will impact operating departments in future years with increased charges for the rising costs.

The Health Benefits Fund ended with a fund balance of \$1,989,389. The City has returned to a pooled insurance market to help stabilize this fund. Employee contributions to monthly premium costs increased in several of the bargaining groups, moving from a 95%/5% split to a 90/10 split based on Council direction and is anticipated to extend to the remaining bargaining groups as contracts are negotiated.

The Equipment Fund ending with a fund balance of \$5,874,506. This fund will continue to fluctuate based on needed equipment to purchase across the organization and of operating expenses related to vehicle and equipment repair.

General Fund Budgetary Highlights. The City's final budget differs from the original budget in that it contains five supplemental of appropriations and two transfers during the first year of 2021-2023 Biennium approved by Council.

Below are authorized changes in the General Fund:

First year of the Biennium:

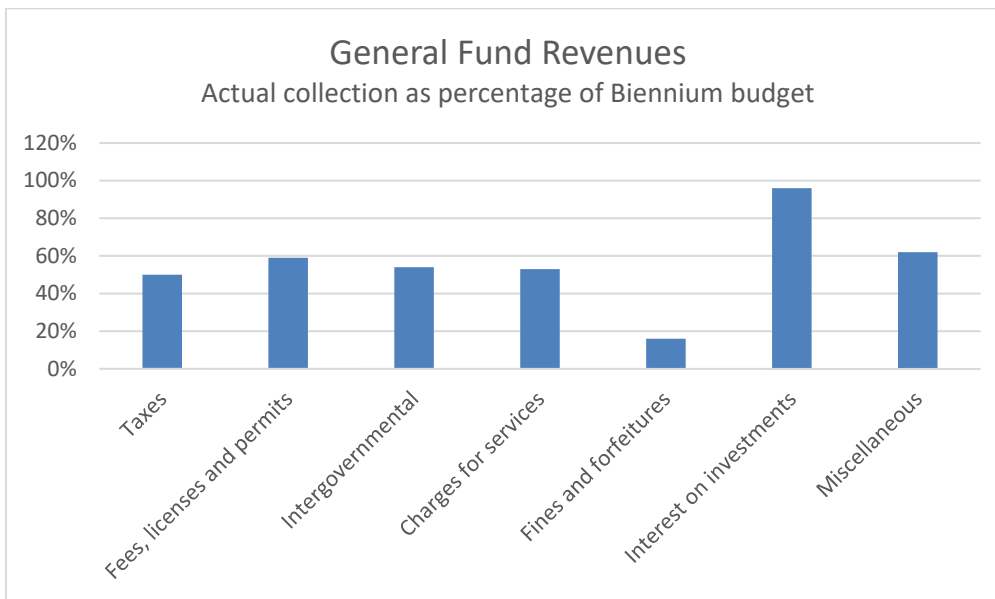
- Fire Department: Recognized several external grants in the amount of \$861,959.
- There were two transfers from contingency, one to the City Recorder to cover unanticipated software purchases and a transfer to Housing Trust fund.

2022 Financial Section

- Resolution 2022-17A reduced various departments funding for vacancy savings and over cuts resulting in over \$1 million dollars in cuts to the general fund. This was at the request of the budget committee to reduce over all spending or to increase revenue by \$1 million dollars

The General Fund ended the first year of the Biennium budget with revenues exceeding expenditures by \$10,010,147. This amount is higher than anticipated to due revenues coming in slightly higher at 51% at year end. The larger savings are from expenditures, departments in the general fund are spending below mainly due to staff vacancy.

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) which directed approximately \$2.3 million to the General Fund as revenue replacement due to revenue shortfalls that were eligible for ARPA funding. This is in addition to funds received under the Coronavirus, Aid, Relief, and Economic Security (CARES) Act which reimbursed the City for direct expenditures associated with responding to the COVID-19 pandemic including police, fire, and public facilities maintenance activities.



Capital Assets and Debt Administration

- o **Capital Assets.** As of June 30, 2022, the City had \$132 million in capital assets. In the Governmental Activities, the most notable decrease is due to lose on sale of assets from roll the Central service fund into the General fund. In the Business-type Activities, Infrastructure increased due to two projects, the shading/riparian improvements and Effluent Outfall both in the Wastewater Fund. See Note III C.

City of Ashland's Capital Assets
(in thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2022-2021
	2022	2021	2022	2021	2022	2021	
Land	\$ 15,339	\$ 15,339	\$ 3,107	\$ 3,107	\$ 18,446	\$ 18,446	0.0%
Buildings and improvements	45,951	45,486	22,100	22,100	68,051	67,586	0.7%
Equipment	24,478	23,614	1,445	1,445	25,923	25,059	3.4%
Infrastructure	63,296	60,950	99,435	99,247	162,731	160,197	1.6%
Construction in progress	2,487	3,681	8,012	6,406	10,499	10,087	4.1%
Totals at historical cost	151,551	149,070	134,099	132,305	285,650	281,375	1.5%
Total accumulated depreciation	84,582	81,079	69,484	67,093	154,066	148,172	4.0%
Net capital assets	\$ 66,969	\$ 67,991	\$ 64,615	\$ 65,212	\$ 131,584	\$ 133,203	-1.2%

- o **Debt Administration.** At end of year the City had \$19.5 million in debt outstanding. The City overall debt decreased by 8.10% from Fiscal Year 2021, The decrease was due to schedule payments, no debts were retired early during FY 2022.

The City did incur new debts of \$672,427. The Wastewater Fund drew down \$672,427 from the Department of Environmental Quality Clean Water State Revolving Fund for the riparian restoration and outfall relocation projects on Ashland's selection of Bear Creek. All other changes to debt were payments reducing the outstanding principal. For more specific data, please refer to the notes sections of Capital Assets (section C, starting on page 64) and Long-Term Debt (section E, starting on page 67)

City of Ashland's General Obligation Long Term Debt
(in thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2022-2021
	2022	2021	2022	2021	2022	2021	
Bonds payable	\$ 5,835	\$ 7,240	\$ 1,605	\$ 2,005	\$ 7,440	\$ 9,245	-19.52%
Notes payable	1,567	1,817	10,499	10,164	12,066	11,981	0.71%
Total bonds and notes	\$ 7,402	\$ 9,057	\$ 12,104	\$ 12,169	\$ 19,506	\$ 21,226	-8.10%

Debt limitation. Oregon Revised Statutes provide a limit on non-self-supporting general obligation debt of 3% of the real market value of all taxable property within the City's boundaries. Based on the City's FY 2021-2022 real market value, this debt limitation is \$133,989,440. The amount of outstanding City debt subject to this limitation is \$5,835,000 (under 5% of maximum debt limitation)

Economic Factors and Next Year's Budget and Rates

- o The City of Ashland adopted its Biennium budget for 2021-2023 of \$263,949,218 in total appropriations.
- o **Property Taxes.** This is the single largest source of revenue in the General Fund. The maximum the City is permitted to levy is approximately \$4.2865 per \$1,000 of assessed valuation. This budget levies \$4.2865 per \$1,000, with the entire levy going into the General Fund. Operating property taxes, excluding prior year tax collections, are projected to increase by 3.5% in each year

of the Biennium.

o **Challenges**

Our greatest assets are our employees; however, costs for personnel continue to rise faster than revenue. Funding Public Employees Retirement System (PERS) obligations has created a substantial on-going financial challenge. The previous increase of 25% in the blended rate is not offset by the milder increase expected after the market increases during the pandemic. Both the State of Oregon and the City of Ashland will monitor available options for managing the impact of pension obligations on operating budgets.

Health care, nationally, has increased by 5% annually for a number of years. The City is addressing this through labor negotiations with policy plan changes to higher deductibles and employee co-pays in this budget and into the future. Projected increases for the next biennium are significantly below original estimates due to statewide member pool behavior and the changes in benefits.

Staff has focused on the City Council approved goals and service level priorities. The City has achieved material reductions in costs and developed fiscal strategies for Council consideration.

1. Develop current and long-term budgetary resilience.
2. Analyze City departments/programs to gain efficiencies, reduce costs and improve services.
3. Enhance and improve transparency and communication.

The City of Ashland, like most communities in Oregon and beyond continues to be challenged with maintaining funding for the high service levels expected and wide array of services provided by its residents and visitors. With restrictions in property tax growth below the rate of expenditure growth and limited options for additional sources of revenue, operations have been and continue to be streamlined.

Targeted outsourcing, regionalization, and internal efficiencies where viable and cost effective continue to be a focus of the City's management team and Council. Temporary reductions in staffing levels, both actively and passively, have contributed to reducing the rate of overall expenditure increases. Slowing the pace of significant infrastructure projects has had a similar effect, primarily in the Enterprise Funds. Evaluating the City's ability and willingness to continue with these constrictions will be a significant discussion and decision point in the upcoming 2023-25 budget process

Financial Contact:

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department 20 East Main, Ashland, Oregon, 97520 or (541) 488-5300.

BASIC FINANCIAL STATEMENTS

CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
June 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents and investments	\$ 34,478,348	\$ 29,100,066	\$ 63,578,414
Receivables (net of allowance for uncollectible)	8,097,755	3,753,119	11,850,874
Lease receivable	329,803	-	329,803
Prepays expenses	40,390	80,910	121,300
Inventories	18,499	1,385,287	1,403,786
Internal balances	(5,181,075)	5,181,075	-
Restricted assets:			
Cash and cash equivalents	929,433	-	929,433
Total current assets	<u>38,713,153</u>	<u>39,500,457</u>	<u>78,213,610</u>
Noncurrent assets:			
RHIA assets	684,250	-	684,250
Leases receivables	199,645	-	199,645
Lease assets	61,239	2,171	63,410
Capital assets:			
Land	15,338,439	3,106,925	18,445,364
Construction in progress	2,487,089	8,011,836	10,498,925
Buildings	45,951,684	22,099,664	68,051,348
Machinery and equipment	24,478,174	1,445,490	25,923,664
Infrastructure	63,295,651	99,435,309	162,730,960
Accumulated depreciation	(84,581,856)	(69,484,252)	(154,066,108)
Total noncurrent assets	<u>67,914,315</u>	<u>64,617,143</u>	<u>132,531,458</u>
Total assets	<u>106,627,468</u>	<u>104,117,600</u>	<u>210,745,068</u>
Deferred Outflows of Resources:			
Deferred outflows - Pension	10,447,497	3,123,707	13,571,204
Deferred outflows - OPEB	957,163	286,184	1,243,347
Total Deferred Outflows	<u>11,404,660</u>	<u>3,409,891</u>	<u>14,814,551</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
June 30, 2022

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Liabilities:			
Current liabilities:			
Accounts payable and other	2,496,701	2,021,230	4,517,931
Claims and judgment	50,000	-	50,000
Bonds and Notes	1,681,000	731,489	2,412,489
Accrued interest payable	47,747	54,011	101,758
Compensated Absences	358,250	103,550	461,800
Total current liabilities	4,633,698	2,910,280	7,543,978
Noncurrent liabilities:			
Compensated absences	1,074,750	310,650	1,385,400
Proportional Share of Net Pension Liability	18,868,645	5,641,553	24,510,198
Transitional Liability	486,668	-	486,668
Lease Liability	61,239	2,171	63,410
Total OPEB Liability	3,271,531	773,573	4,045,104
Claims and judgment	110,093	-	110,093
Bonds and Notes	5,721,000	11,372,276	17,093,276
Total noncurrent liabilities	29,593,926	18,100,223	47,694,149
Total liabilities	34,227,624	21,010,503	55,238,127
Deferred Inflows of Resources:			
Deferred inflows - Leases	529,448	-	529,448
Deferred inflows - Pension	15,364,980	4,593,990	19,958,970
Deferred inflows - OPEB	499,267	149,278	648,545
Total Deferred Inflows	16,393,695	4,743,268	21,136,963
Net Position:			
Net investment in capital assets	59,567,181	52,511,207	112,078,388
Non-expendable:			
Perpetual care	930,895	-	930,895
Restricted for:			
Asset forfeiture	35,699	-	35,699
Transient Occupancy Tax - tourism	87,461	-	87,461
System development	3,167,635	3,390,571	6,558,206
The Community Development Block Grant restriction	36,619	-	36,619
Debt service	1,009,803	-	1,009,803
Unrestricted (deficit)	2,575,516	25,871,942	28,447,459
Total Net Position	\$ 67,410,809	\$ 81,773,720	\$ 149,184,529

The accompanying notes are an integral part of the basic financial statements.

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**CITY OF ASHLAND, OREGON
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022**

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary Government:				
Governmental Activities:				
General government	\$ 11,210,672	\$ 14,529,258	\$ 3,845,575	\$ -
Public safety	15,415,451	3,375,819	542,165	-
Highways and streets	4,752,682	1,854,909	1,703,177	-
Parks and recreation	7,278,265	1,140,458	658,871	373,321
Interest on long-term debt	99,825	-	-	-
Total governmental activities	38,756,895	20,900,444	6,749,788	373,321
Business-type Activities:				
Water	6,695,204	8,671,635	-	-
Wastewater	6,185,354	6,389,693	-	-
Stormwater	755,435	827,134	-	-
Electric	16,055,048	17,692,125	50,308	-
Telecommunications	2,279,129	2,780,391	-	-
Total business-type activities	31,970,170	36,360,978	50,308	-
Total primary government	70,727,065	57,261,422	6,800,096	373,321

General Revenues:
 Property taxes
 Utility users tax
 Users taxes
 Unrestricted interest earnings
 Miscellaneous
 Transfers
 Total general revenues and transfers
 Change in net position

Net position - beginning

Net position - ending

CITY OF ASHLAND, OREGON
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022 (continued)

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ 7,164,161	\$ -	\$ 7,164,161
(11,497,467)	-	(11,497,467)
(1,194,596)	-	(1,194,596)
(5,105,615)	-	(5,105,615)
(99,825)	-	(99,825)
(10,733,342)	-	(10,733,342)
-	1,976,431	1,976,431
-	204,339	204,339
-	71,699	71,699
-	1,687,385	1,687,385
-	501,262	501,262
-	4,441,116	4,441,116
(10,733,342)	4,441,116	(6,292,226)
13,033,738	-	13,033,738
3,720,652	-	3,720,652
5,745,392	37	5,745,429
131,348	143,014	274,362
-	67,146	67,146
50,000	(50,000)	-
22,681,130	160,197	22,841,327
11,947,788	4,601,313	16,549,101
55,463,021	77,172,407	132,635,428
\$ 67,410,809	\$ 81,773,720	\$ 149,184,529

The accompanying notes are an integral part of the basic financial statements

CITY OF ASHLAND, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	General	Street	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and investments	\$ 15,623,403	\$ 4,901,591	\$ 4,727,940	\$ 25,252,934
Receivables (net of allowance for uncollectible)	6,696,127	802,939	544,143	8,043,210
Lease Receivables	-	-	529,448	529,449
Prepaid items	40,390	-	-	40,390
Cash - restricted	-	-	929,433	929,433
Total assets	\$ 22,359,920	\$ 5,704,530	\$ 6,730,964	\$ 34,795,415
Liabilities:				
Accounts payable	1,745,194	161,793	325,371	2,232,358
Total liabilities	1,745,194	161,793	325,371	2,232,358
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	398,405	-	21,960	420,365
Unavailable revenue - special assessments & other	1,325,181	6,796	111,301	1,443,278
Unavailable revenue - leases	-	-	529,448	529,448
Total Deferred Inflows of Resources	1,723,586	6,796	662,709	2,393,091
Fund Balances:				
Nonexpendable:				
Perpetual care	-	-	930,895	930,895
Prepaid items	40,390	-	-	40,390
Restricted for:				
Asset forfeiture	35,699	-	-	35,699
Transient Occupancy Tax - tourism	87,461	-	-	87,461
Airport	-	-	298,171	298,171
System development charges	-	2,882,757	284,878	3,167,635
Community Development Block Grant	-	-	36,619	36,619
Debt commitment	-	-	1,009,803	1,009,803
Committed for:				
General fund	1,150,202	-	-	1,150,202
Housing Fund	-	-	280,661	280,661
Special revenue funds	-	2,653,184	-	2,653,184
Parks activities	-	-	1,978,495	1,978,495
Capital projects funds	-	-	923,362	923,362
Unassigned	17,577,388	-	-	17,577,388
Total fund balances	18,891,140	5,535,941	5,742,884	30,169,965
Total liabilities, deferred inflows and fund balances	\$ 22,359,920	\$ 5,704,530	\$ 6,730,964	\$ 34,795,415

The accompanying notes are an integral part of the basic financial statements.

**CITY OF ASHLAND, OREGON
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
June 30, 2022**

Explanation of certain differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position.

Fund Balances	\$ 30,169,965
<p>The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the City as a whole.</p>	
Net capital assets	63,094,133
Leased assets	61,239
<p>Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.</p>	
Long-term liabilities	(7,402,000)
Accrued interest on liabilities	(108,986)
<p>The net pension assets (liability), and deferred inflows and outflows related to the Net Pension Liability is the difference between the total pension liability and the assets set aside to pay benefits earned to the past and current employees and beneficiaries.</p>	
	(23,386,373)
<p>The OPEB assets (liability), and deferred inflows and outflows related to the OPEB Asset is the difference between the total OPEB liability and the assets set aside to pay benefits earned to the past and current employees and beneficiaries.</p>	
	(2,050,030)
<p>Accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.</p>	
Accrued vacation and sick leave	(1,409,951)
<p>Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.</p>	
Unavailable revenue:	
Unavailable - Property Taxes	420,365
Unavailable - Special Assessments and All others	1,443,278
<p>Internal Service Funds are used by the City to charge costs of insurance, risk management, and fleet management services to individual funds. Their assets and liabilities are included in the Statement of Net Position.</p>	
Internal Service Fund net position	<u>6,579,170</u>
Total net position	<u>\$ 67,410,809</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF ASHLAND, OREGON
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	General Fund	Street Fund	Other Governmental Funds	Total Government
Revenues:				
Taxes	\$ 23,377,035	\$ 2,065,803	\$ 908,795	\$ 26,351,633
Fees, licenses and permits	1,539,283	-	-	1,539,283
Intergovernmental	3,635,684	2,103,177	1,677,310	7,416,171
Charges for services	10,319,430	1,677,612	1,647,742	13,644,784
System development charges	-	165,625	39,779	205,404
Assessments	-	2,171	-	2,171
Fines and forfeitures	171,689	-	-	171,689
Interest on investments	86,042	21,110	24,196	131,348
Miscellaneous	97,796	17,808	1,024	116,628
Total revenues	<u>39,226,958</u>	<u>6,053,306</u>	<u>4,298,846</u>	<u>49,579,110</u>
Expenditures:				
General government	11,149,866	-	1,307,042	12,456,908
Public safety	16,847,789	-	-	16,847,789
Highways and streets	-	3,539,690	-	3,539,690
Parks and Recreation	7,046,009	-	924,784	7,970,793
Debt service	-	80,563	1,766,448	1,847,011
Capital outlay	-	769,553	-	769,553
Total expenditures	<u>35,043,664</u>	<u>4,389,805</u>	<u>3,998,274</u>	<u>43,431,743</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>4,183,294</u>	<u>1,663,501</u>	<u>300,572</u>	<u>6,147,367</u>
Other financing sources (uses)				
Transfers In	12,360,013	-	499,672	12,859,685
Transfers Out	(9,368,428)	-	(354,051)	(9,722,479)
Total other financing sources (uses)	<u>2,991,585</u>	<u>-</u>	<u>145,621</u>	<u>3,137,206</u>
Net change in fund balance	7,174,879	1,663,501	446,193	9,284,573
Fund balance, July 1, 2021	<u>11,716,261</u>	<u>3,872,440</u>	<u>5,296,691</u>	<u>20,885,392</u>
Fund balance, June 30, 2022	<u>\$ 18,891,140</u>	<u>\$ 5,535,941</u>	<u>\$ 5,742,884</u>	<u>\$ 30,169,965</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF ASHLAND, OREGON
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022**

Explanation of certain differences between the Net Changes in Fund Balance and the Government-wide Statement of Activities.

Changes in net fund balance	\$	9,284,573
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital contribution		373,321
Capital outlay expenditures capitalized		1,884,529
Depreciation expense		(2,630,741)

The Pension Expense and the changes in the deferred inflows and outflows related to the changes in the Net Pension Assets (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.		2,263,230
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The OPEB Expense and the changes in the deferred inflows and outflows related to the changes in the total OPEB Assets (Liability) from year to year due to changes in total OPEB liability and the fair value of OPEB plan net position available to pay benefits.		(9,076)
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Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transitions that are not normally paid with expendable available financial resources. However, in the Statement of Activities (which is presented on the accrual basis of accounting) expenses and liabilities are reported, regardless of when financial resources are available. This adjustment combines the net changes in liability balances.

General obligation bonds and notes payable		1,655,000
Compensated absences		193,312
Accrued interest		11,624

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

Property taxes		13,800
Special assessments		(2,161)
Other		(100,022)
Transient lodging tax		788,473

Internal Service Funds are used by the City to charge costs of insurance, risk management and fleet management services to individual funds. Their net activity is included in the statement of activities. The central Service fund rolled into the General Fund as of July 1, 2021 resulting in a one time adjustment of \$6,965,728.

Internal Service Fund change in net position		5,187,654
Less gain on closing central services fund		(6,965,728)
Change in net position	\$	11,947,788

**CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2022**

	Business - Type activities - Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele- communications Fund		
ASSETS							
Current assets:							
Cash equivalents and investments	\$ 12,889,481	\$ 7,661,156	\$ 1,769,548	\$ 4,434,450	\$ 2,345,431	\$ 29,100,066	\$ 9,225,414
Interest and accounts receivable, net	1,062,137	1,209,619	110,582	888,635	393,194	3,664,167	46,440
Notes and contracts receivable	-	-	-	88,951	-	88,951	8,105
Prepays	4,207	43,240	-	33,463	-	80,910	-
Inventories	631,233	4,237	-	749,817	-	1,385,287	18,499
Total current assets	14,587,058	8,918,252	1,880,130	6,195,316	2,738,625	34,319,381	9,298,458
Noncurrent Capital assets:							
Lease assets	-	-	-	2,171	-	2,171	-
Capital assets, not being depreciated or amortized:							
Land	956,587	2,150,338	-	-	-	3,106,925	-
Construction in process	5,250,584	2,744,893	4,131	12,225	-	8,011,833	-
Capital assets, being depreciated or amortized:							
Capital assets	42,477,952	52,529,789	1,521,867	16,658,447	9,792,411	122,980,466	16,423,671
Accumulated depreciation	(22,479,307)	(26,518,035)	(981,924)	(10,076,476)	(9,428,511)	(69,484,253)	(12,548,623)
Capital assets, net	26,205,816	30,906,985	544,074	6,596,367	363,900	64,617,142	3,875,048
Total assets	40,792,874	39,825,237	2,424,204	12,791,683	3,102,525	98,936,523	13,173,506
Deferred Outflows of Resources:							
Deferred Outflows - Pension	898,478	676,853	170,711	1,018,274	359,391	3,123,707	389,340
Deferred Outflows - OPEB	82,315	62,011	15,640	93,291	32,927	286,184	35,670
Total deferred outflows of resources	980,793	738,864	186,351	1,111,565	392,318	3,409,891	425,010
LIABILITIES, DEFERRED INFLOWS AND NET POSITION							
Current liabilities:							
Accounts payable	232,782	553,360	7,700	738,632	42,051	1,574,525	252,802
Accrued salaries, vacation and payroll taxes	54,985	28,159	4,936	48,124	12,666	148,870	11,539
Accrued interest payable	46,241	7,412	358	-	-	54,011	-
Lease liabilities	-	-	-	2,171	-	2,171	-
Other liabilities	-	-	-	295,663	-	295,663	-
Compensated absences	26,850	25,335	637	44,130	6,598	103,550	5,762
Revenue bonds payable, Current	211,736	109,753	-	-	-	321,489	-
General obligation bonds payable, Current	360,000	40,000	10,000	-	-	410,000	-
Total current liabilities	932,594	764,019	23,631	1,128,720	61,315	2,910,279	270,103
Noncurrent liabilities:							
Compensated absences	80,550	76,004	1,913	132,390	19,793	310,650	17,284
Net OPEB Liabilities	222,504	167,620	42,276	252,171	89,002	773,573	96,419
Proportionate Share of Net Pension Liability	1,622,691	1,222,426	308,311	1,839,049	649,076	5,641,553	703,166
Accrued claims	-	-	-	-	-	-	160,093
Revenue bonds payable, net	7,248,713	2,928,563	-	-	-	10,177,276	-
General obligation bonds payable, net	925,000	215,000	55,000	-	-	1,195,000	-
Total noncurrent liabilities	10,099,458	4,609,613	407,500	2,223,610	757,871	18,098,052	976,962
Total liabilities	11,032,052	5,373,632	431,131	3,352,330	819,186	21,008,331	1,247,065
Deferred inflows of Resources:							
Deferred inflows - Pension	1,321,378	995,438	251,062	1,497,561	528,551	4,593,990	572,597
Deferred inflows - OPEB	42,937	32,346	8,158	48,662	17,175	149,278	18,606
Total deferred inflows of resources	1,364,315	1,027,784	259,220	1,546,223	545,726	4,743,268	591,203
Net Position:							
Net Position:							
Net Investment in capital assets	17,460,367	27,613,669	479,074	6,596,367	363,900	52,513,377	3,875,048
Restricted for system development	1,162,197	2,228,374	-	-	-	3,390,571	-
Unrestricted	10,754,736	4,320,642	1,441,130	2,406,157	1,766,032	20,688,698	7,885,200
Total Net Position	\$ 29,377,300	\$ 34,162,685	\$ 1,920,204	\$ 9,002,524	\$ 2,129,932	\$ 76,592,645	\$ 11,760,248
Total Net Position						\$ 76,592,645	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						5,181,075	
Net Position of business-type activities						<u>\$ 81,773,720</u>	

The accompanying notes are an integral part of the basic financial statements.

2022 Basic Financial Statements

**CITY OF ASHLAND, OREGON
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the year ended June 30, 2022**

	Business - Type activities - Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele- communications Fund		
Operating revenues:							
Charges for services	\$ 8,671,635	\$ 6,389,693	\$ 827,134	\$ 17,692,125	\$ 2,780,392	\$ 36,360,979	\$ 12,092,569
Miscellaneous	4,104	-	-	62,586	456	67,146	23,612
Total operating revenues	8,675,739	6,389,693	827,134	17,754,711	2,780,848	36,428,125	12,116,181
Operating expenses:							
Cost of sales and services	6,106,433	4,433,048	725,856	16,337,168	2,301,632	29,904,137	8,824,407
Depreciation and amortization	709,904	1,256,263	55,812	308,349	61,337	2,391,665	872,433
Total operating expenses	6,816,337	5,689,311	781,668	16,645,517	2,362,969	32,295,802	9,696,840
Operating income (loss)	1,859,402	700,382	45,466	1,109,194	417,879	4,132,323	2,419,341
Non-operating income (expenses):							
Taxes	-	38	-	-	-	38	-
Intergovernmental	-	-	-	50,308	-	50,308	-
Interest income	65,754	38,811	8,992	18,608	10,849	143,014	35,669
Interest expense	(120,715)	(697,904)	(1,501)	(125)	-	(820,245)	-
Total non-operating income (expenses)	(54,961)	(659,055)	7,491	68,791	10,849	(626,885)	35,669
Transfers							
Capital contribution (close of internal service fund)	-	-	-	-	-	-	6,965,728
Transfer Out	(50,000)	-	-	-	-	(50,000)	(3,087,206)
Total Transfers	(50,000)	-	-	-	-	(50,000)	3,878,522
Change in net position	1,754,441	41,327	52,957	1,177,985	428,728	3,455,438	6,333,532
Total Net Position - Beginning	27,622,859	34,121,358	1,867,247	7,824,539	1,701,204	73,137,207	5,426,715
Total Net Position - Ending	\$ 29,377,300	\$ 34,162,685	\$ 1,920,204	\$ 9,002,524	\$ 2,129,932	\$ 76,592,645	\$ 11,760,247
Change in Net Position						\$ 3,455,438	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						1,145,875	
Change in Net Position of business-type activities - Statement of Activities						<u>\$ 4,601,313</u>	

The accompanying notes are an integral part of the basic financial statements.

CITY OF ASHLAND, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2022

	Business-type Activities - Enterprise Funds					Total	Governmental
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele- communications Fund		Internal Service Funds
Cash flows from operating activities:							
Receipts from customers and users	\$ 8,786,541	\$ 6,910,646	\$ 811,012	\$ 17,713,390	\$ 2,730,129	\$ 36,951,718	\$ 19,349
Receipts from internal users	-	-	-	-	-	-	12,100,132
Payments to suppliers	(4,188,917)	(2,428,193)	(365,227)	(13,024,285)	(1,499,947)	(21,506,569)	(7,906,283)
Payments to employees	(2,000,527)	(1,670,797)	(372,768)	(3,270,472)	(737,415)	(8,051,979)	(649,303)
Net cash from operating activities	<u>2,597,097</u>	<u>2,811,656</u>	<u>73,017</u>	<u>1,418,633</u>	<u>492,767</u>	<u>7,393,170</u>	<u>3,563,895</u>
Cash flows from noncapital financing activities:							
Taxes collected	-	38	-	-	-	38	-
Transfers In (Out)	(50,000)	-	-	-	-	(50,000)	(3,402,031)
Intergovernmental	-	-	-	50,308	-	50,308	-
Net cash from noncapital financing activities	<u>(50,000)</u>	<u>38</u>	<u>-</u>	<u>50,308</u>	<u>-</u>	<u>346</u>	<u>(3,402,031)</u>
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(563,596)	(1,214,695)	(4,131)	(12,225)	-	(1,794,647)	(223,294)
Proceeds from issuance of debt	-	672,428	-	-	-	672,428	-
Principal paid on bonds, contracts and notes	(557,106)	(148,663)	(10,000)	(21,714)	-	(737,483)	-
Interest paid on debt	(120,715)	(697,904)	(1,502)	(125)	-	(820,246)	-
Net cash from capital and related financing activities	<u>(1,241,417)</u>	<u>(1,388,834)</u>	<u>(15,633)</u>	<u>(34,064)</u>	<u>-</u>	<u>(2,679,948)</u>	<u>(223,294)</u>
Cash flows from investing activities:							
Interest from investments and other income	65,754	38,811	8,992	18,608	10,849	143,016	35,668
Net increase (decrease) in cash and investments	<u>1,371,434</u>	<u>1,461,671</u>	<u>66,376</u>	<u>1,453,485</u>	<u>503,616</u>	<u>4,856,582</u>	<u>(25,762)</u>
Cash and investments, beginning of year	<u>11,518,047</u>	<u>6,199,485</u>	<u>1,703,172</u>	<u>2,980,965</u>	<u>1,841,815</u>	<u>24,243,484</u>	<u>9,251,176</u>
Cash and investments, end of year	<u>\$ 12,889,481</u>	<u>\$ 7,661,156</u>	<u>\$ 1,769,548</u>	<u>\$ 4,434,450</u>	<u>\$ 2,345,431</u>	<u>\$ 29,100,066</u>	<u>\$ 9,225,414</u>
Reconciliation of operating income to net cash provided by operating activities:							
Operating income	1,859,402	700,382	45,466	1,109,194	417,879	4,132,323	2,419,341
Depreciation and amortization	709,904	1,256,263	55,812	308,349	61,337	2,391,665	872,433
Change in assets and liabilities:							
(Increase) decrease in:							
Receivables	110,802	520,953	(16,122)	(41,321)	(50,719)	523,593	3,297
Net Pension Liability	210,174	158,330	39,933	238,198	84,069	730,704	91,074
Total OPEB Liability	(2,814)	(2,119)	(34,703)	(34,810)	(1,125)	(75,571)	(1,219)
Inventories	(197,980)	(43,116)	-	(87,178)	4,505	(323,769)	(2,356)
Increase (decrease) in:							
Accounts payable and accrued liabilities	(62,232)	260,542	1,739	55,049	(3,386)	251,712	196,396
Other liabilities	(30,159)	(39,579)	(19,108)	(128,848)	(19,793)	(237,487)	(15,071)
Net cash from operating activities	<u>\$ 2,597,097</u>	<u>\$ 2,811,656</u>	<u>\$ 73,017</u>	<u>\$ 1,418,633</u>	<u>\$ 492,767</u>	<u>\$ 7,393,170</u>	<u>\$ 3,563,895</u>

The accompanying notes are an integral part of the basic financial statements.

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**NOTES TO BASIC
FINANCIAL STATEMENTS**



CITY OF ASHLAND, JACKSON COUNTY, OREGON
Notes to Basic Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Ashland, Oregon (the City) is a municipal corporation, governed by an elected mayor and a six-member council. The accompanying financial statements present the City, an entity for which the City is considered to be financially accountable.

B. Government-wide and Fund Financial Statements

Governmental Accounting Standards Boards Statement No. 34 (GASBS 34)

The presentation of financial information required by GASBS 34 for Basic Financial Statements and Supplementary Information are described below and in the Management's Discussion and Analysis located earlier in this document. The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Changes in Activities) report information on the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are reported when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The budgetary basis of accounting is the same as Generally Accepted Accounting Principles (GAAP). Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are accruable and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 required to be accounted for in another fund.
- The Street Fund accounts for the resources and operating expenditures related to the maintenance, operation and construction of the City's streets and storm water collection infrastructure. While a substantial portion of revenues come from user fees, the primary source is state-shared highway funds.

The City reports the following major proprietary funds:

- The Water Fund accounts for the resources and expenses related to supply, treatment and distribution of water throughout the City. The primary source of revenue is user fees.
- The Wastewater Fund accounts for the resources and expenses related to collection and treatment of wastewater throughout the City. The primary source of revenue is user fees.
- The Stormwater Fund accounts for the resources and expenses related to collection and treatment of stormwater throughout the City. The primary source of revenue is user fees.
- The Electric Fund accounts for the resources and expenses related to distribution of electricity throughout the City. The primary source of revenue is user fees.
- The Telecommunications Fund accounts for the resources and expenses related to broadband and high-speed data transmission services throughout the City. The primary source of revenue is user fees.

Additionally, the City reports the following fund types:

- Internal Service Funds account for insurances and fleet management services primarily provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payment-in-lieu of taxes and other charges between the City's various utility funds and the other functions of the City. The enterprise funds which operate water, wastewater, and electric services are charged franchise fees by the General Fund. As such franchise fees would be charged to any such operation under local ordinance, these fees are recognized as direct operating expenses in those funds and as revenue to the General Fund rather than transfers. Payments for Fiscal year 2022 includes \$682,933 by the Water Fund, \$506,931 by the Wastewater Fund, and \$1,772,345 by the Electric Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing, producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The enterprise and internal service funds are charges to customers for sales and services.

Where applicable, enterprises also recognize the portion of System Development Charges intended to recover the cost of connecting new customers to the system as operating revenue. Operating expenses for enterprise 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 non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources to the limits of the policies and statutes governing them first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Position

1. Cash and Investments

The City’s cash and cash equivalents are comprised of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and the State Treasurer’s Investment Pool.

Investments for the City are reported at fair value. The State Treasurer’s Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of pool shares.

2. Restricted Cash

The balances of the restricted assets accounts in the governmental and business-type are as follows:

	General Government
Restricted Cash:	
Cemetery Trust Fund	\$ 929,433
	\$ 929,433

3. Receivables and Payables

Activity between funds that are representative of lending and borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.” Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not expendable available financial resources.

All trade and property taxes receivable are shown at net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied as of July 1 on property assessed as of the same date. The tax levy is due November 15, with an optional payment method of 1/3 due November 15, 1/3 due January 15, and 1/3 due March 15. Taxes paid in full November 15 are provided a 3 percent discount. The billings are considered delinquent after the appropriate due date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

Notes and contracts receivable are recorded at par. Interest assessed is recorded as revenue when the payment becomes due.

4. Inventories

All inventories are stated at moving average cost. Inventories are recorded as expenditures when consumed rather than when purchased.

5. Prepaid items and Advances

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements using the consumption method.

6. Restricted Assets

Certain proceeds of the water enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because they are maintained in separate bank accounts (not in the City's control) and their use is limited by applicable bond covenants.

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g. streets, roads, bridges, sidewalks and similar public domain items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined in the City's capitalization policy (dated 2010) as having a historic cost or market value in excess of \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated assets, donated works of art and similar items, and capital assets received in a service concession arrangement will be reported at acquisition value at the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The City of Ashland amended the capitalization policy to meet Governmental Accounting Standards Board Statement (GASBS) No. 51 requirements. GASBS 51 relates to recognizing intangible assets as easements, water rights, timber rights, patents, trademarks and computer software.

The policy update states that any asset that is internal development will be capitalized if the actual or estimated cost is \$25,000 or more. The useful life of the assets will be determined by the developing department, the Finance Department and the City Manager.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives of the related assets:

Buildings and improvements	33 to 50 years
Electric power generation and distribution systems	40 to 70 years
Water, wastewater and storm water systems	15 to 50 years
Public domain infrastructure	15 to 25 years
Equipment	2 to 20 years

8. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Since the City does not have a policy to pay any amounts when employees separate from service with the City, there is no liability for unpaid accumulated sick leave. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, or are taken and paid from current resources.

9. Long-Term Liabilities

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 bond using the effective interest method. Bonds payable are reported net of the applicable bonding premium or discount.

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

10. Net Position/Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The City's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

Non-spendable fund balance represents amounts that are not in a spendable form. The non-spendable fund balance represents perpetual care.

Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).

Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by City Council resolution.

Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. Currently, management does not have authority to assign fund balance.

Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The governing body has approved the following order of spending regarding fund balance categories: restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is: committed (if applicable), assigned (if applicable) and unassigned.

To preserve a sound financial system and to provide a stable financial base, the governing body has adopted a minimum fund balance policy. Financial Management Policies were approved December 2020. The targets for fund balances are generally a function of estimated average annual expenditures of the prior three years and are intended to help maintain financial viability of each fund. They vary based on how susceptible a fund is to revenue fluctuations and based on the riskiness of the activities in each different fund.

11. Deferred Outflows/Inflow of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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 represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

12. Fair Value Inputs and Methodologies and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

13. Leases

The City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future receipts on the contract exceed \$25,000 that meet the definition of an other than short-term lease. The City uses the same interest rate it charges to lessee as the discount rate or that is implicit in the contract to the lessee. Short-term lease receipts and variable lease receipts not included in the measurement of the lease receivable are recognized as income when earned.

The City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$25,000 that meet the definition of an other than short-term lease. The City uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the City's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

14. New Accounting Pronouncement

Adoption of GASB 87

The City of Ashland GASB No. 87 Leases (GASB 87) as of July 1, 2021. The City evaluated contracts that were formerly accounted for as operating leases to determine whether they meet the definition of a lease as defined in GASB 87. The contracts related to the lease of their building meet the definition of a lease and the City calculated and recognized a lease receivable of \$529,488 and deferred inflows of resources \$529,488 as of July 1, 2021. The beginning net position was not restated for the adoption of GASB 87.

The City GASB No. 87 Leases (GASB 87) as of July 1, 2021. The City of Ashland evaluated contracts that were formerly accounted for as operating leases to determine whether they meet the definition of a lease as defined in GASB 87. The contracts to lease office space and equipment met the definition of a lease and the City calculated and recognized a right-to-use assets of \$63,410 and lease liabilities \$63,410 as of July 1, 2021. The beginning net position was not restated for the adoption of GASB 87.

GASB Statement No. 89, Accounting for Interest Costs Incurred Before the End of a Construction Period. This statement was issued June 2018 and establishes accounting requirements for interest cost incurred before the end of a construction period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement No. 89 was implemented by the City for the fiscal year ended June 30, 2022 and resulted in a change in policy.

The City implemented GASB Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial reporting for Internal Revenue Code Section 457 Deferred Compensation Plans which did not have an impact to the financial statements of the City.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The City has adopted a biennial budget for all funds on a basis consistent with generally accepted accounting principles for governmental funds. The City Council resolution adopting the budget and authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

Appropriations are at the department (organizational unit) level for funds with more than one department and by total personal services, materials and services, capital outlay, debt service, transfers, and contingency for those funds with only one department or function. The detail budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. The City budgets debt service principal and interest on a cash basis, it is reported on the statement of changes in revenues, expenses and changes in position.

Unexpected additional resources may be added to the budget through the use of a supplemental budget. The supplemental budget process requires hearings before the public, publications in newspapers, and approval by the City Council. Original and supplemental budgets may be modified only by the City Council through the use of appropriation transfers between the levels of control. In addition, Oregon Local Budget Law provides certain specific exceptions to the supplemental budget process to increase appropriations. Such transfers and increases require approval by the City Council by adoption of a resolution. Budget appropriation amounts shown in the financial statements include the original and revised budget appropriations as approved by the City Council. Appropriations are limited to a biennium budget period of 2021-2023; therefore, all spending authority of the City lapses at the end of the biennial period.

- In Fiscal year 2021-2022, the City made seven appropriation adjustments. All seven were amended by resolutions (Resolution # 2022-01, 2022-02, 2022-03, 2022-07, 2022-10, 2022-17 & 2022-17A).

Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2022.

Deficit fund equity:

Generally accepted accounting principles and Oregon state law requires fund disclosure of deficit fund balance/total net position. On June 30, 2022 no funds reported a deficit net position in the GAAP basis financial statements.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

	Total Primary Government
Petty cash	\$ 4,590
Deposits with financial institutions	2,054,006
Imprest Cash	120,000
Investments	62,329,251
	\$ 64,507,847
Governmental - unrestricted	\$ 63,578,414
Governmental - restricted: Cemetery Trust Fund	929,433
	\$ 64,507,847

1. Deposits

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

2. Credit Risk Deposits

There is a risk that, in the event of a bank failure, the City’s deposits may not be returned. The City’s deposit policy is in accordance with ORS 295. All deposits are collateralized with eligible securities in amounts determined by the Oregon State Treasury (OST). The OST’s custodian, Federal Home Loan Bank of Des Moines, is the agent of the depository bank. The securities pledged are designated as subject to the Pledge Agreement between the Depository Bank, Custodian Bank and OST and are held for the benefit of the OST on behalf of the public depositors. The City’s deposit policy requires that all deposits are covered by the Federal Deposit Insurance Corporation (FDIC), and/or are collateralized as required by and in compliance with ORS 295. The FDIC’s standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category.

3. Investments

Policies officially adopted by the City’s board allows the entity to invest in: U.S. Treasury Obligations (bills, notes and bonds), U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations, Banker’s Acceptances, Certificates of Deposit (at commercial banks that have a branch in Oregon and Savings & Loan Associations that have a branch in Oregon), State and Local Government Securities, Commercial Paper (A1, AA, P1), State of Oregon Investment Pool, and Repurchase Transactions.

Cash and Investment Note

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool’s share price multiplied by the number of shares held.

Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2022. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. These investments are measured at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund’s audited financial report. As of June 30, 2022, the fair value of the position in the LGIP is 98.98% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer’s Local Government Investment Pool are not required to be collateralized.

As of June 30, 2022, the fair value measurement at the measurement date, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-59
U.S. Treasury Bill	\$ 15,968,947	\$ 15,968,947	\$ -	\$ -
State Treasurer's investment pool	46,360,304	46,360,304	-	-
	<u>\$ 62,329,251</u>	<u>\$ 62,329,251</u>	<u>\$ -</u>	<u>\$ -</u>

Interest Rate Risk

As a means of limiting its exposure to fair value losses resulting from rising interest rates, the City’s investment policy allows only the purchase of investments that can be held to maturity. Investments cannot be made predicated upon selling the security prior to maturity.

Oregon Revised Statutes require that investments do not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. The City limits investment maturities as follows:

1. Under 30 days 10% minimum
2. Under 90 days 25% minimum
3. Under 270 days 50% minimum
4. Under 1 year 75% minimum
5. Under 18 months 80% minimum
6. Under 3 years 100% minimum

Credit Risk

Neither the Oregon Revised Statutes nor the City’s investment policy limits investments as to credit rating for securities purchased from U.S. Government Agencies. The City’s investments in U.S. Government Agencies were rated AA+ by Standard & Poor’s and AA+ by Moody’s Investor Service. The state pool is unrated. Oregon Revised Statutes require Banker’s Acceptances to be guaranteed by and carried on the books of, a qualified financial institution, eligible for discount by the Federal Reserve System, and issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

Concentration of Credit Risk

To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the City’s investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2022 the City was in compliance with all percentage restrictions.

Oregon Revised Statutes require that no more than 25 percent of the monies of local government to be invested in Bankers Acceptances of any singular qualified financial institution. Amounts in the State Treasurer’s LGIP are not required by law to be collateralized.

No more than the stated percentage of the overall portfolio will be invested in each of the following categories of securities:

U.S. Treasury Obligations	100%
U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corp.	100%
Bankers' Acceptances	50%
Certificates of Deposit	35%
State and Local Government Securities	35%
Repurchase Transactions	25%
Commercial Paper (AA, A1, P1)	10%
State of Oregon Investment Pool Securities	100%

B. Receivables

As of year-end, receivables for the government's individual major funds and non-major, internal service in aggregate, including the applicable allowances for uncollectable accounts, are as follows:

	<u>Balance</u>
Governmental Activities:	
Current:	
Property Tax	\$ 432,757
Business Licenses	62,685
Ambulance billing	767,263
Utility Receivables	965,229
Misc. Receivables	1,789,590
Grant Receivables	3,163,919
Hotel/Motel Receivables	790,110
Total current	<u>7,971,553</u>
Long-Term:	
Rehabilitation loans	59,252
Special Assessments	6,796
Notes Receivable	8,105
SDC receivable	52,049
Total Long - Term	<u>126,202</u>
Total	<u>\$ 8,097,755</u>
Business-type Activities:	
Current:	
Utility Receivables	\$ 3,316,861
Food & Beverage Receivables	9,514
Grants Receivables	280,391
Misc. Receivables	57,402
Total current	<u>3,664,168</u>
Long-Term:	
Conservation loans	88,951
Total Long - Term	<u>88,951</u>
Total	<u>\$ 3,753,119</u>
Accounts, Net	<u>\$ 11,850,874</u>

Governmental funds report unearned and unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in all funds were as follows:

2022 Notes to Basic Financial Statements

Governmental Activities:	General Fund	Street Fund	Other Governmental Funds	Total Governmental Funds
Property Taxes	398,405	-	21,960	420,365
Leases	-	-	529,448	529,448
Deferred Rehab and SDC's	-	-	111,301	111,301
Special Assessments	-	6,796	-	6,796
Business Licenses	114,712	-	-	114,712
Transient Lodging Tax	788,474	-	-	788,474
Ambulance Services	421,995	-	-	421,995
Total Unearned Revenue	1,723,586	6,796	662,709	2,393,091

C. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	Balance June 30, 2021	Additions and Reclasses	Retirements and Reclasses	Balance June 30, 2022
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 15,338,439	\$ -	\$ -	\$ 15,338,439
Construction in progress	3,681,360	-	1,194,271	2,487,089
Total capital assets, not being depreciated	19,019,799	-	1,194,271	17,825,528
Buildings	45,485,473	466,211	-	45,951,684
Infrastructure	60,950,409	2,345,242	-	63,295,651
Machinery and equipment	23,614,209	1,009,655	145,690	24,478,174
Total capital assets, being depreciated	130,050,091	3,821,108	145,690	133,725,509
Less accumulated depreciation for:				
Buildings	(20,575,365)	(1,218,343)	-	(21,793,708)
Infrastructure	(42,559,461)	(1,265,335)	-	(43,824,796)
Machinery and equipment	(17,943,855)	(1,165,187)	(145,690)	(18,963,352)
Total accumulated depreciation	(81,078,681)	(3,648,865)	(145,690)	(84,581,856)
Total capital assets being depreciated, net	48,971,410	172,243	-	49,143,653
Governmental activities capital assets, net	\$ 67,991,209	\$ 172,243	\$ 1,194,271	\$ 66,969,181

2022 Notes to Basic Financial Statements

	Balance June 30, 2021	Additions and Reclasses	Retirements and Reclasses	Balance June 30, 2022
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 3,106,925	\$ -	\$ -	\$ 3,106,925
Construction in progress	6,405,583	1,794,646	188,393	8,011,836
Total capital assets, not being depreciated	9,512,508	1,794,646	188,393	11,118,761
Buildings				
Buildings	22,099,664	-	-	22,099,664
Infrastructure	99,246,916	188,393	-	99,435,309
Machinery and equipment	1,445,490	-	-	1,445,490
Total capital assets, being depreciated	122,792,070	188,393	-	122,980,463
Less accumulated depreciation:				
Buildings	(9,044,605)	(436,148)	-	(9,480,753)
Infrastructure	(56,735,407)	(39,063)	-	(56,774,470)
Machinery and equipment	(1,312,575)	(1,916,454)	-	(3,229,029)
Total accumulated depreciation	(67,092,587)	(2,391,665)	-	(69,484,252)
Total capital assets being depreciated, net	55,699,483	(2,203,272)	-	53,496,211
Business-type activities capital assets, net	<u>\$ 65,211,991</u>	<u>\$ (408,626)</u>	<u>\$ 188,393</u>	<u>\$ 64,614,972</u>

2022 Notes to Basic Financial Statements

Depreciation expense for the governmental activities as charged to functions/programs of the primary government is as follows:

General government	\$	1,100,333
Public safety		180,770
Highways and streets		1,286,009
Parks and Rec		1,081,753
Total	\$	<u>3,648,865</u>

Depreciation expense for the business type activities as charged to functions/programs of the primary government is as follows:

Water Fund	\$	709,904
Wastewater Fund		1,256,263
Stormwater Fund		55,812
Electric Fund		308,349
Telecommunication Fund		61,337
Total	\$	<u>2,391,665</u>

Construction Commitments

The government has active construction projects as of June 30, 2022. The projects include construction of various infrastructure improvements and additions to the transportation, storm water, water, wastewater and telecommunications systems. The City has remaining commitments under construction contracts of approximately \$10,271,175 at June 30, 2022.

D. Interfund Receivable, Payable and Transfers

The internal transfers are budgeted and recorded to show legal and operational commitments between funds such as cost sharing or debt service. Interfund loans are used to assure adequate fund balances in funds where operations do not currently (on a short term basis) generate enough support through revenues.

The composition of interfund balances as of June 30, 2022, is as follows:

Transfer From	Transfer to Governmental Funds		
	General Fund	Nonmajor Governmental	Total
Governmental Funds:			
General fund	\$ 9,167,928	\$ 200,500	\$ 9,368,428
NonMajor Funds	54,879	299,172	354,051
Central Service Fund	3,087,206	-	3,087,206
Business-type Activities:			
Water Fund	50,000	-	50,000
Total	<u>\$ 12,360,013</u>	<u>\$ 499,672</u>	<u>\$ 12,859,685</u>

The large transfer from Central Service Fund is due to consolidating the central service fund into the General fund as of July 1, 2022. The cost of administrative support, previously provided by the Central Services Fund is now within the General Fund.

E. Long-term Debt

1. Unbonded Long-term Debt (Notes and Contracts)

The government has three promissory note agreements for financing:

- Garfield Park – In 2016 the City borrowed \$870,000 for upgrade for the water park within Garfield Park. The debt is funded by park’s share of food and beverage tax.
- Biscoe School – In 2018 the City agreed to purchase Biscoe School from the Ashland School District for \$1,540,000 at zero percent interest. The debt is paid by lease agreement.
- Biscoe Park – In 2018 the City agreed to purchase Biscoe Park from the Ashland School District for \$500,000 at zero percent interest. The debt is paid by park’s share of food and beverage tax.

Promissory notes outstanding at year end are as follows:

Purpose	Activity	Original Amount	Interest Rates	Amount Outstanding
Upgrade to Garfield Water Park	Government	\$ 870,000	2.12%	\$ 327,000
Purchase of Biscoe School Building	Government	1,540,000	-	990,000
Purchase of Biscoe School Yard	Government	500,000	-	250,000
				<u>\$ 1,567,000</u>

Promissory note debt service requirement to maturity is as follows:

Year ending June 30,	Governmental Activities	
	Principal	Interest
2023	\$ 251,000	\$ 6,455
2024	253,000	4,516
2025	255,000	2,533
2026	208,000	509
2027	160,000	-
2028-2032	440,000	-
	<u>\$ 1,567,000</u>	<u>\$ 14,013</u>

2. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities over the previous fiscal years. No new debt was issued in the category of General Obligation Bonds.

The following schedule shows the debt service requirements for GO bonds as of June 30, 2022:

Purpose	Activity	Original Amount	Interest Rates	Amount Outstanding
2011 Fire station	Government activities	\$ 2,960,000	2.0-4.00%	\$ 1,535,000
2013 AFN Debt	Government activities	11,675,000	2-2.8%	3,635,000
2013 GO Bonds New Construction	Government activities	1,520,000	2-2.5%	665,000
2013 Water Debt GO Bonds	Business-type activities	1,580,000	2.00%	185,000
2013 GO Bonds New Construction	Business-type activities	3,245,000	2-2.5%	1,420,000
				<u>\$ 7,440,000</u>

Government Activities:

- The citizens of Ashland authorized by vote in May 2011 for the construction of Fire Station #2. This debt is being paid by property tax.
- In 2013, a new issue for AFN Debt as Full Faith and credit bonds was a result of refinancing a previous debt for AFN. The previous debt was at 5.33% to 2.80% interest. This debt is paid by rates.
- In 2013 a new debt of \$ 4,765,000 as Full Faith and credit bonds was issued for 15 years, this debt was split between Governmental and Business-type activities. The Street Fund & Parks operations received \$1,520,000 of the total. This debt is paid by user fees.

Business-Type Activities:

- In 2013, the City refunded a portion of the 2003 Water Revenue Bonds in the amount of \$1,580,000. The refund resulted in \$162,000 gross savings, equivalent to \$151,000 in net present value. This debt is paid by user fees.
- In 2013, a new debt of \$ 4,765,000 as Full Faith and credit bonds was issued for 15 years, this debt was split between Governmental and Business-type activities. The purpose of this for these bonds are projects in the Street & Parks (\$1,520,000) and Water, Wastewater and Stormwater Funds (\$3,245,000). This debt is paid by user fees.

Future maturities of bond principal and interest as of June 30, 2022, are as follows:

Year Ending June 30,	2011 GO Bonds Fire Station #2		2013 AFN Debt		2013 Water Debt GO Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 145,000	\$ 54,388	\$ 1,180,000	\$ 81,373	\$ 185,000	\$ 1,850
2024	150,000	50,038	1,210,000	50,741	-	-
2025	160,000	45,538	1,245,000	17,430	-	-
2026	165,000	40,338	-	-	-	-
2027	160,000	34,975	-	-	-	-
2028-2032	755,000	77,175	-	-	-	-
	<u>\$ 1,535,000</u>	<u>\$ 302,452</u>	<u>\$ 3,635,000</u>	<u>\$ 149,544</u>	<u>\$ 185,000</u>	<u>\$ 1,850</u>

Year Ending June 30,	2013 GO Bonds New Construction		Year Ending June 30,	Total	
	Principal	Interest		Principal	Interest
2023	\$ 330,000	\$ 42,925	2023	\$ 1,840,000	\$ 180,536
2024	330,000	36,325	2024	1,690,000	137,104
2025	340,000	29,413	2025	1,745,000	92,381
2026	350,000	21,863	2026	515,000	62,201
2027	360,000	13,650	2027	520,000	48,625
2028-2032	375,000	4,688	2028-2032	1,130,000	81,863
	<u>\$ 2,085,000</u>	<u>\$ 148,864</u>		<u>\$ 7,440,000</u>	<u>\$ 602,710</u>

3. Revenue Bonds

The government also issues bonds on which the government pledges income derived from the acquired or constructed assets to pay debt service.

Purpose	Activity	Original Amount	Interest Rates	Amount Outstanding
IFA S14005 - Water	Business-type activities	\$ 3,515,200	1.00%	\$ 3,256,536
DEQ R11751 - Wastewater	Business-type activities	1,645,280	1.00%	1,269,652
Medford Water Commission	Business-type activities	2,358,076	3.42%	1,654,321
IFA S16021 - Water	Business-type activities		1.00%	2,549,591
DEQ R11754 - Wastewater	Business-type activities		1.00%	855,305
DEQ R11755 - Wastewater	Business-type activities		1.00%	913,360
				<u>\$10,498,765</u>

- Clean Renewable Energy Bonds (CREBS), authorized by U.S. Treasury, is for construction of a renewable resource photovoltaic system to generate “green power” for the city’s electrical system. Electric rate revenue is pledged to pay the related debt service. This debt was paid off as of June 30, 2022.
- IFA #S14005 is complete as of this fiscal year, this loan was for three projects; Talent-Ashland-Phoenix water intertie system (TAP), Terrace St Pump Station and Park Estates Pump Station. This loan received \$950,000 in principal forgiveness. Water revenue was pledged.
- The DEQ #R11751 loan is for the wastewater treatment plant for the membrane system upgrade in the amount of \$1,645,280. This project is complete and the City is now paying on this loan.
- The Medford Water Commission loan is for the City’s portion of receiving services for TAP. This is being paid by SDC’s Revenue.

2022 Notes to Basic Financial Statements

- IFA #S16021 is for the new water treatment plant. There were no drawdowns for this fiscal year leaving the loan to \$2,549,591. No payments will be made until the project is complete. This loan is for a total of \$14,811,865 with \$1,030,000 in principal forgiveness.
- DEQ #R11754 is for the Riparian Restoration project. This loan is for a total of \$4,829,000. To date, \$855,305 has been received as a drawdown.
- DEQ #R11755 is for the Outfall Relocation project. This loan is for a total of \$3,500,000. To date, \$913,360 has been received as a drawdown.

The City of Ashland has signed agreements in the amount of \$22,110,865 as June 30, 2022. Of that amount, the City drew down a total of \$672,428.

Purpose	Activity	Signed Agreements	Balance		Reclass	Balance June 30, 2022
			June 30, 2021	Drawdowns		
<i>IFA S16021 - Water</i>	<i>Business-type activities</i>	\$ 13,781,865	\$ 2,549,591	\$ -	\$ -	\$ 2,549,591
<i>DEQ R11754 - Wastewater</i>	<i>Business-type activities</i>	4,829,000	1,096,237	336,710	(577,642)	855,305
<i>DEQ R11755 - Wastewater</i>	<i>Business-type activities</i>	3,500,000	-	335,718	577,642	913,360
		<u>\$ 22,110,865</u>	<u>\$ 3,645,828</u>	<u>\$ 672,428</u>	<u>\$ -</u>	<u>\$ 4,318,256</u>

Revenue bond debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest
2023	\$ 721,489	\$ 169,725
2024	727,355	163,307
2025	733,370	156,735
2026	739,540	145,599
2027	1,753,707	275,158
2028-2032	3,101,499	440,690
2033-2037	1,133,581	143,047
2038-2042	613,779	67,258
2043-2047	645,088	35,949
2048-2052	329,356	5,258
	<u>\$ 10,498,764</u>	<u>\$ 1,602,726</u>

Moody's Investors Services assigned an "A1" rating to both the Tax-Exempt Bonds and the Taxable Bonds. The following table shows the activities for both Governmental and Business type as they relate to long term liabilities.

4. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions and Adjustments	Reductions	Ending Balance	Due within One Year
Governmental Activities:					
Bonds payable:					
General obligation	\$ 7,240,000	\$ -	\$ 1,405,000	\$ 5,835,000	\$ 1,430,000
Total bonds payable	7,240,000	-	1,405,000	5,835,000	1,430,000
Notes and contracts	1,817,000	-	250,000	1,567,000	251,000
Claims and judgements	160,093	-	-	160,093	50,000
Government Activities:					
Long-term liabilities	<u>\$ 9,217,093</u>	<u>\$ -</u>	<u>\$ 1,655,000</u>	<u>\$ 7,562,093</u>	<u>\$ 1,731,000</u>
Business-type Activities:					
Bonds Payable:					
General obligation	\$ 2,005,000	\$ -	\$ 400,000	\$ 1,605,000	\$ 410,000
Revenue	10,163,821	672,427	337,483	10,498,765	321,489
Total bonds payable	12,168,821	672,427	737,483	12,103,765	731,489
Business-type Activities:					
Long-term liabilities	<u>\$ 12,168,821</u>	<u>\$ 672,427</u>	<u>\$ 737,483</u>	<u>\$ 12,103,765</u>	<u>\$ 731,489</u>

The Due within one year balance are net of premiums and discounts.

F. Compensated Absences

Internal service funds predominantly serve governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$23,046 of the Internal Service Fund was compensated absences.

The General Fund is typically used to liquidate the compensated absences for governmental funds. The balances of the compensated absences in accounts payable in the governmental and business-type are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within a Year
Governmental Activities:	\$ 1,628,411	\$ 1,224	\$ 196,634	\$ 1,433,001	\$ 358,250
Business-type Activities:	465,919	7,235	58,955	414,199	103,550
Total compensated absences payable	<u>\$ 2,094,330</u>	<u>\$ 8,459</u>	<u>\$ 255,589</u>	<u>\$ 1,847,200</u>	<u>\$ 461,800</u>

IV. OTHER INFORMATION

A. Risk Management

The government is exposed to various risks of loss related to: torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; workers’ compensation; and post retirement benefits for which the government is self-insured to defined levels. The government has established limited risk management programs for liability and workers’ compensation.

The government purchases re-insurance above defined loss levels in each program. Premiums are paid into the Insurance Services internal service fund by all other funds, component units, and potential component units, and are available to pay claims, claim reserves, and administrative costs of the programs. These interfund and agency premiums are used to offset the amount of claims expenditures reported. As of June 30, 2022, such premiums did not exceed paid claims and reserves.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, change in legal doctrines, and damage awards.

Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. Liability claims have a seven year statute of limitations and open claims, not in litigation, are frozen. An excess insurance policy covers claims after an aggregate annual settlement of \$50,000.

The City has not had significant reductions in insurance coverage from prior years.

Settlements have not exceeded coverages in each of the last three fiscal years. Workers’ compensation claims are carried and reviewed from the date of self-insurance, July 1, 1989. An excess insurance policy covers individual claims in excess of \$300,000. Changes in the balances of claims liability during the past two years are as follows:

Year Ended June 30	Balance Beginning of Year	Current-Year Claims and Changes Estimates	Claim Payments	Balance at End of Year
2022	160,093	62,429	62,429	160,093
2021	160,093	57,454	57,454	160,093

B. Other Post Employment Benefits – Insurance Subsidy

The City’s collective OPEB related assets, deferred outflows of resources, liabilities, deferred inflows of resources, and expenses for the year ended June 30, 2022 for all OPEB plans are as follows:

	City Plan	PERS Rhia	Total
Net OPEB asset	-	684,250	684,250
Subtotal of deferred outflows of Resources	1,197,217	46,130	1,243,347
NET OPEB liability	4,045,104	-	4,045,104
Subtotal of deferred inflows	351,366	297,179	648,545
OPEB expense (income)	851,798	433,201	1,284,999

The post employment Health Insurance Subsidy is administrated by the City of Ashland. The City has elected to use the project Unit Credit cost method.

Plan Description – The City operates a single-employer retiree benefit plan that provides post employment health, dental, vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through the collective bargaining agreements. The City’s post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

The difference between retiree claims cost (which is generally higher in comparison to all plan members because of the effect of age) and the amount of retiree healthcare premiums represents the City’s implicit employer contribution.

The City did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

Funding Policy – The benefits from this program are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the City to fund these benefits in advance.

Annual OPEB Cost and Total OPEB Liability – The City’s annual Other Post Employment Benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer and an amount actuarially determined in accordance within the parameters of GASBS 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Actuarial Methods and Assumptions – The ARC for the current year was determined as part of the July 1, 2020 actuarial valuation, using the present value of projected benefits discounted at the valuation interest rate (2.16 percent). The assumed health costs will increase 4 percent in the first year (July 1, 2020, premiums compared with July 1, 2019, premiums), In future years, the medical and vision cost trend assumes increase of 4%. The demographic assumptions, such as mortality rates, disability incidence rates, retirement rates and withdrawal rates, are the same as those used by Oregon PERS for cities.

2022 Notes to Basic Financial Statements

Changes in total Net OPEB Liability/(Asset):

	2022
Total OPEB Liability/(Assets), beginning of year	\$ 4,051,051
<u>Changes for the year:</u>	
Service Cost	168,578
Interest	90,131
Changes of Benefit Terms	-
Differences between expected and actual experience	-
Changes of economic/demographic gains	-
Changes of assumptions or other input	19,464
Benefit Payments	(284,120)
Net change for the year	<u>(5,947)</u>
Total OPEB Liability/(Assets), end of year	<u>\$ 4,045,104</u>

At June 30, 2022, the City reported deferred inflows and outflows of resources related to OPEB from the following source:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 768,921	\$ -
Changes in assumptions	183,963	(351,366)
Subtotal - Amortized Deferrals (below)	<u>952,884</u>	<u>(351,366)</u>
City Contributions subsequent to measurement date	<u>244,333</u>	<u>-</u>
Net Deferred outflow (inflow) of resources	<u>\$ 1,197,217</u>	<u>\$ (351,366)</u>

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ending June 30,	Amount
2023	\$ 129,488
2024	129,488
2025	130,725
2026	132,008
2027	58,305
Thereafter	21,504
Total	<u>\$ 601,518</u>

The following presents the total OPEB Liability/(Assets) of the City, as well as what the City's total OPEB Liability/(Assets) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher.

	1% Decrease 1.16%	Discounted Rate 2.16%	1% Increase 4.16%
City's the Total OPEB Liability	\$ 4,462,236	\$ 4,045,104	\$ 3,681,291

The following presents the total OPEB Liability/(Asset) of the City, as well as what the City's total OPEB Liability/(Assets) would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current health care trend rates.

	Healthcare Cost Trend Rates (3%)	Healthcare Cost Trend Rates (4%)	Healthcare Cost Trend Rates (5%)
City's proportionate share of the Total OPEB Liability	\$ 3,802,511	\$ 4,045,104	\$ 4,331,560

Retirement Health Insurance Account

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.05 of annual covered OPERS payroll and nothing for OPSRP payroll under a contractual requirement in effect until June 30, 2022. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 74. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The City's contributions to RHIA for the years ended June 30, 2022 was \$3,554 respectively, which equaled the required contributions each year.

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ -	\$ (19,037)
Changes in assumptions	13,463	(10,179)
Net difference between projected and actual earnings on OPEB plan investments	-	(162,614)
Net changes in proportionate share	32,667	(105,349)
Difference between the City contributions and proportionate share of contributions	<u>-</u>	<u>-</u>
Subtotal - Amortized Deferrals (below)	46,130	(297,179)
City Contributions subsequent to measurement date	<u>-</u>	<u>-</u>
Net Deferred outflow (inflow) of resources	<u>\$ 46,130</u>	<u>\$ (297,179)</u>

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

Year ending June 30,	Amount
2023	\$ (86,481)
2024	(76,075)
2025	(37,125)
2026	(51,368)
Total	<u>\$ (251,049)</u>

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate – The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate.

	Decrease (5.9%)	Rate (6.9%)	Increase (7.9%)
City’s proportionate share of the net OPEB liability (asset)	\$ (605,119)	\$ (684,250)	\$ (751,847)

C. Employee Retirement System and Pension Plan

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-information.aspx>

a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service.

Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
 - ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
 - iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

iv. **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2022 were \$4,468,191, excluding amounts to fund employer specific liabilities. In addition, approximately \$1,104,094 in employee contributions were paid or picked up by the City in fiscal 2022. At June 30, 2022, the City reported a net pension liability of \$24,510,198 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2019. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2021, the City’s proportion was .21 percent. Pension expense for the year ended June 30, 2022 was \$3,051,127.

The rates in effect for the year ended June 30, 2022 were:

- 1) Tier 1/Tier 2 – 25.06%
- 2) OPSRP general services – 21.20%
- 3) Tier 1/Tier 2 Police and Fire – 30.94%
- 4) OPSRP Police and Fire – 25.56%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 2,294,315	\$ -
Changes in assumptions	6,135,640	64,505
Net difference between projected and actual earnings on pension plan investments	-	18,144,709
Net changes in proportionate share	532,984	1,503,781
Difference between the City contributions and proportionate share of contributions	140,074	245,975
Subtotal - Amortized Deferrals (below)	9,103,013	19,958,970
City Contributions subsequent to measurement date	4,468,191	-
Net Deferred outflow (inflow) of resources	\$ 13,571,204	\$ 19,958,970

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2023.

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

2022 Notes to Basic Financial Statements

Year ending June 30,	Amount
2023	\$ (1,897,912)
2024	(1,941,985)
2025	(2,813,610)
2026	(4,650,366)
2027	447,916
Thereafter	-
Total	<u>\$ (10,855,957)</u>

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Valuation date	December 31, 2019
Measurement date	June 30, 2021
Experience Study	2018, published July 26, 2017
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	2.50%
Investment rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.50%
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality	
	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
	Active Member: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
	Disable retirees: RP-2014 Disabled Retirees, sex-distinct, generation with Unisex, Social Security Data Scale.

Actuarial Methods and Assumptions:

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years.

The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100%

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Long-Term Expected Rate of Return</u> ¹				
Asset Class	Target Allocation	Annual Arithmetic Return ²	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	30.62 %	7.11 %	5.85 %	17.05 %
Private Equity	25.50	11.35	7.71	30.00
Core Fixed Income	23.75	2.80	2.73	3.85
Real Estate	12.25	6.29	5.66	12.00
Master Limited Partnerships	0.75	7.65	5.71	21.30
Infrastructure	1.50	7.24	6.26	15.00
Commodities	0.63	4.68	3.10	18.85
Hedge Fund of Funds - Multistrategy	1.25	5.42	5.11	8.45
Hedge Fund Equity - Hedge	0.63	5.85	5.31	11.05
Hedge Fund - Macro	5.62	5.33	5.06	7.90
US Cash	-2.50 ³	1.77	1.76	1.20
Assumed Inflation - Mean			2.40 %	1.65 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on June 2, 2021.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

³ Negative allocation to cash represents levered exposure from allocation to Risk Parity strategy.

Discount Rate – The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.9 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9 percent) or 1-percentage-point higher (7.9 percent) than the current rate.

	Decrease (5.9%)	Rate (6.9%)	Increase (7.9%)
City's proportionate share of the net pension liability	\$ 48,132,165	\$ 24,510,198	\$ 4,747,185

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the City for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the City.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the City are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

PERS has a mandatory retirement contribution from employees. However, the City pays six (6) percent of their covered payroll as a money-saving concession that was negotiated in collective bargaining agreements. The City did not make any optional contributions to member's IAP accounts for the year ended June 30, 2022.

2022 Notes to Basic Financial Statements

E. Fund Balance Constraints

The specific purposes for each of the categories of the fund balance as of June 30, 2022, are as follows:

Fund Balances:	General Fund	Street Fund	Non Major Funds	Total
Nonspendable:				
Perpetual care	\$ -	\$ -	\$ 930,895	\$ 930,895
Prepaid items	40,390	-	-	40,390
Restricted for:				
Asset forfeiture	35,699	-	-	35,699
TLT tourism	87,461	-	-	87,461
CDBG restriction	-	-	36,619	36,619
SDC - Transportation	-	2,882,757	-	2,882,757
SDC - Parks	-	-	284,878	284,878
Airport activities	-	-	298,171	298,171
Debt commitment	-	-	1,009,803	1,009,803
Committed for:				
Parking surcharge	370,085	-	-	370,085
Public art	57,042	-	-	57,042
Future Downtown parking supply restriction	700,840	-	-	700,840
Affordable housing	-	-	280,661	280,661
Grubbs Case	22,235	-	-	22,235
Street activities	-	2,653,184	-	2,653,184
Parks activities	-	-	1,978,495	1,978,495
CIP - Facilities	-	-	923,362	923,362
Assigned for:				
N/A				
Unassigned:	18,277,388	-	-	18,277,388
Total fund balances:	\$ 19,591,140	\$ 5,535,941	\$ 5,742,884	\$ 30,869,965

F. Service Concession Agreement

The City of Ashland contracts with Skinner Aviation to operate the City owned airport. Skinner Aviation has been the airport's Fixed Base Operator since 1993 and is responsible for all oversight of the airport facilities including radio control, fuel facility, aircraft maintenance, hangar rental collection, flight training and facility maintenance. They collect the income for the City and remit the City's revenue on a monthly basis. They keep 25% of the monthly revenue and receive a credit for Water and Garbage services. No upfront monies were exchanged by either party when the contract was executed, so thus there is not an asset or liability to recognize in the financial statements.

G. Tax Abatements

As of June 30, 2022, City of Ashland provides tax abatements through one significant program: Enterprise Zone.

Enterprise Zone (ORS 285C.175):

- The Oregon Enterprise Zone program is a State of Oregon economic development program, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2022, City of Ashland abated property taxes under these program in FY 22 are zero.

H. Contingency

The City is involved in various claims and legal matters relating to its operations which have all been tended to and are either being adjusted by the City's liability carrier or are being defended by attorneys retained by the City's liability carrier. The status of these matters is uncertain at this time. Any potential loss is also uncertain.

I. Leases

The City is a lessor for noncancellable lease of office space with lease terms through 2047. For the year ending June 30, 2022, the City recognized \$529,488 in lease revenue released from the Deferred Inflows of Resources related to the office lease and \$529,488 in variable payments charged to the lessees included in Other Income on the statement of changes in net position. The City recognized interest revenue of \$0 for the year ending June 30, 2022. No inflows of resources were recognized in the year related to termination penalties or residual value guarantees during the fiscal year.

2022 Notes to Basic Financial Statements

The future principal and interest lease receipts as of June 30, 2022 were as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 329,803	\$ -	\$ 329,803
2024	199,645	-	199,645
Total	<u>\$ 529,448</u>	<u>\$ -</u>	<u>\$ 529,448</u>

The City is a lessee for noncancellable lease of office space and equipment with lease terms through 2025. There are no residual value guarantees included in the measurement of City’s lease liability nor recognized as an expense for the year ended June 30, 2022. The City does not have any commitments that were incurred at the commencement of the leases. The City is subject to variable equipment usage payments that are expensed when incurred. \$68,410 was recognized as variable lease payments as lease expense on the statement of changes of net position. No termination penalties were incurred during the fiscal year.

	Balance June 30, 2021	Additions and Reclasses	Retirements and Reclasses	Balance June 30, 2022
Governmental Activities:				
Right-to-use assets:				
Furniture, Fixtures and Equipment	\$ -	\$ 61,239	\$ -	\$ 61,239
Total right-to-use assets	-	61,239	-	61,239
Less accumulated amortization:				
Furniture, Fixtures and Equipment	-	-	-	-
Net right-to-use assets	-	61,239	-	61,239

The City has the following lease liability included in capital assets on the statement net position:

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF ASHLAND, OREGON
Required Supplemental Information
SCHEDULE OF CHANGES IN OTHER POST EMPLOYMENT BENEFITS (OPEB)
LIABILITY AND RELATED RATIOS MEDICAL BENEFITS
For the year ended June 30, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability based on measurement date at June 30	\$ 4,051,051	\$ 3,914,647	\$ 3,840,270	\$ 2,928,939	\$ 3,065,279
<u>Changes for the year:</u>					
Service Cost	168,578	150,117	133,242	151,823	161,964
Interest	90,131	137,290	147,300	105,593	88,807
Changes of Benefit Terms	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-
Changes of economic/demographic gains	-	23,288	-	1,471,245	-
Changes of assumptions or other input	19,464	112,559	131,690	(552,532)	(163,128)
Benefit Payments	(284,120)	(286,850)	(337,855)	(264,798)	(223,681)
Net change for the year	(5,947)	136,404	74,377	911,331	(136,038)
Total OPEB Liability at June 30	\$ 4,045,104	\$ 4,051,051	\$ 3,914,647	\$ 3,840,270	\$ 2,929,241
Fiduciary Net Position as a percentage of the total Single Employer OPEB Liability	0%	0%	0%	0%	0%
Covered Employee Payroll for this specific plan	\$ 18,453,012	\$ 17,013,505	\$ 19,757,586	\$ 19,642,352	\$ 18,161,024
Single Employer total OPEB Plan as a Percentage of Covered Employee Payroll for this specific plan	21.9%	23.8%	19.8%	19.6%	16.1%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available.

REQUIRED SUPPLEMENTARY INFORMATION
For the year ended June 30, 2022

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSETS -PERS

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.2048%	\$ (684,250)	\$ 17,013,505	(4.0) %	66.3 %
2021	0.2105%	(231,380)	17,460,741	(1.3)	68.8
2020	0.2046%	(280,916)	17,561,324	(1.6)	80.2

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However until a full 10 year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2022	\$ 3,554	\$ 3,554	\$ -	\$ 18,453,012	0.019 %
2021	4,100	4,100	-	17,013,505	0.024
2020	4,400	4,400	-	17,460,741	0.025

REQUIRED SUPPLEMENTARY INFORMATION
For the year ended June 30, 2022

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.2048%	\$ (24,510,198)	\$ 17,013,505	(144.1) %	66.3 %
2021	0.2105%	(46,512,316)	17,460,741	(266.4)	68.8
2020	0.2046%	(36,414,527)	17,561,324	(207.4)	80.2
2019	0.2046%	(30,987,200)	16,232,406	(190.9)	80.6
2018	0.2157%	(29,084,032)	15,950,222	(182.3)	83.1
2017	0.2157%	(34,849,280)	15,571,834	(223.8)	80.5
2016	0.2590%	(14,910,215)	14,948,474	(99.7)	91.9
2015	0.2424%	(5,498,618)	17,016,281	(32.3)	103.6
2014	0.2424%	(12,379,260)	16,753,124	(73.9)	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However until a full 10 year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	covered payroll	Contributions as a percent of covered payroll
2022	\$ 4,468,191	\$ 4,468,191	\$ -	\$ 18,453,012	24.2 %
2021	4,472,240	4,472,240	-	17,013,505	26.3 %
2020	4,157,228	4,157,228	-	17,460,741	23.8
2019	3,396,359	3,396,359	-	17,561,324	19.3
2018	3,162,190	3,162,190	-	16,232,406	19.5
2017	2,774,267	2,774,267	-	15,950,222	17.4
2016	2,805,936	2,805,936	-	15,571,834	18.0
2015	2,389,586	2,389,586	-	14,948,474	16.0
2014	2,604,925	2,604,925	-	17,016,281	15.3

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However until a full 10 year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

City of Ashland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the year ended June 30, 2022

	BN 2021-2023		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts				
	Original	Final			
Revenues:					
Taxes	\$ 44,829,620	\$ 46,329,620	\$ 23,377,035	\$ 23,377,035	\$ (22,952,585)
Fees, licenses and permits	2,614,500	2,614,500	1,539,283	1,539,283	(1,075,217)
Intergovernmental	5,645,709	6,507,168	3,532,527	3,532,527	(2,974,641)
Charges for services	17,411,998	17,411,998	9,242,365	9,242,365	(8,169,633)
Fines and forfeitures	1,089,000	1,089,000	171,689	171,689	(917,311)
Interest on investments	76,000	76,000	73,243	73,243	(2,757)
Miscellaneous	115,300	115,300	71,660	71,660	(43,640)
Total revenues	71,782,127	74,143,586	38,007,802	38,007,802	(36,135,784)
Expenditures:					
Administration:					
Mayor and Council	443,316	443,316	200,011	200,011	243,305
City Managers Office	3,242,688	3,284,088	1,435,621	1,435,621	1,848,467
City Attorney	1,054,072	1,054,072	376,989	376,989	677,083
Municipal Court	1,186,598	1,186,598	438,582	438,582	748,016
Human Resources	1,101,142	1,101,142	437,819	437,819	663,323
Total for Administration	7,027,816	7,069,216	2,889,022	2,889,022	4,180,194
IT - Information System Division	2,855,015	2,865,015	1,083,371	1,083,371	1,781,644
Finance Department	5,778,297	5,562,097	2,538,221	2,538,221	3,023,876
City Recorder's Office	348,375	387,575	198,328	198,328	189,247
Police Department	15,944,395	15,924,395	7,078,771	7,078,771	8,845,624
Fire and Rescue Department	20,570,265	21,212,224	9,330,436	9,330,436	11,881,788
Public Works Department	7,011,637	6,869,437	2,867,081	2,867,081	4,002,356
Community Development Department	4,249,536	4,311,536	2,012,425	2,012,425	2,299,111
Contingency	2,215,847	1,976,647	-	-	1,976,647
Total expenditures	66,001,183	66,178,142	27,997,655	27,997,655	38,180,487
Excess (deficiency) of revenues over (under) expenditures	5,780,944	7,965,444	10,010,147	10,010,147	2,044,703
Other financing sources (uses):					
Transfers in	230,000	230,000	3,142,085	3,142,085	2,912,085
Transfers out	(9,100,936)	(12,815,936)	(9,068,428)	(9,068,428)	3,747,508
Total other financing sources (uses)	(8,870,936)	(12,585,936)	(5,926,343)	(5,926,343)	6,659,593
Net change in fund balance	(3,089,992)	(4,620,492)	4,083,804	4,083,804	8,704,296
Fund balance, Beginning	10,202,912	12,502,912	9,481,987	9,481,987	(3,020,925)
Fund balance, Ending	\$ 7,112,920	\$ 7,882,420	\$ 13,565,791	\$ 13,565,791	\$ 5,683,371
Reconciliation to GAAP fund balance :					
Parks fund balance:			3,570,588		
Reserve fund balance:			1,754,761		
			<u>\$ 18,891,140</u>		

1 - Appropriation Level

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Taxes	\$ 2,137,899	\$ 2,137,899	\$ 2,065,803	\$ 2,065,803	\$ (72,096)
Intergovernmental	3,088,500	3,488,500	2,103,177	2,103,177	(1,385,323)
Charges for services	3,408,600	3,408,600	1,677,612	1,677,612	(1,730,988)
System development charges (SDC)	200,000	200,000	165,625	165,625	(34,375)
Assessments	12,000	12,000	2,171	2,171	(9,829)
Interest on investments	23,400	23,400	21,110	21,110	(2,290)
Miscellaneous	30,000	30,000	17,808	17,808	(12,192)
Total revenues	8,900,399	9,300,399	6,053,306	6,053,306	(3,247,093)
Expenditures:					
Highways and streets:					
Operations and maintenance	15,184,026	15,584,026	4,306,879	4,306,879	11,277,148
Transportation SDCs	568,037	568,037	2,364	2,364	565,673
Total highways and streets	<u>15,752,063</u>	<u>16,152,063</u>	<u>4,309,243</u>	<u>4,309,243</u>	<u>11,842,821</u>
Debt Service:					
Operations and maintenance Debt	163,526	163,526	80,563	80,563	82,964
Total Debt	<u>163,526</u>	<u>163,526</u>	<u>80,563</u>	<u>80,563</u>	<u>82,964</u>
Contingency	294,896	294,896	-	-	294,896
Total expenditures	16,210,485	16,610,485	4,389,805	4,389,805	12,220,680
Excess (deficiency) of revenues over (under) expenditures	<u>(7,310,086)</u>	<u>(7,310,086)</u>	<u>1,663,501</u>	<u>1,663,501</u>	<u>8,973,587</u>
Other financing sources (uses):					
Bond proceeds	6,396,000	6,396,000	-	-	(6,396,000)
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>6,396,000</u>	<u>6,396,000</u>	<u>-</u>	<u>-</u>	<u>(6,396,000)</u>
Net change in fund balance	(914,086)	(914,086)	1,663,501	1,663,501	2,577,587
Fund balance, Beginning	<u>1,302,970</u>	<u>1,302,970</u>	<u>3,872,440</u>	<u>3,872,440</u>	<u>2,569,470</u>
Fund balance, Ending	<u>\$ 388,884</u>	<u>\$ 388,884</u>	<u>\$ 5,535,941</u>	<u>\$ 5,535,941</u>	<u>\$ 5,147,057</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The budgetary basis differs from GAAP when the City has interfund loan transactions. For the budgetary basis, it is considered another financing source; for GAAP it is purely a balance sheet transaction.

Notes to the Schedule Changes of Assumptions: There were a number of changes in the demographic and economic actuarial assumptions used in the previous year valuation report which are assumed to continue to be appropriate. Some of these assumption changes have significantly affected the liability of the plan but in an offsetting manner. Key items to note regarding actuarial assumptions include:

- Overall healthcare cost increases were higher than assumed in the prior valuation, resulting in an actuarial loss.
- The repeal of the healthcare reform excise tax on high-value benefit plans reduced the liability.
- Where applicable, demographic assumptions are based on the actuarial valuation assumptions of the Oregon PERS and OPSRP retirement plans. The latest Oregon PERS and OPSRP valuation report available is as of December 31, 2019. Many assumptions changed from the previous valuation including the rates of retirement, termination, disability, salary scale, and mortality.
- Retiree lapse rate of 8% to better reflect actual experience.

Changes in Actuarial Methods and Assumptions:

A summary of key changes implemented since the December 31, 2019 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2018 Experience Study for the System, which was published in July 2019, and can be found at: https://www.oregon.gov/pers/Documents/Exp_Study_2018.pdf. Discount rate decreased from 7.20% as of December 31, 2018 to 6.90% as of December 31, 2019.

Allocation of Liability for Service Segments:

For purposes of allocating Tier One/Tier Two member's actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology and the Full Formula methodology used by PERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier One/Tier Two population. For the December 31, 2016 and December 31, 2017 valuations, the Money Match was weighted 15% for General Service members and 0% for Police & Fire members. For the December 31, 2018 and December 31, 2019 valuations, this weighting has been adjusted to 10% for General Service members and 0% for Police & Fire members, based on a projection of the proportion of the liability attributable to Money Match benefits at those valuation dates.

Healthcare Cost Inflation. The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman's healthcare actuaries. This analysis includes the consideration of the excise tax that will be introduced in 2022 by the Patient Protection and Affordable Care Act.

Changes in Demographic Assumptions:

Healthy Annuitant Mortality Base Tables. The healthy annuitant mortality base tables were updated to Pub-2010 generational Healthy Retiree mortality tables with group-specific job category and setback adjustments. Previously they were based on RP2014 generational Healthy Annuitant mortality tables with group-specific class and setback adjustments.

Disabled Mortality Base Tables. The disabled mortality base tables were updated to Pub-2010 generational Disabled Retiree mortality tables with group-specified job category and setback adjustments. Previously they were based on RP-2014 generational Disabled Retiree mortality tables.



SUPPLEMENTARY INFORMATION

Combining Individual Fund Statements and
Other Financial Schedules



**CITY OF ASHLAND, OREGON
COMBINING BALANCE SHEET
All NON-MAJOR FUNDS
June 30, 2022**

	Governmental Fund Types						Permanent Fund Type Cemetery Trust Fund	Total Other Governmental
	Housing Fund	CDBG Fund	Airport Fund	Capital Improvements Fund	Parks Capital Improvements Fund	Debt Service Fund		
ASSETS								
Cash and cash equivalents	\$ 236,323	\$ 27,819	\$ 300,402	\$ 1,202,131	\$ 1,953,550	\$ 1,007,715	\$ -	\$ 4,727,940
Receivables (net of allowance for uncollectible)	225,597	62,852	16,719	58,158	155,307	24,048	1,462	544,143
Lease Receivable	-	-	37,189	492,259	-	-	-	529,448
Cash - restricted	-	-	-	-	-	-	929,433	929,433
Total assets	461,920	90,671	354,310	1,752,548	2,108,857	1,031,763	930,895	6,730,964
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Accounts payable	122,005	54,052	18,950	-	130,362	-	-	325,369
Total liabilities	122,005	54,052	18,950	-	130,362	-	-	325,369
Deferred Inflows of Resources:								
Unavailable revenue - property taxes	-	-	-	-	-	21,960	-	21,960
Unavailable revenue - special assessments	59,252	-	-	52,049	-	-	-	111,301
Unavailable revenue - lease receivable	-	-	37,189	492,259	-	-	-	529,448
	59,252	-	37,189	544,308	-	21,960	-	662,709
Fund Balances:								
Non Spendable:								
Perpetual care	-	-	-	-	-	-	930,895	930,895
Prepaid items	-	-	-	-	-	-	-	-
Restricted for:								
CDBG restriction	-	36,619	-	-	-	-	-	36,619
Systems development charges	-	-	-	284,878	-	-	-	284,878
Airport	-	-	298,171	-	-	-	-	298,171
Debt service	-	-	-	-	-	1,009,803	-	1,009,803
Committed for:								
Housing Fund	280,661	-	-	-	-	-	-	280,661
Special revenue funds	-	-	-	-	-	-	-	-
Parks activities	-	-	-	-	1,978,495	-	-	1,978,495
Capital projects funds	-	-	-	923,362	-	-	-	923,362
Total fund balances	280,661	36,619	298,171	1,208,240	1,978,495	1,009,803	930,895	5,742,884
Total liabilities, deferred inflows and fund balances	\$ 461,918	\$ 90,671	\$ 354,310	\$ 1,752,548	\$ 2,108,857	\$ 1,031,763	\$ 930,895	\$ 6,730,962

CITY OF ASHLAND, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL NON-MAJOR FUNDS
For the year ended June 30, 2022

	Governmental Fund Types						Permanent Fund Type Cemetery Nonexpendable Trust Fund	Total Other Governmental
	Housing Fund	CDBG Fund	Airport Fund	Capital Improvements Fund	Parks Capital Improvements Fund	Debt Service Fund		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 687,139	\$ 221,656	\$ -	\$ 908,795
Intergovernmental	335,950	502,037	283,609	-	555,714	-	-	1,677,310
Charges for services	-	-	169,862	200,868	-	1,264,116	12,896	1,647,742
System development charges	-	-	-	39,779	-	-	-	39,779
Interest on investments	857	-	1,178	5,661	8,288	3,333	4,879	24,196
Miscellaneous	-	-	-	1,024	-	-	-	1,024
Total revenues	336,807	502,037	454,649	247,332	1,251,141	1,489,105	17,775	4,298,846
Expenditures:								
General government	384,400	502,038	420,604	-	924,784	-	-	2,231,826
Debt service	-	-	-	-	-	1,766,448	-	1,766,448
Total expenditures	384,400	502,038	420,604	-	924,784	1,766,448	-	3,998,274
Excess (deficiency) of revenues over (under) expenditures	(47,593)	(1)	34,045	247,332	326,357	(277,343)	17,775	300,572
Other financing sources (uses):								
Transfers in	200,000	-	-	-	-	299,172	500	499,672
Transfers out	-	-	-	(110,000)	(239,172)	-	(4,879)	(354,051)
Total other financing sources (uses)	200,000	-	-	(110,000)	(239,172)	299,172	(4,379)	145,621
Net change in fund balance	152,407	(1)	34,045	137,332	87,185	21,829	13,396	446,193
Fund balance, Beginning	128,254	36,620	264,126	1,070,908	1,891,310	987,974	917,499	5,296,691
Fund balance, Ending	\$ 280,661	\$ 36,619	\$ 298,171	\$ 1,208,240	\$ 1,978,495	\$ 1,009,803	\$ 930,895	\$ 5,742,884

**CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOUSING FUND
For the year ended June 30, 2022**

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Taxes	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	300,000	335,950	335,950	35,950
Interest on investments	2,000	2,000	857	857	(1,143)
Miscellaneous	-	-	-	-	-
Total revenues	<u>202,000</u>	<u>302,000</u>	<u>336,807</u>	<u>336,807</u>	<u>34,807</u>
Expenditures:					
General government:					
Materials and services	50,079	450,079	290,973	290,973	159,106
Capital outlay	-	100,000	93,427	93,427	6,573
Total expenditures	<u>50,079</u>	<u>550,079</u>	<u>384,400</u>	<u>384,400</u>	<u>165,679</u>
Other financing sources (uses):					
Transfers In	-	400,000	200,000	200,000	200,000
Total other financing sources (uses)	<u>-</u>	<u>400,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Net change in fund balance	151,921	151,921	152,407	152,407	486
Fund balance, Beginning	<u>48,079</u>	<u>48,079</u>	<u>128,254</u>	<u>128,254</u>	<u>80,175</u>
Fund balance, Ending	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 280,661</u>	<u>\$ 280,661</u>	<u>\$ 80,661</u>

**CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
For the year ended June 30, 2022**

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Intergovernmental	\$ 533,290	\$ 533,290	\$ 502,037	\$ 502,037	\$ (31,253)
Total revenues	<u>533,290</u>	<u>533,290</u>	<u>502,037</u>	<u>502,037</u>	<u>(31,253)</u>
Expenditures:					
General government:					
Personal services	71,804	71,804	49,597	49,597	22,207
Material and services	498,106	498,106	452,441	452,441	45,665
Total general government	<u>569,910</u>	<u>569,910</u>	<u>502,038</u>	<u>502,038</u>	<u>67,872</u>
Total expenditures	<u>569,910</u>	<u>569,910</u>	<u>502,038</u>	<u>502,038</u>	<u>67,872</u>
Net change in fund balance	(36,620)	(36,620)	(1)	(1)	36,619
Fund balance, Beginning	36,620	36,620	36,620	36,620	-
Fund balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,619</u>	<u>\$ 36,619</u>	<u>\$ 36,619</u>

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AIRPORT FUND
For the year ended June 30, 2022

	BN 2021-2023		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final			
Revenues:					
Intergovernmental	\$ 2,861,000	\$ 2,861,000	\$ 283,609	\$ 283,609	\$ (2,577,391)
Charges for services	326,000	326,000	169,862	169,862	(156,138)
Interest on investments	6,000	6,000	1,178	1,178	(4,822)
Total revenues	<u>3,193,000</u>	<u>3,193,000</u>	<u>454,649</u>	<u>454,649</u>	<u>(2,738,351)</u>
Expenditures:					
General government:					
Materials and services	183,398	183,398	91,627	91,627	91,771
Capital outlay	3,001,000	3,001,000	328,977	328,977	2,672,023
Contingency	5,502	5,502	-	-	5,502
Total expenditures	<u>3,189,900</u>	<u>3,189,900</u>	<u>420,604</u>	<u>420,604</u>	<u>2,769,296</u>
Net change in fund balance	3,100	3,100	34,045	34,045	30,945
Fund balance, Beginning	186,753	186,753	264,126	264,126	77,373
Fund balance, Ending	<u>\$ 189,853</u>	<u>\$ 189,853</u>	<u>\$ 298,171</u>	<u>\$ 298,171</u>	<u>\$ 108,318</u>

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL IMPROVEMENTS FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Charges for services	\$ 340,000	\$ 340,000	\$ 200,868	\$ 200,868	\$ (139,132)
System development charges	140,000	140,000	39,779	39,779	(100,221)
Interest on investments	17,400	17,400	5,661	5,661	(11,739)
Miscellaneous	-	-	1,024	1,024	1,024
Total revenues	<u>497,400</u>	<u>497,400</u>	<u>247,332</u>	<u>247,332</u>	<u>(250,068)</u>
Expenditures:					
Public Works Department	1,179,249	1,179,249	-	-	1,179,249
Total expenditures	<u>1,179,249</u>	<u>1,179,249</u>	<u>-</u>	<u>-</u>	<u>1,179,249</u>
Excess (Deficiency) of revenues	<u>(681,849)</u>	<u>(681,849)</u>	<u>247,332</u>	<u>247,332</u>	<u>929,181</u>
Other financing sources (uses):					
Transfers Out	(220,000)	(220,000)	(110,000)	(110,000)	(110,000)
Total other financing sources (uses):	<u>(220,000)</u>	<u>(220,000)</u>	<u>(110,000)</u>	<u>(110,000)</u>	<u>(110,000)</u>
Net change in fund balance	<u>(901,849)</u>	<u>(901,849)</u>	<u>137,332</u>	<u>137,332</u>	<u>1,039,181</u>
Fund balance, Beginning	<u>901,849</u>	<u>901,849</u>	<u>1,070,908</u>	<u>1,070,908</u>	<u>169,059</u>
Fund balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,208,240</u>	<u>\$ 1,208,240</u>	<u>\$ 1,208,240</u>

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARKS CAPITAL IMPROVEMENTS FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Taxes	\$ 562,000	\$ 562,000	\$ 687,139	\$ 687,139	\$ 125,139
Intergovernmental	9,389,600	9,391,100	555,714	555,714	(8,835,386)
Interest on investments	19,400	19,400	8,288	8,288	(11,112)
Miscellaneous	100,000	100,000	-	-	(100,000)
Total revenues	10,071,000	10,072,500	1,251,141	1,251,141	(8,821,359)
Expenditures:					
General government:					
Material and Services	404,000	405,500	-	-	405,500
Capital outlay	9,834,000	9,834,000	924,784	924,784	8,909,216
Total expenditures	10,238,000	10,239,500	924,784	924,784	9,314,716
Excess (Deficiency) of revenues over (under) expenditures	(167,000)	(167,000)	326,357	326,357	493,357
Other financing sources (uses):					
Transfers Out	(1,247,768)	(862,768)	(239,172)	(239,172)	623,596
Total other financing sources (uses):	(1,247,768)	(862,768)	(239,172)	(239,172)	623,596
Net change in fund balance	(1,414,768)	(1,029,768)	87,185	87,185	1,116,953
Fund balance, Beginning	1,701,106	1,701,106	1,891,310	1,891,310	190,204
Fund balance, Ending	\$ 286,338	\$ 671,338	\$ 1,978,495	\$ 1,978,495	\$ 1,307,157

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Taxes	\$ 423,126	\$ 423,126	\$ 221,656	\$ 221,656	\$ (201,470)
Charges for services	2,308,600	2,308,600	1,264,116	1,264,116	(1,044,484)
Interest on investments	5,800	5,800	3,333	3,333	(2,467)
Total revenues	<u>2,737,526</u>	<u>2,737,526</u>	<u>1,489,105</u>	<u>1,489,105</u>	<u>(1,248,421)</u>
Expenditures:					
Debt service:					
General Obligation	3,531,971	3,531,971	1,766,448	1,766,448	1,765,523
Total expenditures	<u>3,531,971</u>	<u>3,531,971</u>	<u>1,766,448</u>	<u>1,766,448</u>	<u>1,765,523</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(794,445)</u>	<u>(794,445)</u>	<u>(277,343)</u>	<u>(277,343)</u>	<u>517,102</u>
Other financing sources (uses):					
Transfers in	597,768	597,768	299,172	299,172	(298,596)
Total other financing sources (uses):	<u>597,768</u>	<u>597,768</u>	<u>299,172</u>	<u>299,172</u>	<u>(298,596)</u>
Net change in fund balance	(196,677)	(196,677)	21,829	21,829	218,506
Fund balance, Beginning	<u>1,347,873</u>	<u>1,347,873</u>	<u>987,974</u>	<u>987,974</u>	<u>(359,899)</u>
Fund balance, Ending	<u>\$ 1,151,196</u>	<u>\$ 1,151,196</u>	<u>\$ 1,009,803</u>	<u>\$ 1,009,803</u>	<u>\$ (141,393)</u>

**CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CEMETERY TRUST FUND
For the year ended June 30, 2022**

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Charges for services	\$ 38,500	\$ 38,500	\$ 12,896	\$ 12,896	\$ (25,604)
Interest on investments	16,400	16,400	4,879	4,879	(11,521)
Total revenues	<u>54,900</u>	<u>54,900</u>	<u>17,775</u>	<u>17,775</u>	<u>(37,125)</u>
Other financing sources (uses):					
Transfers In	1,000	1,000	500	500	(500)
Transfers Out	(130,000)	(130,000)	(4,879)	(4,879)	125,121
Total other financing sources (uses):	<u>(129,000)</u>	<u>(129,000)</u>	<u>(4,379)</u>	<u>(4,379)</u>	<u>124,621</u>
Net change in fund balance	(74,100)	(74,100)	13,396	13,396	87,496
Fund balance, Beginning	<u>909,427</u>	<u>909,427</u>	<u>917,499</u>	<u>917,499</u>	<u>8,072</u>
Fund balance, Ending	<u>\$ 835,327</u>	<u>\$ 835,327</u>	<u>\$ 930,895</u>	<u>\$ 930,895</u>	<u>\$ 95,568</u>

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
RESERVE FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Interest on investments	\$ 800	\$ 800	\$ 210	\$ 210	\$ (590)
Total revenues	<u>800</u>	<u>800</u>	<u>210</u>	<u>210</u>	<u>(590)</u>
Excess (deficiency) of revenues over (under) expenditures	800	800	210	210	(590)
Other financing sources (uses):					
Transfer in	-	1,715,000	1,715,000	1,715,000	-
Total other financing sources (uses)	<u>-</u>	<u>1,715,000</u>	<u>1,715,000</u>	<u>1,715,000</u>	<u>-</u>
Net change in fund balance	800	1,715,800	1,715,210	1,715,210	(590)
Fund balance, Beginning	39,656	39,656	39,551	39,551	(105)
Fund balance, Ending	<u>\$ 40,456</u>	<u>\$ 1,755,456</u>	<u>\$ 1,754,761</u>	<u>\$ 1,754,761</u>	<u>\$ (695)</u>
Reconciliation to GAAP fund balance Reserve fund to the General Fund			\$ (1,754,761)		
			<u>\$ (1,754,761)</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARKS AND RECREATION FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Taxes	\$ 2,005,942	\$ 942	\$ -	\$ -	\$ (942)
Intergovernmental	180,000	258,113	103,157	103,157	(154,956)
Charges for services	1,803,704	1,803,704	977,065	977,065	(826,639)
Interest on investments	30,000	30,000	10,509	10,509	(19,491)
Miscellaneous	50,000	50,000	26,137	26,137	(23,863)
Total revenues	<u>4,069,646</u>	<u>2,142,759</u>	<u>1,116,868</u>	<u>1,116,868</u>	<u>(1,025,891)</u>
Expenditures:					
Parks and Recreation:					
Operations and maintenance	9,076,891	8,629,591	4,423,720	4,423,720	4,205,871
Recreation	2,528,235	2,533,835	1,057,591	1,057,591	1,476,244
Forestry Division	1,333,925	1,338,925	487,312	487,312	851,613
Senior Service Division	796,255	821,068	368,720	368,720	452,348
Golf Course	1,231,020	1,231,020	618,511	618,511	612,509
Contingency	448,990	448,990	-	-	448,990
Total expenditures	<u>15,415,316</u>	<u>15,003,429</u>	<u>6,955,854</u>	<u>6,955,854</u>	<u>8,047,575</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,345,670)</u>	<u>(12,860,670)</u>	<u>(5,838,986)</u>	<u>(5,838,986)</u>	<u>7,021,684</u>
Other financing sources (uses):					
Transfers in	9,969,936	11,484,936	7,502,928	7,502,928	(3,982,008)
Transfers out	-	(300,000)	(300,000)	(300,000)	-
Total other financing sources (uses)	<u>9,969,936</u>	<u>11,184,936</u>	<u>7,202,928</u>	<u>7,202,928</u>	<u>(3,982,008)</u>
Net change in fund balance	<u>(1,375,734)</u>	<u>(1,675,734)</u>	<u>1,363,942</u>	<u>1,363,942</u>	<u>3,039,676</u>
Fund balance, Beginning	<u>1,483,225</u>	<u>1,783,225</u>	<u>1,793,398</u>	<u>1,793,398</u>	<u>10,173</u>
Fund balance, Ending	<u>\$ 107,491</u>	<u>\$ 107,491</u>	<u>\$ 3,157,340</u>	<u>\$ 3,157,340</u>	<u>\$ 3,049,849</u>
Reconciliation to GAAP fund balance :					
Equipment fund balance:			413,248		
Total GAAP fund balance			<u>\$ 3,570,588</u>		
Parks fund to the General Fund			<u>\$ (3,570,588)</u>		
			<u>\$ -</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WATER FUND

For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Intergovernmental	\$ -	\$ 3,000,000	\$ -	\$ -	\$ (3,000,000)
Charges for services	17,519,000	17,519,000	8,467,224	8,467,224	(9,051,776)
System developments charges	300,000	300,000	204,411	204,411	(95,589)
Interest on investments	185,600	185,600	65,754	65,754	(119,846)
Miscellaneous	51,000	51,000	4,104	4,104	(46,896)
Total revenues	18,055,600	21,055,600	8,741,493	8,741,493	(12,314,107)
Expenditures:					
Cost of services:					
Public Works - Water Conservation	568,430	568,430	127,393	127,393	441,037
Public Works - Water Operations	37,935,828	40,935,828	6,240,513	6,240,513	34,695,315
Public Works - Water Debt	942,580	942,580	467,697	467,697	474,883
Public Works - Water SDC's	3,376,300	3,376,300	88,608	88,608	3,287,692
Public Works - Water SDC's Debt	427,806	427,806	213,841	213,841	213,965
Contingency	464,844	464,844	-	-	464,844
Total expenditures	43,715,788	46,715,788	7,138,052	7,138,052	39,577,736
Excess (Deficiency) of revenues over (under) expenditures	(25,660,188)	(25,660,188)	1,603,441	1,603,441	(27,263,629)
Other financing sources (uses):					
Loan proceeds	24,011,700	24,011,700	-	-	(24,011,700)
Transfer Out	(100,000)	(100,000)	(50,000)	(50,000)	50,000
Total other financing sources (uses)	23,911,700	23,911,700	(50,000)	(50,000)	(23,961,700)
Net change in fund balance	(1,748,488)	(1,748,488)	1,553,441	1,553,441	3,301,929
Fund balance, Beginning	11,934,033	11,934,033	12,745,850	12,745,850	811,817
Fund balance, Ending	\$ 10,185,545	\$ 10,185,545	\$ 14,299,291	\$ 14,299,291	\$ 4,113,746
Reconciliation to Net Position:					
Deferred Outflow - Pension			\$ 898,478		
Deferred Outflow - OPEB			82,315		
Capital assets, net			26,205,816		
Compensated absences			(107,400)		
OPEB implicit rate liability			(222,504)		
Net Pension liability			(1,622,691)		
Deferred Inflow - Pension			(1,321,378)		
Deferred Inflow- OPEB			(42,937)		
Accrued interest			(46,241)		
GO bonds payable			(1,285,000)		
Revenue bonds payable			(7,460,449)		
Total Net Position			\$ 29,377,300		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WASTEWATER FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Taxes	\$ -	\$ -	\$ 38	\$ 38	\$ 38
Charges for services	12,080,000	12,080,000	6,297,921	6,297,921	(5,782,079)
System developments charges	300,000	300,000	91,772	91,772	(208,228)
Interest on investments	173,400	173,400	38,811	38,811	(134,589)
Total revenues	<u>12,553,400</u>	<u>12,553,400</u>	<u>6,428,542</u>	<u>6,428,542</u>	<u>(6,124,858)</u>
Expenditures:					
Cost of services:					
Public Works - Wastewater Operations	18,569,418	19,569,418	5,993,687	5,993,687	13,575,731
Public Works - Wastewater Debt	351,048	351,048	174,853	174,853	176,195
Public Works - Wastewater SDC's	3,417,100	3,417,100	165,385	165,385	3,251,715
Contingency	367,388	367,388	-	-	367,388
Total expenditures	<u>22,704,954</u>	<u>23,704,954</u>	<u>6,333,925</u>	<u>6,333,925</u>	<u>17,371,029</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,151,554)</u>	<u>(11,151,554)</u>	<u>94,617</u>	<u>94,617</u>	<u>11,246,171</u>
Other financing sources (uses):					
Loan proceeds	7,421,400	8,421,400	672,428	672,428	(7,748,972)
Total other financing sources (uses)	<u>7,421,400</u>	<u>8,421,400</u>	<u>672,428</u>	<u>672,428</u>	<u>(7,748,972)</u>
Net change in fund balance	(2,730,154)	(2,730,154)	767,045	767,045	3,497,199
Fund balance, Beginning	<u>7,599,786</u>	<u>7,599,786</u>	<u>7,569,687</u>	<u>7,569,687</u>	<u>(30,099)</u>
Fund balance, Ending	<u>\$ 4,869,632</u>	<u>\$ 4,869,632</u>	<u>\$ 8,336,732</u>	<u>\$ 8,336,732</u>	<u>\$ 3,467,100</u>
Reconciliation to Net Position:					
Deferred Outflow - Pension			\$ 676,853		
Deferred Outflow - OPEB			62,011		
Capital assets, net			30,906,985		
Compensated absences			(101,339)		
OPEB implicit rate liability			(167,620)		
Net Pension liability			(1,222,426)		
Deferred Inflow - Pension			(995,438)		
Deferred Inflow - OPEB			(32,346)		
Accrued interest			(7,412)		
GO bonds payable			(255,000)		
Revenue bonds payable			(3,038,316)		
Rounding			1		
Total Net Position			<u>\$ 34,162,685</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STORMWATER FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Charges for services	\$ 1,574,600	\$ 1,574,600	\$ 793,847	\$ 793,847	\$ (780,753)
System developments charges	-	-	33,287	33,287	33,287
Interest on investments	25,300	25,300	8,992	8,992	(16,308)
Total revenues	<u>1,599,900</u>	<u>1,599,900</u>	<u>836,126</u>	<u>836,126</u>	<u>(763,774)</u>
Expenditures:					
Cost of services:					
Public Works - Stormwater Operations	2,407,654	2,407,654	722,578	722,578	1,685,076
Public Works - Stormwater SDC's	23,300	23,300	12,120	12,120	11,180
Debt service	607,712	607,712	11,550	11,550	596,162
Contingency	74,203	74,203	-	-	74,203
Total expenditures	<u>3,112,869</u>	<u>3,112,869</u>	<u>746,248</u>	<u>746,248</u>	<u>2,366,621</u>
Net change in fund balance	(1,512,969)	(1,512,969)	89,878	89,878	1,602,847
Fund balance, Beginning	1,757,414	1,757,414	1,777,615	1,777,615	20,201
Fund balance, Ending	<u>\$ 244,445</u>	<u>\$ 244,445</u>	<u>\$ 1,867,493</u>	<u>\$ 1,867,493</u>	<u>\$ 1,623,048</u>
Reconciliation to Net Position:					
Deferred Outflow - Pension			\$ 170,711		
Deferred Outflow - OPEB			15,640		
Capital assets, net			544,074		
Compensated absences			(2,550)		
OPEB implicit rate liability			(42,276)		
Net Pension liability			(308,311)		
Deferred Inflow - Pension			(251,062)		
Deferred Inflow - OPEB			(8,158)		
Accrued interest			(358)		
GO bonds payable			(65,000)		
Rounding			1		
Total Net Position			<u>\$ 1,920,204</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ELECTRIC FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Intergovernmental	\$ 420,000	\$ 420,000	\$ 50,308	\$ 50,308	\$ (369,692)
Charges for services	36,554,204	36,554,204	17,692,125	17,692,125	(18,862,079)
Interest on investments	50,000	50,000	18,608	18,608	(31,392)
Miscellaneous	594,000	594,000	63,231	63,231	(530,769)
Total revenues	<u>37,618,204</u>	<u>37,618,204</u>	<u>17,824,272</u>	<u>17,824,272</u>	<u>(19,793,932)</u>
Expenditures:					
Cost of Services:					
Administration - Conservation	2,486,300	2,486,300	762,029	762,029	1,724,271
Electric - Operations	34,702,939	34,702,939	15,434,592	15,434,592	19,268,347
Debt service	443,624	443,624	21,850	21,850	421,774
Contingency	1,128,985	1,128,985	-	-	1,128,985
Total expenditures	<u>38,761,848</u>	<u>38,761,848</u>	<u>16,218,471</u>	<u>16,218,471</u>	<u>22,543,377</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,143,644)</u>	<u>(1,143,644)</u>	<u>1,605,801</u>	<u>1,605,801</u>	<u>2,749,445</u>
Other financing sources (uses):					
Loan proceeds	3,000,000	3,000,000	-	-	(3,000,000)
Total other financing sources (uses)	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>(3,000,000)</u>
Net change in fund balance	1,856,356	1,856,356	1,605,801	1,605,801	(250,555)
Fund balance, Beginning	<u>3,383,408</u>	<u>3,383,408</u>	<u>3,418,148</u>	<u>3,418,148</u>	<u>34,740</u>
Fund balance, Ending	<u>\$ 5,239,764</u>	<u>\$ 5,239,764</u>	<u>\$ 5,023,949</u>	<u>\$ 5,023,949</u>	<u>\$ (215,815)</u>
Reconciliation to Net Position:					
Deferred Outflow - Pension			\$ 1,018,274		
Deferred Outflow - OPEB			93,291		
Capital assets, net			6,594,196		
Compensated absences			(176,520)		
Lease liability			(2,171)		
OPEB implicit rate liability			(252,171)		
Net Pension liability			(1,839,049)		
Deferred Inflow - Pension			(1,497,561)		
Deferred Inflow - OPEB			(48,662)		
Deferred revenue			88,952		
Rounding			(4)		
Total Net Position			<u>\$ 9,002,524</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TELECOMMUNICATIONS FUND
For the year ended June 30, 2022

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final			
Revenues:					
Charges for services	\$ 5,583,603	\$ 5,583,603	\$ 2,780,392	\$ 2,780,392	\$ (2,803,211)
Interest on investments	24,660	24,660	10,849	10,849	(13,811)
Miscellaneous	-	-	456	456	456
Total revenues	<u>5,608,263</u>	<u>5,608,263</u>	<u>2,791,697</u>	<u>2,791,697</u>	<u>(2,816,566)</u>
Expenditures:					
Cost of services:					
Personal services	1,831,694	1,831,694	664,149	664,149	1,167,545
Materials and services	3,329,605	3,329,605	1,554,571	1,554,571	1,775,034
Capital outlay	125,000	125,000	-	-	125,000
Contingency	149,082	149,082	-	-	149,082
Total expenditures	<u>5,435,381</u>	<u>5,435,381</u>	<u>2,218,720</u>	<u>2,218,720</u>	<u>3,216,661</u>
Excess (deficiency) of revenues over (under) expenditures	<u>172,882</u>	<u>172,882</u>	<u>572,977</u>	<u>572,977</u>	<u>400,095</u>
Net change in fund balance	<u>172,882</u>	<u>172,882</u>	<u>572,977</u>	<u>572,977</u>	<u>400,095</u>
Fund balance, Beginning	<u>1,891,624</u>	<u>1,891,624</u>	<u>2,110,935</u>	<u>2,110,935</u>	<u>219,311</u>
Fund balance, Ending	<u>\$ 2,064,506</u>	<u>\$ 2,064,506</u>	<u>\$ 2,683,912</u>	<u>\$ 2,683,912</u>	<u>\$ 619,406</u>
Reconciliation to net position:					
Deferred Outflow - Pension			\$ 359,391		
Deferred Outflow - OPEB			32,927		
Capital assets, net			363,900		
Compensated absences			(26,391)		
OPEB implicit rate liability			(89,002)		
Net pension liability			(649,076)		
Deferred Inflow - Pension			(528,551)		
Deferred Inflow - OPEB			(17,175)		
Total Net Position			<u>\$ 2,129,935</u>		

CITY OF ASHLAND, OREGON
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
For the year ended June 30, 2022

	Insurance Services Fund	Insurance Services Fund	Health Benefits Fund	Equipment Fund	Totals
ASSETS					
Current assets:					
Cash and investments	\$ -	\$ 1,207,135	\$ 1,916,791	\$ 6,101,488	\$ 9,225,414
Interest and accounts receivable, net	-	10,967	27,973	7,500	46,440
Notes receivable	-	8,105	-	-	8,105
Inventories	-	-	-	18,499	18,499
Total current assets	-	1,226,207	1,944,764	6,127,487	9,298,458
Non-Current assets:					
Capital assets, being depreciated or amortized:					
Non-Current capital assets	-	-	-	16,423,671	16,423,671
Accumulated depreciation	-	-	-	(12,548,623)	(12,548,623)
Capital assets, net	-	-	-	3,875,048	3,875,048
Total Assets	-	1,226,207	1,944,764	10,002,535	13,173,506
Deferred Outflows of Resources:					
Deferred Outflows - Pension	-	-	-	389,340	389,340
Deferred Outflows - OPEB	-	-	-	35,670	35,670
Total Deferred Outflows	-	-	-	425,010	425,010
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
Current liabilities:					
Accounts payable	-	55,984	(44,625)	241,443	252,802
Accrued salaries, vacation and payroll taxes	-	-	-	11,539	11,539
Compensated absences	-	-	-	5,762	5,762
Accrued claims and adjustments	-	-	-	-	-
Total current liabilities	-	55,984	(44,625)	258,744	270,103
Long-term liabilities:					
Compensated absences	-	-	-	17,284	17,284
Total OPEB Liabilities	-	-	-	96,419	96,419
Proportionate Share of Net Pension Liability	-	-	-	703,166	703,166
Accrued claims	-	160,093	-	-	160,093
Total long-term liabilities	-	160,093	-	816,869	976,962
Total liabilities	-	216,077	(44,625)	1,075,613	1,247,065
Deferred Inflows of Resources:					
Deferred Inflows - Pensions	-	-	-	572,597	572,597
Deferred Inflows - OPEB	-	-	-	18,606	18,606
Total Deferred Inflows	-	-	-	591,203	591,203
Net Position:					
Net Investment in Capital Assets	-	-	-	3,875,048	3,875,048
Unrestricted	-	1,010,130	1,989,389	4,885,681	7,885,200
Total net position:	-	1,010,130	1,989,389	8,760,729	11,760,248
Total liabilities, deferred inflows and net position	\$ -	\$ 1,226,207	\$ 1,944,764	\$ 10,427,545	\$ 13,598,516

CITY OF ASHLAND, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the year ended June 30, 2022

	Central Service Fund	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Totals
Operating revenues:					
Service charges and fees	\$ -	\$ 1,840,742	\$ 5,751,958	\$ 4,499,869	\$ 12,092,569
Miscellaneous	-	19,348	3,736	528	23,612
Total revenues	-	1,860,090	5,755,694	4,500,397	12,116,181
Operating expenses:					
Cost of service	-	1,202,789	5,236,858	2,384,760	8,824,407
Depreciation	-	-	-	872,433	872,433
Total operating expenses	-	1,202,789	5,236,858	3,257,193	9,696,840
Operating income (loss)	-	657,301	518,836	1,243,204	2,419,341
Nonoperating income (expense):					
Interest income	-	2,305	7,198	26,166	35,669
Total nonoperating income (expense)	-	2,305	7,198	26,166	35,669
Other financing sources (uses):					
Gain/loss on sale of assets	6,965,728	-	-	-	6,965,728
Transfer Out	(3,087,206)	-	-	-	(3,087,206)
Total other financing sources (uses)	3,878,522	-	-	-	3,878,522
Change in Net Position	3,878,522	659,606	526,034	1,269,370	6,333,532
Total Net Position - beginning	(3,878,522)	350,524	1,463,355	7,491,359	5,426,716
Total Net Position - ending	\$ -	\$ 1,010,130	\$ 1,989,389	\$ 8,760,729	\$ 11,760,248

CITY OF ASHLAND, OREGON
COMBINING INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the year ended June 30, 2022

	Central Service Fund	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ -	\$ 19,348	\$ -	\$ -	\$ 19,349
Receipts from internal funds	-	1,851,994	5,727,721	4,520,417	12,100,132
Payments to suppliers	-	(1,173,739)	(5,281,482)	(1,451,062)	(7,906,283)
Payments to employees	-	-	-	(649,302)	(649,303)
Net cash from operating activities	-	697,603	446,239	2,420,053	3,563,895
Cash flows from noncapital financing activities:					
Taxes collected	-	-	-	-	-
Transfers In (Out)	(3,402,031)	-	-	-	(3,402,031)
Intergovernmental	-	-	-	-	-
Net cash from noncapital financing activities	(3,402,031)	-	-	-	(3,402,031)
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	-	-	-	(223,294)	(223,294)
Net cash from capital and related financing activities	-	-	-	(223,294)	(223,294)
Cash flows from investing activities:					
Interest from investments and other income	-	2,304	7,198	26,166	35,668
Net increase (decrease) in cash and investments	(3,402,031)	699,907	453,437	2,222,925	(25,762)
Cash and investments, beginning of year	3,402,031	507,228	1,463,354	3,878,563	9,251,176
Cash and investments, end of year	\$ -	\$ 1,207,135	\$ 1,916,791	\$ 6,101,488	\$ 9,225,414
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	-	657,301	518,836	1,243,204	2,419,341
Depreciation and amortization	-	-	-	872,433	872,433
Change in assets and liabilities:					
(Increase) decrease in:					
Receivables	-	11,252	(27,975)	20,020	3,297
Net Pension Assets, Outflows/Inflows	-	-	-	91,074	91,074
OPEB, Outflows/Inflows	-	-	-	(1,219)	(1,219)
Inventories	-	-	-	(2,356)	(2,356)
Increase (decrease) in:					
Accounts payable and accrued liabilities	-	29,050	(44,622)	211,968	196,396
Other liabilities	-	-	-	(15,071)	(15,071)
Net cash from operating activities	\$ -	\$ 697,603	\$ 446,239	\$ 2,420,053	\$ 3,563,895

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
INSURANCE SERVICES FUND
For the year ended June 30, 2022

	BN 2021-2023		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final			
Revenues:					
Charges for services	\$ 3,805,644	\$ 3,805,644	\$ 1,840,742	\$ 1,840,742	\$ (1,964,902)
Interest on investments	1,900	1,900	2,305	2,305	405
Miscellaneous	80,000	80,000	19,348	19,348	(60,652)
Total revenues	3,887,544	3,887,544	1,862,395	1,862,395	(2,025,149)
Expenditures:					
Cost of services:					
Materials and services	3,085,770	3,085,770	1,202,790	1,202,790	1,882,980
Contingency	92,573	92,573	-	-	92,573
Total expenditures	3,178,343	3,178,343	1,202,790	1,202,790	1,975,553
Net change in fund balance	709,201	709,201	659,605	659,605	(49,596)
Fund balance, Beginning	173,544	173,544	134,959	134,959	(38,585)
Fund balance, Ending	\$ 882,745	\$ 882,745	\$ 794,564	\$ 794,564	\$ (88,181)
Reconciliation to net position:					
Accrued claims and judgments			\$ (160,093)		
Deferred Revenues			375,659		
Total Net Position			<u>\$ 1,010,130</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
HEALTH BENEFITS FUND
For the year ended June 30, 2022

	BN 2021-2023		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final			
Revenues:					
Charges for services	\$ 11,047,137	\$ 11,047,137	\$ 5,751,958	\$ 5,751,958	\$ (5,295,179)
Interest on investments	20,000	20,000	7,198	7,198	(12,802)
Miscellaneous	-	-	3,736	3,736	3,736
Total revenues	<u>11,067,137</u>	<u>11,067,137</u>	<u>5,762,892</u>	<u>5,762,892</u>	<u>(5,304,245)</u>
Expenditures:					
Cost of services:					
Materials and services	11,685,180	11,685,180	5,236,858	5,236,858	6,448,322
Contingency	350,556	350,556	-	-	350,556
Total expenditures	<u>12,035,736</u>	<u>12,035,736</u>	<u>5,236,858</u>	<u>5,236,858</u>	<u>6,798,878</u>
Net change in fund balance	(968,599)	(968,599)	526,034	526,034	1,494,633
Fund balance, Beginning	<u>1,438,668</u>	<u>1,438,668</u>	<u>1,463,355</u>	<u>1,463,355</u>	<u>24,687</u>
Fund balance, Ending	<u>\$ 470,069</u>	<u>\$ 470,069</u>	<u>\$ 1,989,389</u>	<u>\$ 1,989,389</u>	<u>\$ 1,519,320</u>

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
EQUIPMENT FUND
For the year ended June 30, 2022

	BN 2021-2023		First Year Actual FY 2021-22	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts				
	Original	Final			
Revenues:					
Charges for services	\$ 8,677,842	\$ 8,677,842	\$ 4,499,869	\$ 4,499,869	\$ (4,177,973)
Interest on investments	6,000	6,000	26,166	26,166	20,166
Miscellaneous	204,200	204,200	528	528	(203,672)
Total revenues	8,888,042	8,888,042	4,526,563	4,526,563	(4,361,479)
Expenditures:					
Cost of services:					
Public Works - Maintenance	4,330,663	4,330,663	2,220,055	2,220,055	2,110,608
Public Works - Purchasing and Acquisition	3,208,800	3,208,800	300,241	300,241	2,908,559
Contingency	129,920	129,920	-	-	129,920
Total expenditures	7,669,383	7,669,383	2,520,296	2,520,296	5,149,087
Net change in fund balance	1,218,659	1,218,659	2,006,267	2,006,267	787,608
Fund balance, Beginning	3,615,145	3,615,145	3,868,239	3,868,239	253,094
Fund balance, Ending	\$ 4,833,804	\$ 4,833,804	\$ 5,874,506	\$ 5,874,506	\$ 1,040,702
Reconciliation to Net Position:					
Deferred Outflow - Pension			\$ 389,340		
Deferred Outflow - OPEB			35,670		
Capital assets, net			3,875,048		
Accrued compensated absences			(23,046)		
OPEB implicit rate liability			(96,419)		
Net Pension liability			(703,166)		
Deferred Inflow - Pension			(572,597)		
Deferred Inflow - OPEB			(18,606)		
Rounding			(1)		
Total Net Position			<u>\$ 8,760,729</u>		

OTHER INFORMATION



**CITY OF ASHLAND, OREGON
CAPITAL ASSETS USED
IN THE OPERATION OF GOVERNMENTAL FUNDS
BY SOURCE
June 30, 2022**

Governmental funds capital assets:	
Land	\$ 15,239,669
Buildings and improvements	45,633,173
Improvements other than buildings	62,851,246
Machinery and equipment	8,916,188
Construction in progress	2,487,089
Total capital assets	135,127,365
 Investments in governmental funds capital assets by source:	
General and capital projects funds	66,592,214
Special revenue funds	53,970,404
Leased to other agencies	14,564,747
Total investments in governmental funds capital assets	\$ 135,127,365

This schedule represents only the capital asset balances related to governmental funds before accumulated depreciation. Accordingly, the capital assets reported in *Internal Service Funds* are excluded from the above amounts. Generally, the capital assets of internal service funds are included as the appropriate business activity or governmental activity in the *Statement of Net Position*.

**CITY OF ASHLAND, OREGON
SCHEDULE OF ASSETS USED
IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY
June 30, 2022**

Function and Activity	Land	Buildings	Machinery and Equipment	Improvements other than Buildings	Construction in Progress	Total
General government:						
Community development	\$ 985,235	\$ 1,120,947	\$ 378,138	\$ -	\$ -	\$ 2,484,320
Public buildings	1,971,601	2,064,062	1,559,689	744,668	20,120	6,360,140
Leased to other agencies	253,000	8,744,018	1,609,780	3,957,949	-	14,564,747
Other - unclassified	2,660,200	2,809,244	502,202	1,425,556	-	7,397,202
Total general government	5,870,036	14,738,271	4,049,809	6,128,173	20,120	30,806,409
Public safety:						
Police	80,000	694,565	620,634	1,515,652	-	2,910,851
Fire	998,400	6,173,371	523,199	300,000	-	7,994,970
Total public safety	1,078,400	6,867,936	1,143,833	1,815,652	-	10,905,821
Highway and streets:						
Public thoroughfares	589,276	647,984	783,522	45,774,044	508,665	48,303,491
Total highways and streets	589,276	647,984	783,522	45,774,044	508,665	48,303,491
Airports	176,566	1,029,780	15,740	4,173,243	271,584	5,666,913
Culture and recreation	7,525,391	22,349,202	2,923,284	4,960,134	1,686,720	39,444,731
Total governmental funds capital assets	\$ 15,239,669	\$ 45,633,173	\$ 8,916,188	\$ 62,851,246	\$ 2,487,089	\$ 135,127,365

This schedule represents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in *Internal Service Funds* are excluded from the above amounts. Generally, the capital assets of internal service funds are included as the appropriate business activity or governmental activity in the *Statement of Net Position*.

**CITY OF ASHLAND, OREGON
SCHEDULE OF BOND PRINCIPAL
AND BOND INTEREST TRANSACTIONS
June 30, 2022**

	Original Issue	Bond Principal Transactions	
		Outstanding June 30, 2021	Issued
General Obligation Bonds			
**Fire Station #2, issued November 1, 2011 interest at 2.00% to 4.00%	2,960,000	1,680,000	-
**Ashland Fiber Network Bonds, (Refinanced 2004) issued March 7, 2013 interest at 2.00% to 2.80%	11,675,000	4,790,000	-
Water debt (Refinanced 2003), issued March 7, 2013 interest at 2.00%	1,580,000	365,000	-
New Construction for Street, CIP, Water and Wastewater, issued March 7, 2013 interest at 2.00% to 2.50%	4,765,000	2,410,000	-
Revenue Bonds			
Electric, Series 2008, issued June 20, 2008 interest at 3.8% to 6.01%	304,000	21,714	-
Water, DEQ loan - S14005 interest at 1.00%	3,515,200	3,359,152	-
Wastewater, DEQ Loan - R11751 interest at 1.00%	1,645,280	1,378,315	-
Medford Water Commission - Treatment Plant - Issued 3/26/2014 interest at 3.42%	2,620,084	1,758,811	-
Water, DEQ loan - S16021 interest at 1.00%	-	2,549,591	-
Wastewater, DEQ loan - R11754 interest at 1.00%	-	1,096,237	(240,932)
Wastewater, DEQ loan - R11755 interest at 1.00%	-		913,360
	<u>\$ 29,064,564</u>	<u>\$ 19,408,820</u>	<u>\$ 672,427</u>

** Paid by Property Taxes

CITY OF ASHLAND, OREGON
SCHEDULE OF BOND PRINCIPAL
AND BOND INTEREST TRANSACTIONS
For the year ended June 30, 2022 (continued)

Bond Principal Transactions			Interest Transactions			
Matured	Paid	Outstanding June 30, 2022	Outstanding June 30, 2021	Matured	Paid	Outstanding June 30, 2022
145,000	145,000	1,535,000	-	58,738	58,738	-
1,155,000	1,155,000	3,635,000	-	109,116	109,116	-
180,000	180,000	185,000	-	5,500	5,500	-
325,000	325,000	2,085,000	-	49,475	49,475	-
21,714	21,714	-	-	-	-	-
102,616	102,616	3,256,536	-	33,592	33,592	-
108,663	108,663	1,269,652	-	13,513	13,513	-
104,490	104,490	1,654,321	-	59,266	59,266	-
-	-	2,549,591	-	-	-	-
-	-	855,305	-	-	-	-
-	-	913,360	-	-	-	-
<u>\$ 2,142,483</u>	<u>\$ 2,142,483</u>	<u>\$ 17,938,764</u>	<u>\$ -</u>	<u>\$ 329,200</u>	<u>\$ 329,200</u>	<u>\$ -</u>

CITY OF ASHLAND, OREGON
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND BALANCES
ELECTED OFFICIALS
June 30, 2022

	Cash Balance July 1, 2021	Receipts	Turnovers to			Cash Balance June 30, 2022
			Treasurer	State	Other	
City Recorder	\$ 53,292,684	\$ 264,776,021	\$ -	\$ -	\$ 253,560,858	\$ 64,507,847
Judge	-	149,430	121,293	28,137	-	-
	<u>\$ 53,292,684</u>	<u>\$ 264,925,451</u>	<u>\$ 121,293</u>	<u>\$ 28,137</u>	<u>\$ 253,560,858</u>	<u>\$ 64,507,847</u>



STATISTICAL SECTION



**CITY OF ASHLAND, OREGON
STATISTICAL SECTION
Unaudited**

This part of the City of Ashland's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, notes, and supplementary information. This information has not been audited by the independent auditors.

Financial Trends	Page
These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	131
Revenue Capacity	
These tables contain information that may assist the reader is assessing the viability of the City's revenue sources.	149
Debt Capacity	
These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	159
Economic and Demographic Information	
These tables offer economic and demographic indicators that are commonly used for financial analysis that can help the reader understand the City's present and ongoing financial status.	168
Operating Information	
These tables contain service and infrastructure indicators that can help the reader understand how the information in the City's financial statements relate to the services the City provides and the activities it performs.	170

CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
TOTAL PRIMARY GOVERNMENT
Last ten years
For the year ended June 30

ASSETS	2022	2021	2020	2019	2018
Assets:					
Cash and cash equivalents	\$ 63,578,414	\$ 52,376,356	\$ 43,564,028	\$ 42,173,319	\$ 39,515,544
Receivables (net of allowance for uncollectible)	11,850,874	8,138,923	7,594,224	8,253,374	8,135,704
Lease Receivable	329,803	-	-	-	-
Prepaid items	121,300	27,396	1,615	-	-
Inventories	1,403,786	1,169,847	1,110,681	1,259,272	1,275,359
Deferred charges	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	929,433	916,328	951,447	984,463	967,771
Proportional Share of Net Pension Assets	-	-	-	-	-
RHIA Assets	684,250	-	-	-	-
Lease Receivable	199,645	-	-	-	-
Lease Assets	63,410	-	-	-	-
Capital assets:					
Land	18,445,364	18,445,364	18,445,364	18,445,364	17,445,364
Construction in progress	10,498,925	10,086,940	12,734,933	10,467,215	5,648,364
Buildings and improvements	68,051,348	67,585,137	67,513,222	66,560,431	65,362,359
Machinery and equipment	25,923,664	25,059,700	24,604,426	23,311,261	20,929,013
Infrastructure	162,730,960	160,197,325	153,760,236	149,530,462	148,657,284
Accumulated depreciation	(154,066,108)	(148,171,268)	(142,900,367)	(137,184,134)	(131,265,122)
Total assets	\$ 210,745,068	\$ 195,832,048	\$ 187,379,809	\$ 183,801,027	\$ 176,671,640
Deferred Outflows of Resources:					
Deferred outflows - pensions	13,571,204	15,563,496	12,769,178	12,943,236	11,329,398
Deferred outflows - pensions	-	-	-	-	75,818
Deferred outflows - OPEB	1,243,347	1,546,046	1,514,245	1,629,190	264,798
Liabilities:					
Current liabilities:					
Accounts payable and other	\$ 4,517,931	\$ 6,032,985	\$ 6,506,876	\$ 7,403,730	\$ 7,114,423
Claims and judgment	50,000	50,000	50,000	-	-
Bonds	2,412,489	2,392,483	3,894,192	4,527,757	3,773,933
Accrued interest payable	101,758	117,871	154,235	218,523	230,728
Compenstated Absences	461,800	-	-	-	-
Noncurrent liabilities:					
Compenstated Absences	1,385,400	-	-	-	-
Proportional Share of Net Pension Liability	24,510,198	46,512,316	36,414,527	31,643,235	29,786,911
Transitional Liability	486,668	544,768	603,272	-	-
Lease Liability	63,410	-	-	-	-
Net OPEB Liability	4,045,104	3,866,114	3,564,521	3,840,269	2,929,241
Medical Stipend	-	-	-	-	4,037,004
Claims and judgement	110,093	110,093	110,093	160,093	17,247
Bonds	17,093,276	18,833,338	22,724,681	25,098,055	27,563,046
Total liabilities	\$ 55,238,127	\$ 78,459,968	\$ 74,022,397	\$ 72,891,662	\$ 75,452,533
Deferred Inflows of Resources:					
Deferred inflows - pensions	19,958,970	1,332,496	2,817,239	4,052,489	2,431,258
Deferred inflows - pensions	-	-	-	-	264,478
Deferred inflows - OPEB	648,545	513,698	598,161	610,761	144,694
Deferred inflows - leases	529,448	-	-	-	-
Net position:					
Net investment in capital assets	112,141,798	111,977,377	107,538,941	101,504,787	95,440,283
Perpetual care: nonexpendable	930,895	917,499	954,825	1,035,856	970,304
Prepaid and Inventories	-	1,197,243	-	-	-
Restricted for:					
Asset forfeiture	35,699	35,497	35,217	34,459	23,972
TOT tourism	87,460	262,617	501,558	487,873	425,141
Library Levy	-	-	-	-	-
System development	6,558,206	6,466,819	6,019,144	6,348,034	6,089,130
Debt service	1,009,803	987,974	1,037,697	1,955,218	1,027,297
CDBG restriction	36,619	36,620	36,620	36,620	33,804
Unrestricted	28,386,220	10,753,782	8,101,433	9,415,693	6,038,760
Total net position	\$ 149,186,700	\$ 132,635,428	\$ 124,225,435	\$ 120,818,540	\$ 110,048,691

CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
TOTAL PRIMARY GOVERNMENT
Last ten years
For the year ended June 30 (continued)

	2017	2016	2015	2014	2013
\$	36,235,307	\$ 34,302,519	\$ 30,706,665	\$ 30,294,891	\$ 27,318,469
	7,314,031	6,875,708	6,952,616	6,965,083	8,944,226
	-	-	-	-	-
	-	-	-	-	-
	1,302,116	1,181,124	1,241,570	1,097,205	955,594
	68,734	178,703	288,672	488,135	607,054
	954,262	943,355	855,545	1,149,616	1,140,881
	-	-	5,498,618	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	14,733,964	14,373,273	14,373,273	14,346,985	14,346,985
	5,049,759	8,810,424	7,403,156	4,689,277	7,574,458
	61,939,633	58,071,284	57,939,461	57,828,552	44,478,937
	20,275,179	19,404,748	18,388,604	17,823,317	14,229,072
	146,223,864	140,152,030	139,206,796	137,340,186	139,493,296
	(125,204,692)	(119,389,812)	(113,263,213)	(106,839,820)	(102,158,683)
\$	168,892,157	\$ 164,903,356	\$ 169,591,763	\$ 165,183,427	\$ 156,930,289
	18,799,685	3,903,782	-	-	-
	107,279	-	-	-	-
	-	-	-	-	-
\$	6,002,038	\$ 9,384,143	\$ 9,674,563	\$ 9,981,681	\$ 7,948,346
	-	-	-	-	-
	3,548,507	3,706,477	2,562,893	3,441,773	3,296,002
	180,176	204,769	222,149	253,863	238,254
	-	-	-	-	-
	-	-	-	-	-
	34,849,281	14,910,215	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	1,857,483	1,751,480	-	-	-
	3,934,756	-	-	-	-
	17,247	17,247	122,107	-	-
	28,725,935	31,644,402	34,633,001	34,142,648	34,937,044
	79,115,423	61,618,733	47,214,713	47,819,965	46,419,646
	1,744,314	3,463,962	8,220,518	-	-
	374,221	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	90,743,265	86,071,068	86,852,183	87,604,076	79,731,019
	955,356	895,931	922,667	896,572	874,045
	-	-	-	-	-
	32,313	25,784	29,678	28,897	14,579
	338,658	129,763	99,108	116,131	-
	-	-	56,587	142,497	-
	6,194,373	7,086,198	6,760,284	6,710,884	6,441,906
	976,090	1,028,912	1,737,051	1,670,185	1,661,313
	33,801	33,804	33,797	33,801	33,801
	7,291,307	8,452,983	17,665,177	20,160,419	21,753,980
\$	106,565,163	\$ 103,724,443	\$ 114,156,532	\$ 117,363,462	\$ 110,510,643

CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
Last ten years
For the year ended June 30

ASSETS	2022	2021	2020	2019	2018
Assets:					
Cash and cash equivalents	\$ 34,478,348	\$ 28,132,872	\$ 19,502,847	\$ 20,041,451	\$ 20,136,422
Receivables (net of allowance for uncollectible)	8,097,755	3,862,211	4,151,559	4,149,741	4,150,698
Lease Receivable	329,803	-	-	-	-
Prepaid items	40,390	17,246	1,615	-	-
Inventories	18,499	37,568	25,004	126,413	53,407
Internal balances	(5,181,075)	(4,035,200)	(3,784,001)	(3,022,208)	(736,580)
Restricted assets:					
Temporarily restricted:					
Cash and cash equivalents	929,433	916,328	951,447	984,463	967,771
Proportional Share of Net Pension Assets	-	-	-	-	-
RHIA Assets	684,250	-	-	-	-
Lease Receivable	199,645	-	-	-	-
Lease Assets	61,239	-	-	-	-
Capital assets:					
Land	15,338,439	15,338,439	15,338,439	15,338,439	14,338,439
Construction in progress	2,487,089	3,681,360	6,081,316	2,674,665	2,401,188
Buildings and improvements	45,951,684	45,485,473	45,413,558	44,460,767	43,262,695
Machinery and equipment	24,478,174	23,614,209	23,223,547	21,930,382	19,548,134
Infrastructure	63,295,651	60,950,409	56,350,836	56,295,205	56,217,158
Accumulated depreciation	(84,581,856)	(81,078,681)	(78,343,149)	(75,249,062)	(71,921,238)
Total assets	\$ 106,627,468	\$ 96,922,234	\$ 88,913,018	\$ 87,730,256	\$ 88,418,094
Deferred Outflows of Resources:					
Deferred outflows - pensions GASB 68	10,447,497	12,487,017	10,245,060	10,384,712	9,089,887
Deferred outflows - pensions GASB 73	-	-	-	-	75,818
Deferred outflows - OPEB GASB 75	957,163	1,179,023	1,178,645	1,270,634	264,798
Liabilities:					
Current liabilities:					
Accounts payable and other	\$ 2,496,701	\$ 3,616,270	\$ 4,407,662	\$ 4,369,603	\$ 4,460,514
Claims and judgment	50,000	50,000	50,000	-	-
Bonds	1,681,000	1,655,000	1,623,000	2,311,000	1,835,936
Accrued interest payable	47,747	59,370	69,992	80,400	91,799
Compensated absences	358,250	-	-	-	-
Noncurrent liabilities:					
Compensated absences	1,074,750	-	-	-	-
Proportional Share of Net Pension Liability	18,868,645	37,318,104	29,216,371	25,517,913	24,037,793
Transitional Liability	486,668	544,768	603,272	-	-
Lease Liability	61,239	-	-	-	-
Net OPEB Liability	3,271,531	2,932,972	2,783,899	3,011,185	2,246,442
Medical Stipend	-	-	-	-	4,037,004
Claims and judgement	110,093	110,093	110,093	160,093	17,247
Bonds	5,721,000	7,402,000	9,057,000	10,205,000	12,516,000
Total liabilities	\$ 34,227,624	\$ 53,688,577	\$ 47,921,289	\$ 45,655,194	\$ 49,242,735
Deferred Inflows of Resources:					
Deferred inflows - pensions GASB 68	15,364,980	1,069,097	2,260,347	3,251,423	1,950,665
Deferred inflows - pensions GASB 73	-	-	-	-	264,478
Deferred inflows - OPEB GASB 75	499,267	367,579	472,642	481,829	144,694
Deferred inflows - Leases	529,448	-	-	-	-
Net position:					
Net investment in capital assets	59,628,420	58,934,209	57,384,547	52,934,396	49,494,440
Perpetual care: nonexpendable	930,895	917,499	954,825	1,035,856	970,304
Prepaid and Inventories	-	54,814	-	-	-
Restricted for:					
Asset forfeiture	35,699	35,497	35,217	34,459	23,972
TOT tourism	87,461	262,617	501,558	487,873	425,141
Library Levy	-	-	-	-	-
System development	3,167,635	2,904,597	2,687,513	2,745,614	2,540,793
Debt service	1,009,803	987,974	1,037,697	1,955,218	1,027,297
CDBG restriction	36,619	36,620	36,620	36,620	33,804
Unrestricted	2,514,277	(8,670,806)	(12,955,532)	(9,232,880)	(8,269,726)
Total net position	\$ 67,410,809	\$ 55,463,021	\$ 49,682,445	\$ 49,997,156	\$ 46,246,025

**CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
Last ten years
For the year ended June 30 (continued)**

2017	2016	2015	2014	2013
\$ 21,109,299	\$ 21,839,880	\$ 20,251,175	\$ 19,534,572	\$ 17,585,953
3,955,520	3,338,266	4,167,775	3,471,767	3,688,713
-	-	-	-	-
60,258	65,010	187,511	73,094	74,943
(690,424)	(113,519)	(1,945,133)	(1,392,782)	(1,122,695)
954,262	943,355	855,545	1,149,616	1,140,881
-	-	4,350,234	-	-
-	-	-	-	-
-	-	-	-	-
12,827,039	12,466,348	12,466,348	12,466,348	12,466,348
3,126,490	1,390,232	1,614,351	1,620,133	3,541,161
39,839,969	35,982,031	35,850,207	35,739,298	22,389,683
18,901,908	18,115,158	17,116,629	16,653,654	13,169,274
56,008,878	55,745,615	54,917,223	53,668,418	49,724,924
(69,116,513)	(65,662,055)	(61,946,174)	(58,028,592)	(48,437,198)
<u>\$ 86,976,686</u>	<u>\$ 84,110,321</u>	<u>\$ 87,885,691</u>	<u>\$ 84,955,526</u>	<u>\$ 74,221,987</u>
14,873,379	3,088,480	-	-	-
107,279	-	-	-	-
-	-	-	-	-
\$ 4,038,455	\$ 6,921,351	\$ 7,163,036	\$ 7,116,594	\$ 5,271,651
-	-	-	-	-
1,682,087	730,000	793,836	1,555,932	1,452,982
109,425	121,564	130,429	155,091	130,897
-	-	-	-	-
-	-	-	-	-
27,571,024	11,796,223	-	-	-
-	-	-	-	-
-	-	-	-	-
1,361,013	1,276,128	-	-	-
3,934,756	-	-	-	-
17,247	17,247	122,107	-	-
12,817,735	15,401,707	16,009,707	16,925,776	18,337,270
<u>51,531,742</u>	<u>36,264,220</u>	<u>24,219,115</u>	<u>25,753,393</u>	<u>25,192,800</u>
1,380,015	2,740,515	6,503,667	-	-
374,221	-	-	-	-
-	-	-	-	-
-	-	-	-	-
47,087,949	41,905,622	43,215,041	43,637,551	33,063,940
955,356	895,931	922,667	896,572	874,045
-	-	-	-	-
32,313	25,784	29,678	28,897	14,579
338,658	129,763	99,108	116,131	-
-	-	56,587	142,497	-
2,746,404	3,226,398	3,036,906	2,924,188	2,835,567
976,090	1,028,912	861,561	794,695	785,823
33,801	33,804	33,797	33,801	33,801
(3,499,205)	947,852	8,907,564	10,627,801	11,421,432
<u>\$ 48,671,366</u>	<u>\$ 48,194,066</u>	<u>\$ 57,162,909</u>	<u>\$ 59,202,133</u>	<u>\$ 49,029,187</u>

CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
BUSINESS TYPE ACTIVITIES
Last ten years
For the year ended June 30

ASSETS	2022	2021	2020	2019	2018
Assets:					
Cash and cash equivalents	\$ 29,100,066	\$ 24,243,484	\$ 24,061,181	\$ 22,131,868	\$ 19,379,122
Receivables (net of allowance for uncollectible)	3,753,119	4,246,712	3,442,665	4,103,633	3,985,006
Prepaid Expenses	80,910	10,150	-	-	-
Inventories	1,385,287	1,132,279	1,085,677	1,132,859	1,221,952
Deferred charges	-	-	-	-	-
Internal balances	5,181,075	4,035,200	3,784,001	3,022,208	736,580
Restricted assets:					
Proportional Share of Net Pension Assets	-	-	-	-	-
Lease Receivables	2,171	-	-	-	-
Capital assets:					
Land	3,106,925	3,106,925	3,106,925	3,106,925	3,106,925
Buildings and improvements	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664
Machinery and equipment	1,445,490	1,445,491	1,380,879	1,380,879	1,380,879
Infrastructure	99,435,309	99,246,916	97,409,400	93,235,257	92,440,126
Construction in progress	8,011,836	6,405,580	6,653,617	7,792,550	3,247,176
Accumulated depreciation	(69,484,252)	(67,092,587)	(64,557,218)	(61,935,072)	(59,343,884)
Total assets	\$ 104,117,600	\$ 98,879,814	\$ 98,466,791	\$ 96,070,771	\$ 88,253,546
Deferred Outflows of Resources:					
Deferred outflows - pensions GASB 68	3,123,707	3,076,479	2,524,118	2,558,524	2,239,511
Deferred outflows - pensions GASB 73	286,184	367,023	335,600	358,556	-
Liabilities:					
Current liabilities:					
Accounts payable and other	\$ 2,435,430	\$ 2,416,715	\$ 2,099,214	\$ 3,034,127	\$ 2,653,909
Bonds	731,489	737,483	2,271,192	2,216,757	1,937,997
Accrued interest payable	54,011	58,501	84,243	138,123	138,929
Noncurrent liabilities:					
Proportional Share of Net Pension Liability	5,641,553	9,194,212	7,198,156	6,125,322	5,749,118
Total OPEB Liability	773,573	933,142	780,622	829,084	682,799
Bonds	11,372,276	11,431,338	13,667,681	14,893,055	15,047,046
Total liabilities	21,008,332	24,771,391	26,101,108	27,236,468	26,209,798
Deferred Inflows of Resources:					
Deferred inflows - pensions GASB 68	4,593,990	263,399	556,892	801,066	480,593
Deferred inflows - pensions GASB 73	149,278	146,119	125,519	128,932	-
Net position:					
Net investment in capital assets	52,513,378	53,043,168	50,154,394	48,570,391	45,945,843
Prepaid and Inventories	-	1,142,429	-	-	-
Restricted for:					
System development	3,390,571	3,562,222	3,331,631	3,602,420	3,548,337
Debt service	-	-	-	-	-
Unrestricted	25,871,942	19,424,588	21,056,965	18,648,573	14,308,486
Total net position	\$ 81,775,891	\$ 77,172,407	\$ 74,542,990	\$ 70,821,384	\$ 63,802,666

CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
BUSINESS TYPE ACTIVITIES
 Last ten years
 For the year ended June 30 (continued)

	2017	2016	2015	2014	2013
\$	15,126,008	\$ 12,462,639	\$ 10,455,490	\$ 10,760,319	\$ 9,732,516
	3,358,511	3,537,442	2,780,841	3,493,316	5,255,513
	-	-	-	-	-
	1,241,858	1,116,114	1,054,059	1,024,111	880,651
	68,734	178,703	288,672	488,135	607,054
	690,424	113,519	1,949,133	1,392,782	1,122,695
	-	-	1,148,384	-	-
	-	-	-	-	-
	1,906,925	1,906,925	1,906,925	1,880,637	1,880,637
	22,099,664	22,089,253	22,089,254	22,089,254	22,089,254
	1,373,271	1,289,590	1,271,975	1,169,663	1,059,798
	90,214,986	84,406,415	84,289,573	83,671,768	89,768,372
	1,923,269	7,420,192	5,788,805	3,069,144	4,033,297
	(56,088,179)	(53,727,757)	(51,317,039)	(48,811,228)	(53,721,485)
\$	<u>81,915,471</u>	<u>\$ 80,793,035</u>	<u>\$ 81,706,072</u>	<u>\$ 80,227,901</u>	<u>\$ 82,708,302</u>
	3,926,306	815,302	-	-	-
	-	-	-	-	-
\$	1,963,580	\$ 2,938,144	\$ 2,511,527	\$ 2,865,087	\$ 2,798,666
	1,866,420	2,976,477	1,769,057	1,885,841	1,843,020
	70,754	83,205	91,720	98,772	107,357
	7,278,257	3,113,992	-	-	-
	496,470	-	-	-	-
	15,908,200	16,242,695	18,623,294	17,216,872	16,477,803
	<u>27,583,681</u>	<u>25,354,513</u>	<u>22,995,598</u>	<u>22,066,572</u>	<u>21,226,846</u>
	364,299	723,447	1,716,851	-	-
	-	-	-	-	-
	43,655,316	44,165,446	43,637,142	43,966,525	46,789,050
	-	-	-	-	-
	3,447,969	3,859,800	3,723,378	3,786,696	3,606,339
	-	-	875,490	875,490	875,490
	10,790,512	7,505,131	8,757,613	9,532,618	10,210,577
\$	<u>57,893,797</u>	<u>\$ 55,530,377</u>	<u>\$ 56,993,623</u>	<u>\$ 58,161,329</u>	<u>\$ 61,481,456</u>

CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
TOTAL PRIMARY GOVERNMENT
Last ten years
For the year ended June 30

	2022	2021	2020	2019	2018
Program Revenues:					
Governmental Activities					
General government:					
Charges for services	\$ 14,529,258	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169
Operating grants and contributions	3,845,575	3,693,619	732,823	262,489	129,380
Capital grants and contributions	-	-	-	-	-
Public safety:					
Charges for services	3,375,819	2,292,505	2,675,547	2,548,153	1,606,504
Operating grants and contributions	542,165	1,109,305	1,279,769	1,623,913	104,913
Capital grants and contributions	-	-	-	-	-
Highways and streets:					
Charges for services	1,854,909	1,985,360	2,003,993	3,249,260	2,023,624
Operating grants and contributions	1,703,177	1,513,586	1,479,134	1,511,605	-
Capital grants and contributions	-	-	-	-	-
Parks and Recreation :					
Charges for Services	1,140,458	827,593	967,035	1,144,135	1,096,063
Operating Grants and Contributions	1,032,192	6,233,884	5,753,946	5,412,257	7,086,738
Total Governmental Activities Program Revenues	28,023,553	21,266,793	17,055,348	17,508,476	12,438,391
Business-Type Activities					
Water:					
Charges for services	\$ 8,671,635	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860
Capital grants and contributions	-	-	-	-	-
Capital system development charges	-	-	-	-	-
Wastewater:					
Charges for services	6,389,693	6,441,907	6,298,894	6,156,129	6,025,937
Capital system development charges	-	-	-	-	-
Stormwater:					
Charges for services	827,134	756,488	744,379	738,913	731,273
Electric:					
Charges for services	17,692,125	16,715,771	16,478,238	16,182,698	15,917,213
Operating grants and contributions	50,308	509,585	222,556	80,914	259,094
Telecommunications:					
Charges for services	2,780,391	2,651,517	2,508,889	2,379,809	2,252,527
Total Business-Type Program Revenues	36,411,286	36,437,599	34,835,350	34,074,617	33,295,904
Total Program Revenues	64,434,839	57,704,392	51,890,698	51,583,093	45,734,295
Program Expenses:					
Governmental Activities					
General government	11,210,672	6,342,601	6,475,196	5,131,091	7,543,912
Public safety	15,415,451	19,734,452	18,926,690	17,929,057	19,412,731
Highways and streets	4,752,682	4,158,101	4,126,947	5,448,730	4,404,007
Parks and Recreation	7,278,265	7,291,708	7,775,649	6,674,183	6,260,320
Interest on long-term debt	99,825	213,858	447,633	277,965	657,711
Total Governmental Activities Program Expenses	38,756,895	37,740,720	37,752,115	35,461,026	38,278,681
Business-Type Activities					
Water	6,695,187	7,189,625	7,112,003	5,933,108	6,171,718
Wastewater	6,185,341	6,603,551	6,610,862	6,425,838	6,426,131
Stormwater	755,433	925,293	921,169	703,372	243,016
Electric	16,052,914	16,927,962	16,430,442	14,788,411	15,878,525
Telecommunications	2,279,124	2,228,550	2,239,378	2,018,513	1,837,333
Total Business-Type Program Expenses	31,967,999	33,874,981	33,313,854	29,869,242	30,556,723
Total Program Expenses	70,724,894	71,615,701	71,065,969	65,330,268	68,835,404
Net (Expense) Revenue:					
Governmental Activities	(10,733,342)	(16,473,927)	(20,696,767)	(17,952,550)	(25,840,290)
Business-Type Activities	4,443,287	2,562,618	1,521,496	4,205,375	2,739,181
	<u>(6,290,055)</u>	<u>(13,911,309)</u>	<u>(19,175,271)</u>	<u>(13,747,175)</u>	<u>(23,101,109)</u>
General Revenues:					
Property taxes	13,033,738	12,539,166	12,206,619	11,772,192	11,373,320
Utility users tax	3,720,652	3,532,748	3,446,443	3,378,833	5,179,602
Users taxes	5,745,429	5,709,188	5,976,996	7,287,844	5,479,524
Unrestricted interest earnings	274,362	288,335	781,048	1,341,448	708,809
Miscellaneous	67,146	251,865	171,054	736,708	5,241,962
OSF Donated Capital	-	-	-	-	-
Transfers:					
Total general revenues and transfers	<u>22,841,327</u>	<u>22,321,302</u>	<u>22,582,160</u>	<u>24,517,025</u>	<u>27,983,217</u>
Change in net position	16,551,272	8,409,993	3,406,889	10,769,850	4,882,108
Net position - beginning, restated	132,635,428	124,225,435	120,818,546	110,048,691	105,166,583
Net position - ending	\$ 149,186,700	\$ 132,635,428	\$ 124,225,435	\$ 120,818,541	\$ 110,048,691

**CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
TOTAL PRIMARY GOVERNMENT
Last ten years
For the year ended June 30 (continued)**

	2017	2016	2015	2014	2013
\$	910,241	\$ 1,041,323	\$ 1,777,397	\$ 2,022,814	\$ 6,054,232
	129,380	162,143	611,864	252,742	199,701
	-	-	-	-	-
	1,688,843	1,563,986	1,805,092	1,412,785	1,722,410
	582,508	438,074	132,061	180,422	77,257
	-	-	-	-	-
	2,944,784	2,845,870	2,248,027	2,093,705	2,090,907
	-	-	25,712	-	620,913
	-	-	-	-	-
	1,139,709	1,153,455	1,149,154	1,578,123	-
	-	92	320,539	-	-
	<u>7,395,465</u>	<u>7,204,943</u>	<u>8,069,846</u>	<u>7,540,591</u>	<u>10,765,420</u>
\$	7,639,625	\$ 6,937,651	\$ 6,163,924	\$ 5,913,633	\$ 5,547,560
	-	14,898	70,473	89,747	1,969,979
	-	277,247	328,414	269,029	266,196
	5,606,470	5,093,609	4,651,836	4,171,230	3,928,342
	-	107,655	112,989	80,570	95,132
	-	-	-	-	-
	14,913,883	14,600,751	13,817,822	13,671,443	12,938,039
	126,497	395,149	157,698	178,002	148,642
	2,094,810	2,010,444	1,960,462	1,929,101	1,896,106
	<u>30,381,285</u>	<u>29,437,404</u>	<u>27,263,618</u>	<u>26,302,755</u>	<u>26,789,996</u>
	<u>37,776,750</u>	<u>36,642,347</u>	<u>35,333,464</u>	<u>33,843,346</u>	<u>37,555,416</u>
	5,496,540	6,914,541	4,010,499	4,921,674	7,269,820
	16,623,123	19,474,413	11,271,574	14,677,285	10,352,003
	5,783,911	5,490,894	4,536,755	5,420,004	3,080,513
	6,957,300	8,802,091	5,452,550	5,881,480	-
	262,979	293,944	322,330	435,790	1,618,065
	<u>35,123,853</u>	<u>40,975,883</u>	<u>25,593,708</u>	<u>31,336,233</u>	<u>22,320,401</u>
	6,308,939	7,271,424	7,832,250	6,852,085	7,581,708
	6,550,650	6,838,563	5,359,115	7,475,207	3,846,640
	-	-	-	-	-
	15,324,892	16,708,504	13,521,819	15,825,968	13,613,715
	2,158,040	2,557,101	1,945,375	2,240,951	3,233,961
	<u>30,342,521</u>	<u>33,375,592</u>	<u>28,658,559</u>	<u>32,394,211</u>	<u>28,276,024</u>
	<u>65,466,374</u>	<u>74,351,475</u>	<u>54,252,267</u>	<u>63,730,444</u>	<u>50,596,425</u>
	(27,728,388)	(33,770,940)	(17,523,862)	(23,795,642)	(11,554,981)
	38,764	(3,938,188)	(1,394,941)	(6,091,456)	(1,486,028)
	<u>(27,689,624)</u>	<u>(37,709,128)</u>	<u>(18,918,803)</u>	<u>(29,887,098)</u>	<u>(13,041,009)</u>
	10,907,541	10,452,785	10,203,218	10,216,080	5,783,168
	4,871,486	4,763,832	4,607,586	4,572,352	4,306,761
	5,708,277	5,603,646	4,628,130	4,676,572	4,528,236
	346,860	187,447	192,577	342,638	346,084
	7,615,593	5,919,329	5,854,694	5,600,322	1,132,040
	3,440,453	-	-	-	-
	-	350,000	-	(90,000)	-
	<u>32,890,210</u>	<u>27,277,039</u>	<u>25,486,205</u>	<u>25,317,964</u>	<u>16,096,289</u>
	5,200,586	(10,432,089)	6,567,402	(4,569,134)	3,055,280
	101,364,577	114,156,532	107,589,130	121,932,596	107,455,363
\$	<u>106,565,163</u>	<u>103,724,443</u>	<u>114,156,532</u>	<u>117,363,462</u>	<u>110,510,643</u>

CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES
Last ten years
For the year ended June 30

Program Revenues:	2022	2021	2020	2019	2018
General government:					
Charges for services	\$ 14,529,258	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169
Operating grants and contributions	3,845,575	3,693,619	732,823	262,489	129,380
Capital grants and contributions	-	-	-	-	-
Capital system development charges	-	-	-	-	-
Public safety:					
Charges for services	3,375,819	2,292,505	2,675,547	2,548,153	1,606,504
Operating grants and contributions	542,165	1,109,305	1,279,769	1,623,913	104,913
Capital grants and contributions	-	-	-	-	-
Highways and streets:					
Charges for services	1,854,909	1,985,360	2,003,993	3,249,260	2,023,624
Operating grants and contributions	1,703,177	1,513,586	1,479,134	1,511,605	-
Capital grants and contributions	-	-	-	-	-
Capital system development charges	-	-	-	-	-
Parks and Recreation :					
Charges for Services	1,140,458	827,593	967,035	1,144,135	1,096,063
Operating Grants and Contributions	658,871	6,233,884	5,753,946	5,412,257	7,086,738
Capital Grants and Contributions	373,321	-	-	-	-
Capital System Development Charges	-	-	-	-	-
	<u>28,023,553</u>	<u>21,266,793</u>	<u>17,055,348</u>	<u>17,508,476</u>	<u>12,438,391</u>
Program Expenses:					
General government	11,210,672	6,342,601	6,475,196	5,131,091	7,543,912
Public safety	15,415,451	19,734,452	18,926,690	17,929,057	19,412,731
Highways and streets	4,752,682	4,158,101	4,126,947	5,448,730	4,404,007
Parks and Recreation	7,278,265	7,291,708	7,775,649	6,674,183	6,260,320
Interest on long-term debt	99,825	213,858	447,633	277,965	657,711
	<u>38,756,895</u>	<u>37,740,720</u>	<u>37,752,115</u>	<u>35,461,026</u>	<u>38,278,681</u>
Net (Expense) Revenue:					
General government	7,164,161	961,959	(3,579,272)	(3,111,938)	(7,023,363)
Public safety	(11,497,467)	(16,332,642)	(14,971,374)	(13,756,991)	(17,701,314)
Highways and streets	(1,194,596)	(659,155)	(643,820)	(687,865)	(2,380,383)
Parks and Recreation	(5,105,615)	(230,231)	(1,054,668)	(117,791)	1,922,481
Interest on long-term debt	(99,825)	(213,858)	(447,633)	(277,965)	(657,711)
	<u>(10,733,342)</u>	<u>(16,473,927)</u>	<u>(20,696,767)</u>	<u>(17,952,550)</u>	<u>(25,840,290)</u>
General Revenues:					
Property taxes	13,033,738	12,539,166	12,206,619	11,772,192	11,373,320
Utility users tax	3,720,652	3,532,748	3,446,443	3,378,833	5,179,602
Users taxes	5,745,392	5,706,995	4,359,308	5,661,545	3,851,111
Unrestricted interest earnings	131,348	95,482	262,664	806,851	369,819
Miscellaneous	-	186,994	57,016	84,260	5,104,961
Gain (loss) on disposal of assets	-	-	-	-	-
OSF Donated Capital	-	-	-	-	-
Transfers:	50,000	193,118	50,000	-	-
Total general revenues and transfers	<u>22,681,130</u>	<u>22,254,503</u>	<u>20,382,050</u>	<u>21,703,681</u>	<u>25,878,813</u>
Change in net position	11,947,788	5,780,576	(314,717)	3,751,131	38,523
Net position - beginning, restated	55,463,021	49,682,445	49,997,162	46,246,025	46,207,502
Net position - ending	<u>\$ 67,410,809</u>	<u>\$ 55,463,021</u>	<u>\$ 49,682,445</u>	<u>\$ 49,997,156</u>	<u>\$ 46,246,025</u>

CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES
 Last ten years
 For the year ended June 30 (continued)

2017	2016	2015	2014	2013
\$ 910,241	\$ 1,041,323	\$ 1,777,397	\$ 2,022,814	\$ 6,054,232
129,380	162,143	611,864	252,742	199,701
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,688,843	1,563,986	1,805,092	1,412,785	1,722,410
58,208	438,074	132,061	180,422	77,257
-	-	-	-	-
2,944,784	2,845,870	2,248,027	2,093,705	2,090,907
-	-	25,712	-	620,913
-	-	-	-	-
-	-	-	-	-
1,139,709	1,153,455	1,149,154	1,578,123	-
-	92	320,539	-	-
-	-	-	-	-
-	-	-	-	-
<u>6,871,165</u>	<u>7,204,943</u>	<u>8,069,846</u>	<u>7,540,591</u>	<u>10,765,420</u>
5,496,540	6,914,541	4,010,499	4,921,674	7,269,820
16,623,123	19,474,413	11,271,574	14,677,285	10,352,003
5,783,911	5,490,894	4,536,755	5,420,004	3,080,513
6,957,300	8,802,091	5,452,550	5,881,480	-
262,979	293,944	322,330	435,790	1,618,065
<u>35,123,853</u>	<u>40,975,883</u>	<u>25,593,708</u>	<u>31,336,233</u>	<u>22,320,401</u>
(4,456,919)	(5,711,075)	(1,621,238)	(2,646,118)	(1,015,887)
(14,351,772)	(17,472,353)	(9,334,421)	(13,084,078)	(8,552,336)
(2,839,127)	(2,645,024)	(2,263,016)	(3,326,299)	(368,693)
(5,817,591)	(7,648,544)	(3,982,857)	(4,303,357)	-
(262,979)	(293,944)	(322,330)	(435,790)	(1,618,065)
<u>(27,728,388)</u>	<u>(33,770,940)</u>	<u>(17,523,862)</u>	<u>(23,795,642)</u>	<u>(11,554,981)</u>
10,907,541	10,452,785	10,203,218	10,216,080	5,783,168
4,871,486	4,763,832	4,607,586	4,572,352	4,306,761
3,702,721	3,343,859	2,547,514	2,784,842	2,688,525
188,869	110,363	137,558	186,146	179,794
7,454,484	5,781,258	5,721,728	4,877,216	346,043
-	-	-	-	-
3,440,453	-	-	-	-
-	350,000	-	(90,000)	-
<u>30,565,554</u>	<u>24,802,097</u>	<u>23,217,604</u>	<u>22,546,636</u>	<u>13,304,291</u>
2,837,166	(8,968,843)	5,693,742	(1,249,006)	1,749,310
45,834,200	57,162,909	51,469,167	60,451,139	47,279,877
<u>\$ 48,671,366</u>	<u>\$ 48,194,066</u>	<u>\$ 57,162,909</u>	<u>\$ 59,202,133</u>	<u>\$ 49,029,187</u>

CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
BUSINESS TYPE ACTIVITIES
Last ten years
For the year ended June 30

Program Revenues:	2022	2021	2020	2019	2018
Water:					
Charges for services	\$ 8,671,635	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860
Capital grants and contributions	-	-	-	-	-
Capital system development charges	-	-	-	-	-
Wastewater:					
Charges for services	6,389,693	6,441,907	6,298,894	6,156,129	6,025,937
Capital system development charges	-	-	-	-	-
Stormwater:					
Charges for services	827,134	756,488	744,379	738,913	731,273
Electric:					
Charges for services	17,692,125	16,715,771	16,478,238	16,182,698	15,917,213
Operating grants and contributions	50,308	509,585	222,556	80,914	259,094
Telecommunications:					
Charges for services	2,780,391	2,651,517	2,508,889	2,379,809	2,252,527
	<u>36,411,286</u>	<u>36,437,599</u>	<u>34,835,350</u>	<u>34,074,617</u>	<u>33,295,904</u>
Program Expenses:					
Water	6,695,187	7,189,625	7,112,003	5,933,108	6,171,718
Wastewater	6,185,341	6,603,551	6,610,862	6,425,838	6,426,131
Stormwater	755,433	925,293	921,169	703,372	243,016
Electric	16,052,914	16,927,962	16,430,442	14,788,411	15,878,525
Telecommunications	2,279,124	2,228,550	2,239,378	2,018,513	1,837,333
	<u>31,967,999</u>	<u>33,874,981</u>	<u>33,313,854</u>	<u>29,869,242</u>	<u>30,556,723</u>
Net (Expense) Revenue:					
Water	1,976,448	2,172,706	1,470,391	2,603,046	1,938,142
Wastewater	204,352	(161,644)	(311,968)	(269,709)	(400,194)
Stormwater	71,701	(168,805)	(176,790)	35,541	488,257
Electric	1,689,519	297,394	270,352	1,475,201	297,782
Telecommunications	501,267	422,967	269,511	361,296	415,194
	<u>4,443,287</u>	<u>2,562,618</u>	<u>1,521,496</u>	<u>4,205,375</u>	<u>2,739,181</u>
General Revenues:					
Property taxes	-	-	-	-	-
Users taxes	37	2,193	1,617,688	1,626,299	1,628,413
Unrestricted interest earnings	143,014	192,853	518,384	534,597	338,990
Capital assets transfers	-	-	-	-	-
Miscellaneous	67,146	64,871	114,038	652,448	137,001
Gain (loss) on disposal of assets	-	-	-	-	-
Transfers:	(50,000)	(193,118)	(50,000)	-	-
Total general revenues and transfers	<u>160,197</u>	<u>66,799</u>	<u>2,200,110</u>	<u>2,813,344</u>	<u>2,104,404</u>
Change in net position	4,603,484	2,629,417	3,721,606	7,018,719	4,843,585
Net position - beginning, Restated	<u>77,172,407</u>	<u>74,542,990</u>	<u>70,821,384</u>	<u>63,802,666</u>	<u>58,959,081</u>
Net position - ending	<u>\$ 81,775,891</u>	<u>\$ 77,172,407</u>	<u>\$ 74,542,990</u>	<u>\$ 70,821,385</u>	<u>\$ 63,802,666</u>

CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
BUSINESS TYPE ACTIVITIES
Last ten years
For the year ended June 30 (continued)

2017	2016	2015	2014	2013
\$ 7,639,625	\$ 7,214,898	\$ 6,163,924	\$ 5,913,633	\$ 5,547,560
-	14,898	70,473	89,747	1,969,979
-	277,247	328,414	269,029	266,196
5,606,470	5,201,264	4,651,836	4,171,230	3,928,342
-	107,655	112,989	80,570	95,132
14,913,883	14,600,751	13,817,822	13,671,443	12,938,039
126,497	395,149	157,698	178,002	148,642
2,094,810	2,010,444	1,960,462	1,929,101	1,896,106
<u>30,381,285</u>	<u>29,822,306</u>	<u>27,263,618</u>	<u>26,302,755</u>	<u>26,789,996</u>
6,308,939	7,271,424	7,832,250	6,852,085	7,581,708
6,550,650	6,838,563	5,359,115	7,475,207	3,846,640
-	-	-	-	-
15,324,892	16,708,504	13,521,819	15,825,968	13,613,715
2,158,040	2,557,101	1,945,375	2,240,951	3,233,961
<u>30,342,521</u>	<u>33,375,592</u>	<u>28,658,559</u>	<u>32,394,211</u>	<u>28,276,024</u>
1,330,686	235,619	(1,269,439)	(579,676)	202,027
(944,180)	(1,529,644)	(594,290)	(3,223,407)	176,834
-	-	-	-	-
(284,512)	(1,712,604)	453,701	(1,976,523)	(527,034)
(63,230)	(546,657)	15,087	(311,850)	(1,337,855)
<u>38,764</u>	<u>(3,553,286)</u>	<u>(1,394,941)</u>	<u>(6,091,456)</u>	<u>(1,486,028)</u>
-	-	-	-	-
2,005,556	2,259,787	2,080,616	1,891,730	1,839,711
157,991	77,084	55,019	156,492	166,290
-	-	-	-	-
161,109	138,071	132,966	723,106	785,997
-	-	-	-	-
-	-	-	-	-
<u>2,324,656</u>	<u>2,474,942</u>	<u>2,268,601</u>	<u>2,771,328</u>	<u>2,791,998</u>
2,363,420	(1,463,246)	873,660	(3,320,128)	1,305,970
<u>55,530,377</u>	<u>56,993,623</u>	<u>56,119,963</u>	<u>61,481,457</u>	<u>60,175,486</u>
<u>\$ 57,893,797</u>	<u>\$ 55,530,377</u>	<u>\$ 56,993,623</u>	<u>\$ 58,161,329</u>	<u>\$ 61,481,456</u>

CITY OF ASHLAND, OREGON
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Last ten years
For the year ended June 30

Revenues:	2022	2021	2020	2019	2018
Taxes	\$ 26,351,633	\$ 25,709,598	\$ 23,718,755	\$ 24,250,159	\$ 23,320,298
Fees, licenses and permits	1,539,283	2,411,618	1,095,600	859,045	838,832
Intergovernmental	7,416,171	7,871,451	4,389,728	4,049,917	3,679,646
Special assessments	2,171	7,024	12,490,539	12,426,073	17,535
Charges for services	13,644,784	11,841,302	99,557	99,436	11,984,766
System development charges	205,404	445,753	3,319	8,924	78,232
Fines and forfeitures	171,689	273,630	418,514	588,070	545,835
Interest on investments	131,348	99,762	419,911	344,270	257,293
Miscellaneous	116,628	140,233	111,735	1,499,847	1,062,344
Total revenues	49,579,111	48,800,371	42,747,658	44,125,741	41,784,781
Expenditures:					
General government	12,456,908	10,959,515	11,416,567	12,499,041	11,377,907
Public safety	16,847,789	17,552,424	17,818,233	18,052,832	17,005,350
Highways and streets	2,971,624	2,773,399	2,468,937	3,462,082	2,577,597
Parks and recreation	7,970,793	6,455,077	6,919,520	6,574,529	6,303,621
Capital outlay	1,337,619	1,337,619	4,291,183	906,840	951,063
Debt service	1,847,011	1,847,480	2,394,041	2,068,345	1,910,697
Principal	1,623,000	1,623,000	1,836,000	1,835,935	1,537,000
Interest	224,011	224,480	558,041	232,410	373,697
Total expenditures	43,431,744	40,925,514	45,308,481	43,563,669	40,126,235
Excess (deficiency) of revenues over expenditures	6,147,367	7,874,857	(2,560,823)	562,073	1,658,546
Other financing sources (uses):					
Proceeds from debt issuance	-	-	-	-	-
Interfund loans	-	-	-	-	-
Interfund loans forgiveness	-	-	-	-	(840,544)
Transfers in	12,859,685	716,519	515,488	734,143	622,954
Transfers out	(9,722,479)	(872,825)	(365,488)	(791,098)	(1,572,954)
Total other financing sources (uses)	3,137,206	(156,306)	150,000	(56,955)	(1,790,544)
Net change in fund balance	\$ 9,284,573	\$ 7,718,551	\$ (2,410,823)	\$ 505,118	\$ (131,998)
Non-capital expenditures:					
Total expenditures (Debt excluded)	\$ 43,431,744	\$ 40,925,514	\$ 45,308,481	\$ 43,563,669	\$ 40,126,235
Less: capital assets expenditures	(769,553)	(1,337,619)	(5,018,236)	(2,288,414)	(5,269,130)
Non-capital expenditures:	\$ 42,662,191	\$ 39,587,895	\$ 40,290,245	\$ 41,275,255	\$ 34,857,105
Ratio of debt service to noncapital expenditures	4.33%	4.67%	5.94%	5.01%	5.48%

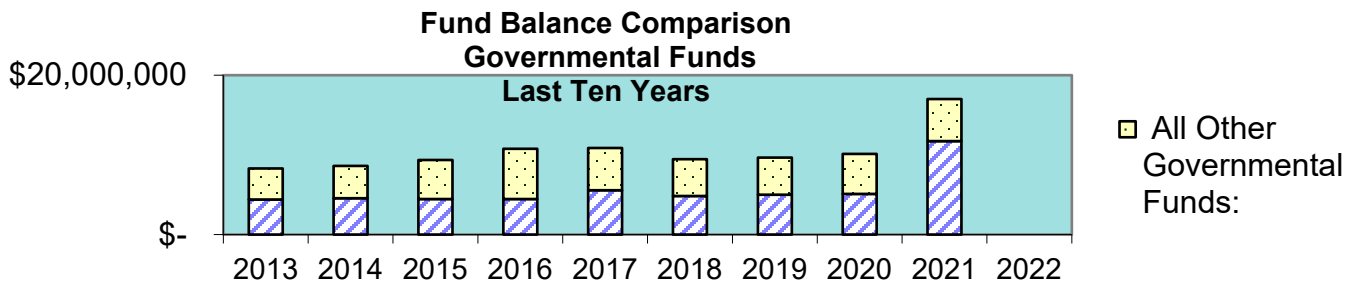
**CITY OF ASHLAND, OREGON
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

**Last ten years
For the year ended June 30 (continued)**

	2017	2016	2015	2014	2013
\$	21,503,597	\$ 20,473,799	\$ 19,210,392	\$ 18,850,869	\$ 13,661,986
	1,306,346	835,278	1,205,381	667,416	583,679
	2,493,399	2,394,661	2,774,500	2,847,336	2,500,297
	101,006	32,831	67,508	59,483	41,048
	13,030,993	13,548,958	12,358,624	10,835,737	6,319,508
	232,171	232,752	-	-	-
	365,365	180,638	178,455	183,732	196,535
	188,869	110,363	79,835	86,025	72,312
	292,318	208,355	221,293	410,589	559,195
	<u>39,514,064</u>	<u>38,017,635</u>	<u>36,095,988</u>	<u>33,941,187</u>	<u>23,934,560</u>
	10,760,734	10,488,718	9,346,850	9,381,555	4,820,740
	15,305,740	14,846,892	13,328,400	13,102,433	11,868,980
	3,338,576	3,067,591	2,762,562	1,974,219	2,529,333
	7,150,182	6,214,551	6,591,385	6,854,314	
	872,683	1,434,986	959,542	1,636,407	4,984,031
	1,907,003	1,844,645	1,902,924	1,842,374	2,754,188
	1,631,885	1,541,836	1,454,442	1,320,000	1,732,744
	275,118	302,016	447,689	522,374	1,021,444
	<u>39,334,918</u>	<u>37,897,383</u>	<u>34,891,663</u>	<u>34,791,302</u>	<u>26,957,272</u>
	179,146	120,252	1,204,325	(850,115)	(3,022,712)
	-	870,000	-	-	1,767,459
	-	-	-	-	208,000
	-	-	-	-	-
	396,205	612,162	556,515	750,927	41,461
	<u>(146,205)</u>	<u>(262,162)</u>	<u>(556,515)</u>	<u>(840,927)</u>	<u>(41,461)</u>
	250,000	1,220,000	-	(90,000)	1,975,459
\$	<u>429,146</u>	<u>1,340,252</u>	<u>1,204,325</u>	<u>(940,115)</u>	<u>(1,047,253)</u>
\$	39,334,918	\$ 37,897,383	\$ 34,891,663	\$ 34,791,302	\$ 26,957,272
	(5,822,754)	(1,139,673)	(959,542)	(1,636,407)	(4,984,031)
\$	<u>33,512,164</u>	<u>36,757,710</u>	<u>33,932,121</u>	<u>33,154,895</u>	<u>21,973,241</u>
	5.69%	5.02%	5.61%	5.56%	12.53%

**CITY OF ASHLAND, OREGON
FUND BALANCES, GOVERNMENTAL FUNDS
Last ten years
For the year ended June 30**

	2022	2021	2020	2019	2018
General Fund:					
Nonexpendable:					
Prepaid items	\$ 40,390	\$ 17,246	\$ -	\$ -	\$ -
Restricted for:					
Asset forfeiture	35,699	35,497	35,217	34,459	23,972
Transient Occupancy Tax - tourism	87,461	262,617	501,558	487,873	425,141
Library services	-	-	-	-	-
Committed for:					
Parking surcharge	391,600	397,017	397,017	370,085	370,085
Public art	43,075	69,020	43,075	21,392	19,919
Future Downtown Parking supply	693,292	573,166	413,558	241,326	-
Affordable housing	-	-	-	-	-
Grubbs case	22,235	22,235	22,235	22,235	22,235
Unassigned, reported in:					
General fund	17,577,388	10,339,463	3,680,245	3,824,249	3,968,680
Total general fund	18,891,140	11,716,261	5,092,905	5,001,619	4,830,032
Street Fund:					
Restricted for:					
System development charges	2,882,757	2,659,497	2,522,973	2,641,068	2,511,605
Committed reported in:					
Special revenue funds	2,653,184	1,212,943	(841,788)	2,174,869	2,323,501
Total street fund	5,535,941	3,872,440	1,681,185	4,815,937	4,835,106
Parks Fund:					
Committed reported in:					
Parks Activities	-	-	1,362,768	1,107,369	788,308
Total parks fund	-	-	1,362,768	1,107,369	788,308
All Other Governmental Funds:					
Restricted for:					
System development charges	284,878	245,100	164,540	104,546	29,187
Community Development Grant Block funding	36,619	36,620	36,620	36,620	33,804
Restricted for debt service	1,009,803	987,974	1,037,697	1,035,856	1,027,297
Cemetery perpetual care	930,895	917,499	954,825	984,914	970,304
Committed for:					
Committed for parks activities	1,978,495	1,891,310	1,596,623	1,428,986	981,826
Committed for airport activities	298,171	264,126	376,568	235,659	202,017
Committed for affordable housing	280,661	128,254	109,079	69,986	-
Committed for food and beverage	-	-	-	-	-
Committed for facilities	923,362	825,808	754,031	756,172	1,110,763
Special revenue funds	-	-	-	-	263,903
Total all other governmental funds	5,742,884	5,296,691	5,029,983	4,652,739	4,619,101
Total governmental funds	\$ 30,169,965	\$ 20,885,392	\$ 13,166,841	\$ 15,577,664	\$ 15,072,547



CITY OF ASHLAND, OREGON
FUND BALANCES, GOVERNMENTAL FUNDS
Last ten years
For the year ended June 30 (continued)

2017	2016	2015	2014	2013
\$ -	\$ -	\$ -	\$ -	\$ -
32,313	25,784	29,678	28,897	14,579
338,658	129,763	99,108	116,131	-
-	-	56,587	142,497	-
370,085	370,085	334,949	287,725	273,965
99,324	109,938	85,667	78,154	82,849
166,351	166,351	166,351	148,426	148,426
22,235	22,235	22,235	22,230	22,230
4,527,421	3,636,527	3,671,969	3,731,916	3,863,212
5,556,387	4,460,683	4,466,544	4,555,976	4,405,261
2,431,470	2,619,729	2,479,609	2,415,789	2,376,109
3,231,966	2,795,238	2,798,621	2,321,834	2,041,013
5,663,436	5,414,967	5,278,230	4,737,623	4,417,122
386,186	313,140	503,626	583,394	-
386,186	313,140	503,626	583,394	-
314,934	606,669	557,297	508,399	459,458
33,801	33,804	33,797	33,801	33,801
976,090	1,028,912	861,560	794,695	785,823
955,357	944,552	922,667	896,572	874,045
852,407	1,536,623	209,302	332,482	-
-	138,905	117,516	80,488	97,697
-	-	524,663	470,422	365,466
2,000,302	2,004,725	1,667,528	944,553	1,268,783
173,227	-	-	-	-
5,306,118	6,294,190	4,894,330	4,061,412	3,885,073
\$ 16,912,127	\$ 16,482,980	\$ 15,142,730	\$ 13,938,405	\$ 8,290,334

CITY OF ASHLAND, OREGON
FUND BALANCE COMPARISON
Last ten years
For the year ended June 30

Fund Balances	2022 Adopted	2021 Adopted	2020 Adopted	2019 Adopted	2018 Adopted
City Component					
General Fund	\$ 8,112,918	\$ 4,253,147	\$ 4,253,147	\$ 2,464,474	\$ 2,464,474
Housing Fund	200,000	404,668	404,668	-	-
Community Development Block Grant Fund	-	-	-	1	1
Reserve Fund	1,755,456	39,110	39,110	25,085	25,085
Street Fund	388,885	3,660,187	3,660,187	3,959,022	3,959,022
Airport Fund	189,853	411,018	411,018	143,947	143,947
Capital Improvements Fund	-	181,635	181,635	1,705,906	1,705,906
Debt Service Fund	1,151,196	1,419,738	1,419,738	1,208,002	1,208,002
Water Fund	10,185,545	19,600,412	19,600,412	8,954,820	8,954,820
Wastewater Fund	4,869,632	15,233,131	15,233,131	6,872,543	6,872,543
Stormwater Fund	244,445	1,226,864	1,226,864	1,544,630	1,544,630
Electric Fund	5,239,763	761,698	761,698	819,118	819,118
Telecommunications Fund	2,064,506	1,268,142	1,268,142	200,299	200,299
Central Services Fund	-	51,207	51,207	490,440	490,440
Insurance Services Fund	882,745	243,352	243,352	623,899	623,899
Health Benefits Fund	470,270	923,953	923,953	84,755	84,755
Equipment Fund	4,833,802	47,091	47,091	2,385,539	2,385,539
Cemetery Trust Fund	835,327	923,964	923,964	984,270	984,270
Total city component	41,424,343	50,649,317	50,649,317	32,466,750	32,466,750
Parks Component					
Parks and Recreation Fund	107,493	51,257	51,257	(24,876)	(24,876)
Youth Activities Levy Fund	-	-	-	-	-
Parks Capital Improvements Fund	671,338	1,368,972	1,368,972	(743,870)	(743,870)
Parks Equipment Fund	477,347	215,744	215,744	164,364	164,364
Total parks component	1,256,178	1,635,973	1,635,973	(604,382)	(604,382)
Total budget	\$ 42,680,521	\$ 52,285,290	\$ 52,285,290	\$ 31,862,368	\$ 31,862,368

Fund Balances	2022 Actual	2021 Actual	2020 Actual	2019 Actual	2018 Actual
City Component					
General Fund	\$ 10,051,736	\$ 9,481,988	\$ 5,053,649	\$ 4,963,179	\$ 4,792,507
Housing Fund	236,323	128,254	109,079	69,986	263,903
Community Development Block Grant Fund	27,819	36,620	36,620	36,620	33,801
Reserve Fund	1,754,759	39,551	39,256	38,440	37,524
Street Fund	4,901,591	3,872,440	1,681,185	4,815,937	4,835,107
Airport Fund	300,402	264,126	376,568	235,659	202,016
Capital Improvements Fund	1,202,131	1,070,908	918,571	860,718	1,139,950
Debt Service Fund	1,007,715	987,974	1,037,697	1,035,856	1,027,296
Water Fund	12,889,481	12,745,850	10,850,466	10,495,072	9,432,724
Wastewater Fund	7,661,156	7,569,687	10,085,823	8,826,689	7,636,846
Stormwater Fund	1,769,548	1,777,615	1,795,164	1,866,537	1,768,991
Electric Fund	4,434,350	2,418,148	2,521,066	2,249,388	2,468,855
Telecommunications Fund	2,345,431	2,110,935	1,540,525	1,135,311	834,108
Central Services Fund	-	3,087,205	1,572,864	839,735	1,092,453
Insurance Services Fund	1,097,135	134,959	204,852	8,140	586,216
Health Benefits Fund	1,916,791	1,463,355	1,212,173	932,375	4,695
Equipment Fund	6,101,488	3,868,239	3,851,597	3,328,444	3,579,502
Cemetery Trust Fund	929,433	917,499	954,825	984,914	970,305
Total city component	58,627,289	51,975,353	43,841,980	42,723,000	40,706,799
Parks Component					
Parks and Recreation Fund	3,338,633	1,793,398	1,074,422	842,878	661,453
Youth Activities Levy Fund	-	-	-	-	-
Parks Capital Improvements Fund	1,953,550	1,891,310	1,596,623	1,428,986	981,825
Parks Equipment Fund	413,249	401,324	288,346	264,491	126,854
Total parks component	5,705,431	4,086,032	2,959,391	2,536,355	1,770,132
Total actual	\$ 64,332,721	\$ 56,061,385	\$ 46,801,371	\$ 45,259,355	\$ 42,476,931

CITY OF ASHLAND, OREGON
FUND BALANCE COMPARISON
Last ten years
For the year ended June 30 (continued)

	2017 Adopted	2016 Adopted	2015 Adopted	2014 Adopted	2013 Adopted
\$	252,360	\$ 1,646,957	\$ 777,434	\$ 2,594,256	\$ 1,563,870
	-	-	-	-	-
	1	1	-	-	(34,424)
	38,580	221,580	454,910	336,910	1,018,502
	2,022,280	3,694,376	1,059,860	1,403,337	1,669,993
	70,236	71,735	64,468	34,564	99,276
	1,536,953	1,363,411	1,890,308	1,858,486	545,638
	849,354	803,151	606,593	637,043	949,626
	2,072,024	4,711,984	3,559,316	3,575,115	2,383,044
	2,193,032	2,803,471	2,305,611	2,415,670	2,235,859
	-	-	-	-	-
	368,237	537,900	590,117	1,012,411	1,077,114
	327,302	172,269	30,968	210,594	153,998
	16,549	232,353	392,031	754,268	32,508
	136,638	318,938	429,287	622,602	477,568
	33,370	(291,630)	86,718	348,359	-
	1,968,694	1,657,459	1,280,781	1,233,835	2,553,013
	974,046	948,546	937,744	912,244	892,603
	12,859,656	18,892,501	14,466,146	17,949,694	15,618,188
	4,014	184,915	666,289	583,396	1,290,439
	-	-	-	-	-
	308,617	(674,924)	302,132	270,032	242,067
	40,000	192,000	-	-	-
	352,631	(298,009)	968,421	853,428	1,532,506
\$	13,212,287	\$ 18,594,492	\$ 15,434,567	\$ 18,803,122	\$ 17,150,694
	2017 Actual	2016 Actual	2015 Actual	2014 Actual	2013 Actual
\$	4,687,675	\$ 3,603,674	\$ 3,620,264	\$ 3,719,809	\$ 3,385,681
	-	-	-	-	-
	33,801	33,804	33,797	33,801	33,801
	28,168	166,465	196,279	336,167	1,019,580
	5,663,436	5,414,967	5,278,231	4,737,624	4,417,121
	173,227	138,905	117,516	80,488	116,697
	2,315,236	2,802,016	2,749,488	1,923,374	2,094,707
	976,090	1,028,912	861,560	1,159,490	1,150,618
	7,795,562	6,081,537	5,208,592	6,273,413	6,437,576
	7,842,215	6,499,438	5,095,342	4,271,386	4,290,774
	-	-	-	-	-
	2,026,665	1,863,131	900,609	1,899,104	2,327,540
	599,420	365,637	305,058	479,997	587,624
	281,575	579,888	870,190	870,190	853,280
	1,017,579	1,160,957	1,766,284	1,584,721	848,857
	396,418	140,764	473,726	169,366	-
	3,404,966	3,134,593	2,937,105	2,540,413	3,357,663
	955,357	944,553	922,667	896,572	874,045
	38,197,390	33,959,241	31,336,708	30,975,915	31,795,564
	209,332	254,306	503,628	583,396	1,783,433
	-	-	-	-	-
	852,407	1,346,001	209,302	332,482	387,632
	176,854	58,834	-	-	-
	1,238,593	1,659,141	712,930	915,878	2,171,065
\$	39,435,983	\$ 35,618,382	\$ 32,049,638	\$ 31,891,793	\$ 33,966,629

**CITY OF ASHLAND, OREGON
ASSESSED AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
Last ten years - Unaudited**

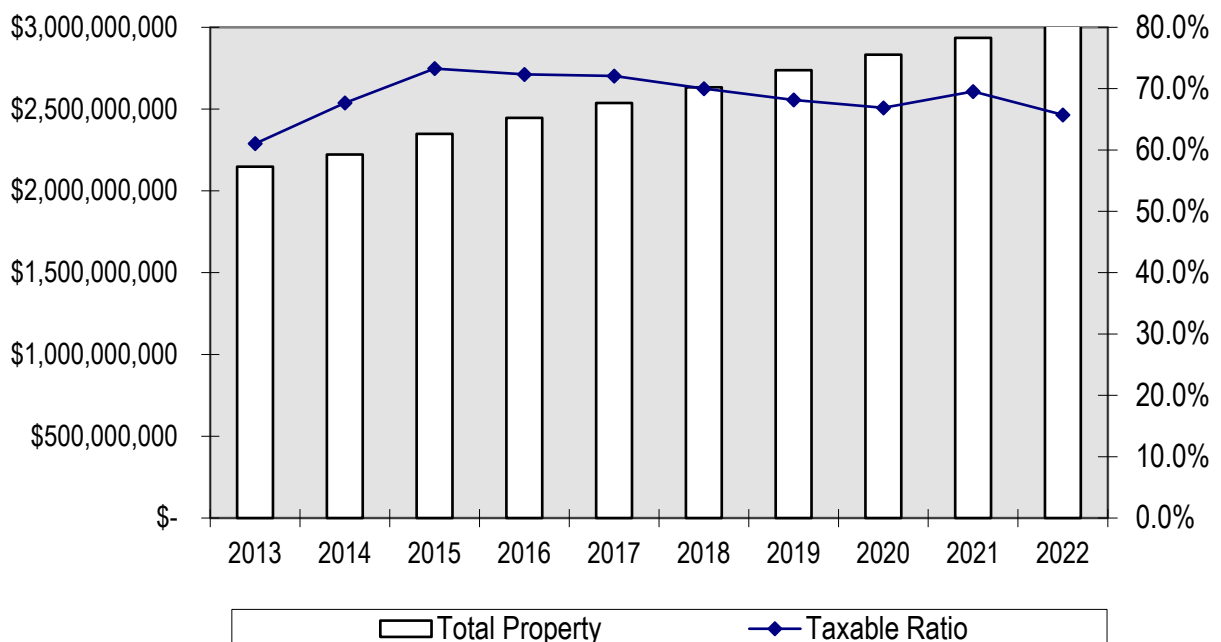
Fiscal Year Ended June 30,	Real Property	Mobile Home	Personal (1)	Utilities	Total	Property Tax Rate	Taxable ratio (True Cash Value to Assessed)
2022	\$ 2,957,535,236	\$ 7,927,850	\$ 32,239,590	\$ 43,250,100	3,040,952,776	\$ 4.36	68.1%
2021	2,849,800,218	7,695,981	37,736,900	40,040,300	2,935,273,399	4.36	65.7%
2020	2,745,946,271	7,428,132	39,388,970	39,719,700	2,832,483,073	4.47	65.2%
2019	2,648,762,575	7,176,174	40,011,240	42,200,100	2,738,150,089	4.43	69.5%
2018	2,550,677,170	6,701,376	37,518,450	38,356,118	2,633,253,114	4.44	66.9%
2017	2,458,564,994	6,700,924	37,949,290	34,169,600	2,537,384,808	4.40	68.2%
2016	2,367,355,356	6,526,881	40,417,280	31,573,600	2,445,873,117	4.41	70.0%
2015	2,274,534,883	6,445,605	38,438,560	29,027,740	2,348,446,788	4.61	72.1%
2014	2,154,231,164	6,060,576	36,756,490	24,858,300	2,221,906,530	4.61	72.3%
2013	2,079,286,927	6,060,300	36,739,550	26,166,700	2,148,253,477	4.63	73.3%

All property is evaluated once every six years as required by state statute

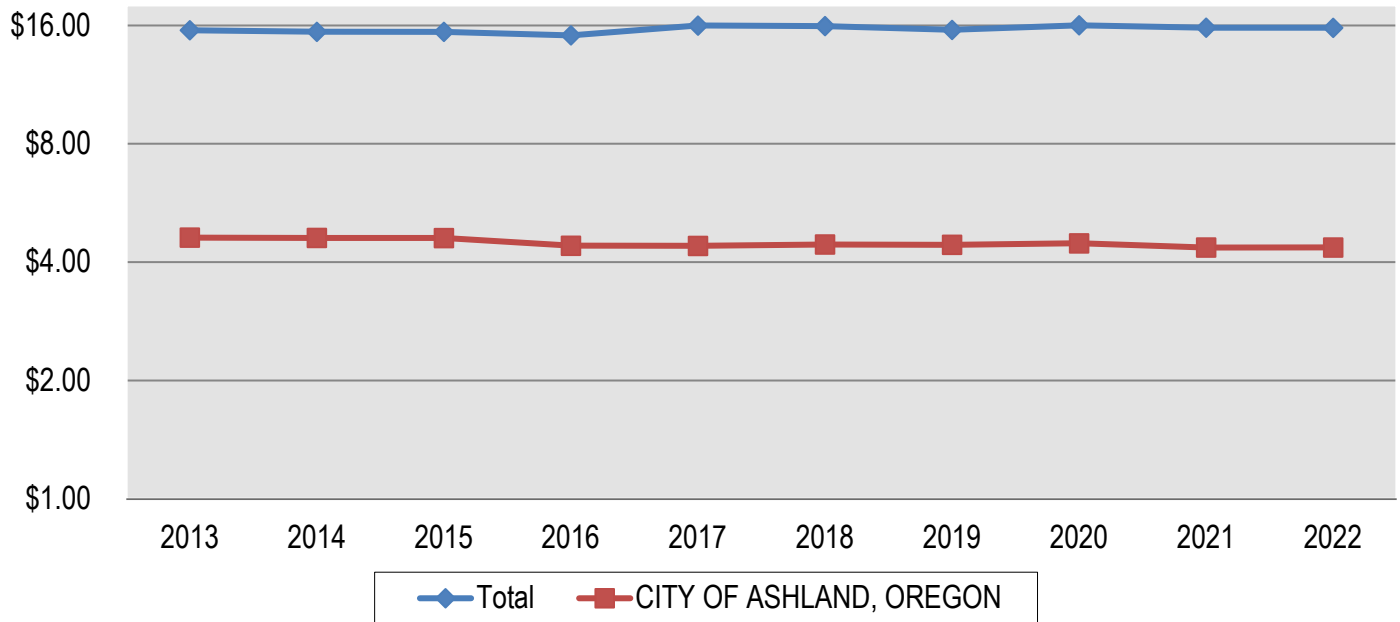
(1) Includes non-profit housing

Source: Jackson County Assessor tax roll property values

**Real Property Value and Taxable Ratio
Last Ten Years**



**City of Ashland Property Tax Rate
Compared to Total Rate per Thousand**



**CITY OF ASHLAND, OREGON
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(Per \$1,000 of Assessed Valuation)
Last ten years - Unaudited**

Fiscal Year Ended June 30,	City of Ashland Permanent rate	City of Ashland Local Option Levies	City of Ashland Bonded Debt	City of Ashland Component Unit	City of Ashland Total Tax Rate	Jackson County Vector Control	Jackson County (1)	Rogue Valley Transit District	Net Jackson Co Tax Rate	Net General Government Tax Rate	Jackson County Education Service District	School District 5	RCC (2)	Net School Support Tax Rate	Total
2022	\$ 4.29	-	\$ 0.19	-	\$ 4.36	0.04	2.70	0.31	\$ 3.05	\$ 7.41	0.35	7.37	0.65	\$ 8.37	\$ 15.78
2021	4.29	-	0.07	-	4.36	0.04	2.70	0.31	3.05	7.41	0.35	7.37	0.65	8.37	15.78
2020	4.29	-	0.18	-	4.47	0.04	2.74	0.31	3.09	7.56	0.35	7.45	0.66	8.46	16.02
2019	4.24	-	0.19	-	4.43	0.04	2.75	0.31	3.10	7.53	0.35	7.05	0.65	8.06	15.58
2018	4.24	-	0.20	-	4.44	0.04	2.77	0.31	3.12	7.55	0.35	7.36	0.67	8.38	15.93
2017	4.20	-	0.20	-	4.40	0.04	2.79	0.31	3.14	7.54	0.35	7.43	0.67	8.45	15.98
2016	4.20	-	0.21	-	4.41	0.04	2.06	0.18	2.28	6.69	0.35	7.44	0.62	8.41	15.10
2015	4.20	0.19	0.22	-	4.61	0.04	2.25	0.18	2.47	7.08	-	8.33	-	8.33	15.41
2014	4.20	0.19	0.22	-	4.61	0.04	2.25	0.18	2.47	7.08	-	8.34	-	8.34	15.41
2013	2.10	0.19	0.24	2.09	4.62	0.04	2.33	0.18	2.55	7.17	-	8.38	-	8.38	15.55

(1) Oregon Measure 47 combined with Jackson County tax rate since 1997-98

Source: Jackson County Assessor and Tax Collector

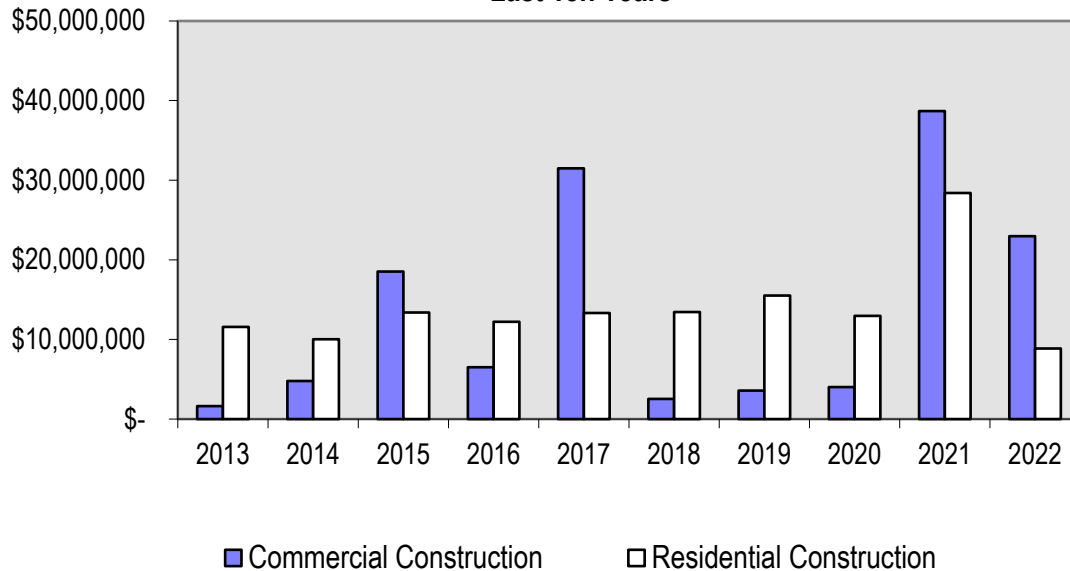
**CITY OF ASHLAND, OREGON
PROPERTY VALUE AND NEW CONSTRUCTION HISTORY
Last ten years - Unaudited**

Fiscal Year Ended June 30,	Property Value (1)	Commercial Construction		Residential Construction	
		Number of Units	Value	Number of Units	Value
2022	3,040,952,775	6	\$ 22,972,074	52	\$ 8,852,280
2021	2,935,273,399	8	38,688,145	182	28,399,687
2020	2,832,483,073	4	4,006,566	83	12,950,709
2019	2,738,150,089	3	3,576,094	94	15,513,154
2018	2,633,253,114	6	2,525,849	80	13,441,485
2017	2,537,384,808	7	31,479,266	70	13,313,136
2016	2,445,873,117	6	6,513,734	57	12,204,836
2015	2,348,446,788	8	18,530,998	62	13,371,460
2014	2,262,503,440	9	4,770,334	50	10,032,795
2013	2,079,286,927	8	1,632,075	56	11,568,784

(1) Property value is assessed valuation

Source: City of Ashland, Community Development Department
Jackson County Assessor

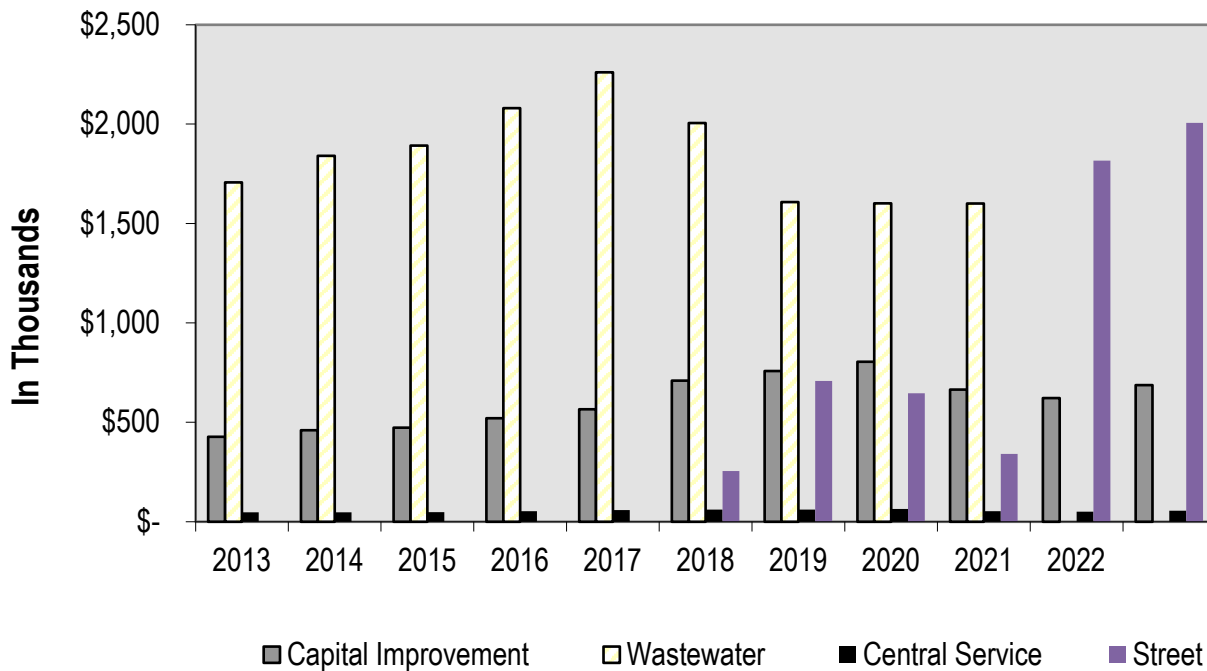
**Commercial and Residential Construction
Last Ten Years**



**CITY OF ASHLAND, OREGON
FOOD AND BEVERAGE TAX REVENUES BY FUND
(amounts expressed in thousands)
Last ten years - Unaudited**

Fiscal Year Ended June 30,	Street Fund	Capital Improvement	Wastewater	Central Service	Total	Cumulative
2022	\$ 2,006	\$ 687	\$ -	\$ 55	\$ 2,748	\$ 58,244
2021	1,816	622	-	50	2,488	55,496
2020	341	664	1,600	53	2,658	53,008
2019	646	804	1,601	64	3,115	50,350
2018	708	758	1,608	61	3,135	47,235
2017	255	709	2,005	61	3,030	44,100
2016	-	565	2,260	58	2,883	41,070
2015	-	520	2,080	53	2,653	38,187
2014	-	473	1,892	48	2,413	35,534
2013	-	460	1,840	47	2,347	33,121

**Food and Beverage Tax Revenues by Fund
Last Ten Years**

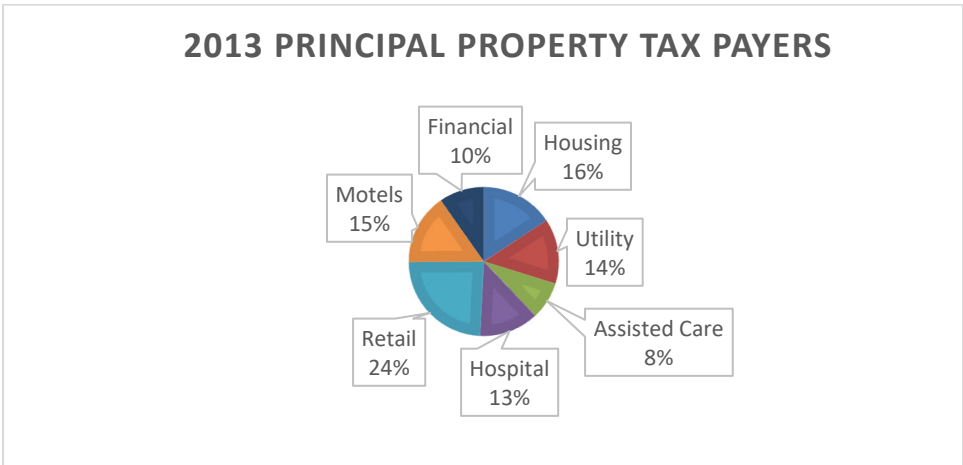
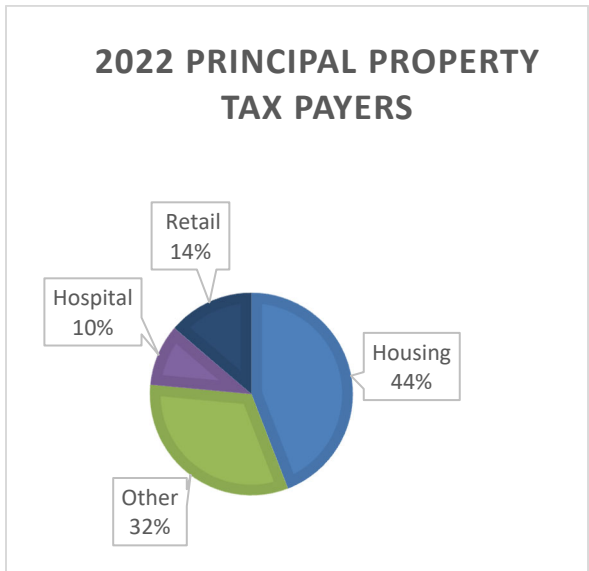


**CITY OF ASHLAND, OREGON
PRINCIPAL PROPERTY TAXPAYERS
Current and ten years ago**

Taxpayers	Type of Business	2022	Percentage
		Assessed Valuation	of Total Assessed Valuation
Deluca Ronald L Trustee ET AL	Housing	16,524,270	0.56%
Avista Corp	Utility	16,113,000	0.55%
Deluca Ronald L Trustee	Housing	13,585,650	0.46%
Deluca Revocable Trust ET AL	Housing	11,063,550	0.40%
Ashland Community Hopsital	Hospital	11,075,060	0.38%
Ashland Hills Hotel LLC	Motel	11,845,570	0.40%
Ashlander Ashland LLC	Housing	8,612,800	0.29%
Charter Communications	Utility	8,525,000	0.29%
Lumen Technologies	Retail	8,305,000	0.28%
Ashland Shopping Center	Retail	7,152,100	0.24%
All other		2,928,150,775	96.15%
Total		\$ 3,040,952,775	100.00%

Taxpayers	Type of Business	2013	Percentage
		Assessed Valuation	of Total Assessed Valuation
Ronald L. Deluca	Housing	\$ 10,413,750	0.48%
Avista Corp.	Utility	9,330,000	0.43%
Ashland Community Hospital	Hospital	8,498,470	0.40%
Pacific Financial, Inc.	Financial	6,408,900	0.30%
Charter Communication	Retail	5,525,000	0.26%
Beverly Rydborn	Retail	5,481,580	0.26%
Skylark Assisted Living	Assisted Care	5,388,020	0.25%
Bard's Inn	Motels	5,157,860	0.24%
Plaza Hospitality	Motels	5,047,070	0.23%
Thompson Brent Trustee	Retail	4,954,610	0.23%
All other		2,081,855,977	96.92%
Total		\$ 2,148,061,237	100.00%

Source: Jackson County Assessor



CITY OF ASHLAND, OREGON
GENERAL GOVERNMENTAL TAX REVENUES
BY SOURCE
(amounts expressed in thousands)
Last ten years - Unaudited

Fiscal Year Ended June 30,	Combined Property Taxes	Electric Utility Franchise (1)	Utility Users Tax (1)	Other Franchise and Privilege Taxes	Transient Occupancy Tax	Food and Beverage Tax (2)	Water Surcharge Tax	Public Safety Tax	Marijuana Tax	Business & Other Related Business Tax	Total
2022	\$ 12,798	\$ 1,773	\$ 3,721	\$ 2,083	\$ 2,568	\$ 2,749	\$ 394	\$ 222	\$ 188	\$ 274	\$ 26,770
2021	12,553	1,682	3,533	2,046	2,078	2,438	390	220	163	208	25,311
2020	12,254	1,660	3,446	2,047	2,239	1,005	387	218	228	235	23,719
2019	11,776	1,630	3,379	2,047	3,142	1,450	177	211	184	254	24,250
2018	11,347	1,598	3,330	1,967	2,910	1,466	175	69	207	234	23,303
2017	10,898	1,496	3,130	1,949	2,819	964	176	N/A	N/A	248	21,680
2016	10,508	1,466	3,077	1,604	2,055	565	171	N/A	N/A	237	19,683
2015	10,133	1,390	2,923	1,513	2,460	520	N/A	N/A	N/A	209	19,148
2014	10,268	1,373	2,895	1,530	2,091	473	N/A	N/A	N/A	208	18,838
2013	9,874	1,311	2,704	1,518	2,009	460	N/A	N/A	N/A	208	18,084

(1) Derived from city-owned electric utility operations

(2) Tax enacted July 1, 1993

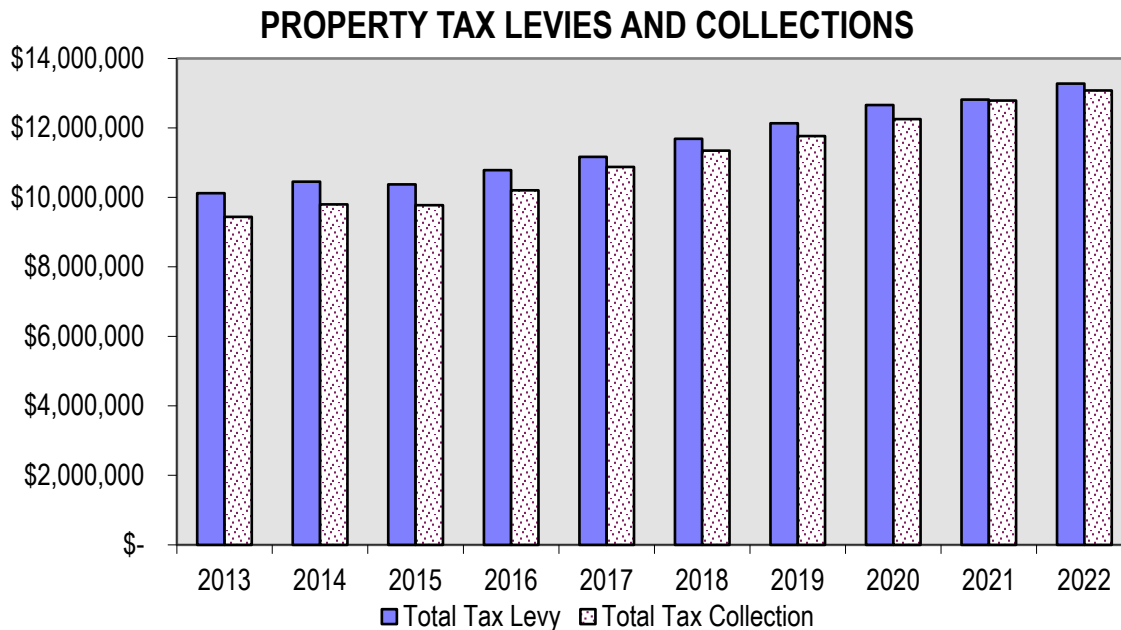
**CITY OF ASHLAND, OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
Last ten years - Unaudited**

Fiscal Year Ended June 30,	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected	Delinquent Tax Collections (2)(3)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2022	\$ 13,274,448	\$ 12,798,283	96.41%	\$ 277,348	\$ 13,075,631	0.00%	432,757	3%
2021	12,812,936	12,082,698	94.30%	703,713	12,786,411	105.38%	442,276	4%
2020	12,656,862	11,970,900	94.58%	283,003	12,253,903	96.82%	717,417	6%
2019	12,133,433	11,465,438	94.49%	300,603	11,766,041	96.97%	741,442	6%
2018	11,686,504	11,077,325	94.79%	270,018	11,347,343	97.10%	744,932	6%
2017	11,165,588	10,584,077	94.79%	292,706	10,876,783	97.41%	718,956	6%
2016	10,782,252	10,204,495	94.64%	303,781	10,508,276	97.46%	698,038	6%
2015	10,374,563	9,774,296	94.21%	358,851	10,133,147	97.67%	768,885	7%
2014	10,453,597	9,799,116	93.74%	468,669	10,267,785	98.22%	704,806	7%
2013	10,119,532	9,440,360	93.29%	394,679	9,835,039	97.19%	785,377	8%

(1) Includes levy within the tax base, levy for bonded indebtedness, miscellaneous assessment payments in lieu of tax, and tax levy shared offsets

(2) Includes adjustments, rounding and discounts

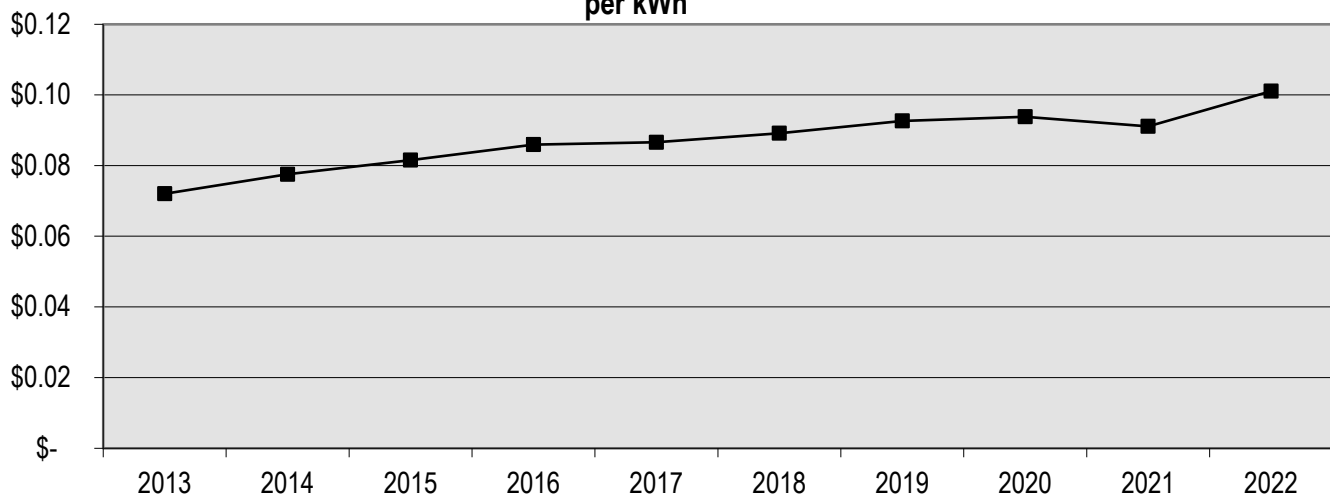
(3) Delinquent taxes collected represent accumulative amounts for the specific fiscal year



**CITY OF ASHLAND, OREGON
ELECTRIC UTILITY USAGE
IN KILOWATT HOURS (kWh)
Last ten years - Unaudited**

	2022	2021	2020	2019	2018
Electric:					
Commercial	47,439,180	46,709,991	51,506,423	52,595,231	56,199,380
Governmental	20,849,376	18,491,383	20,121,422	25,722,896	20,663,724
Municipal	9,367,171	9,165,402	15,074,710	10,801,152	7,642,747
Residential	93,307,331	93,206,359	83,083,258	88,361,322	89,213,217
Electric usage total	170,963,058	167,573,135	169,785,813	177,480,601	173,719,068
Total electric revenue	\$ 17,279,632	\$ 15,264,002	\$ 15,928,428	\$ 16,440,849	\$ 15,486,694
Average consumption rate per kWh	\$ 0.101	\$ 0.091	\$ 0.094	\$ 0.093	\$ 0.089
BPA surcharge revenue	NA	NA	NA	NA	NA
Average surcharge per consumed kWh (1)	NA	NA	NA	NA	NA

**Electric Utility
Average Rate History
per kWh**



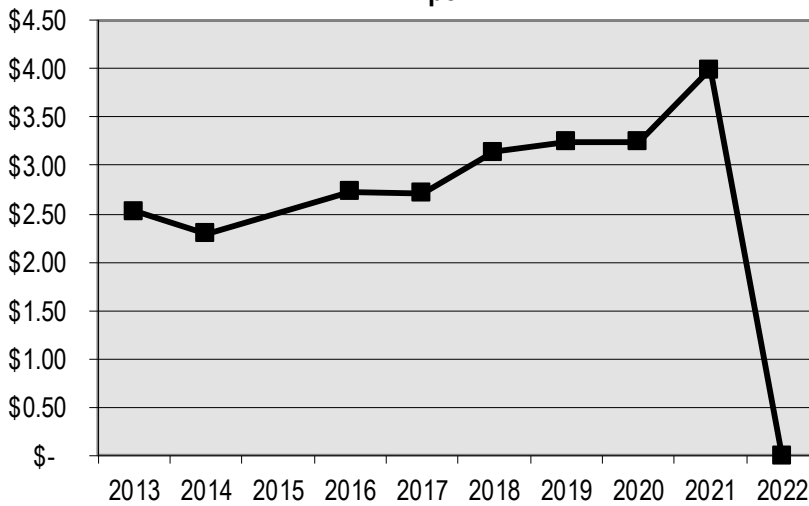
(1) Council implemented the surcharge due to increasing costs and changes in the wholesale power industry in FY 2002

	2022	2021	2020	2019	2018
Demand:					
Commercial	-	134,219	137,519	138,373	157,991
Governmental/Municipal	-	60,424	86,822	87,101	67,663
Demand usage total	-	194,643	224,341	225,474	225,654
Total demand revenue	\$ -	\$ 776,560	\$ 728,631	\$ 731,766	\$ 709,540
Average demand rate per kWh	\$ -	\$ 3.990	\$ 3.248	\$ 3.245	\$ 3.144

**CITY OF ASHLAND, OREGON
ELECTRIC UTILITY USAGE
IN KILOWATT HOURS (kwh)
Last ten years - Unaudited (continued)**

2017	2016	2015	2014	2013
54,212,204	55,434,978	57,241,622	57,351,533	58,984,152
16,881,982	17,084,620	18,894,191	19,552,546	19,934,831
6,489,407	7,607,560	6,439,200	6,410,372	5,978,193
89,500,760	86,749,323	85,448,299	91,309,827	89,637,162
167,084,353	166,876,481	168,023,312	174,624,278	174,534,338
\$ 14,465,963	\$ 14,338,555	\$ 13,700,057	\$ 13,536,923	\$ 12,575,449
\$ 0.087	\$ 0.086	\$ 0.082	\$ 0.078	\$ 0.072
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA

**Electric Utility
Average demand rate
per kWh**



2017	2016	2015	2014	2013
152,791	159,344	209,020	158,829	175,675
67,095	67,850	66,037	67,481	67,388
219,886	227,194	275,057	226,310	243,063
\$ 597,188	\$ 620,772	\$ 691,225	\$ 519,458	\$ 614,862
\$ 2.716	\$ 2.732	\$ 2.513	\$ 2.295	\$ 2.530

CITY OF ASHLAND, OREGON
RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND
NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
Last ten years - Unaudited

Fiscal Year Ended June 30,	Population (1)	Percentage Change	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Fund Monies Available
2022	21,554	2.13%	\$ 3,040,952,775	\$ 5,835,000	\$ 1,007,715
2021	21,105	0.69%	2,935,273,399	7,240,000	983,471
2020	20,960	0.70%	2,832,483,073	8,615,000	1,030,682
2019	20,815	0.56%	2,738,150,089	10,205,000	1,028,592
2018	20,700	0.39%	2,633,253,114	11,760,000	1,025,376
2017	20,620	1.05%	2,537,384,808	13,395,000	973,878
2016	20,405	0.32%	2,445,873,117	14,880,000	855,545
2015	20,340	0.22%	2,348,446,788	37,195,894	861,561
2014	20,295	-0.15%	2,262,503,440	37,462,187	794,695
2013	20,325	-5.29%	2,186,388,026	38,111,076	785,823

Source:

(1) Center for Population Research and Census, Portland State University

(2) Jackson County Assessor tax roll property value records

(3) City of Ashland financial records - includes all long-term general obligation debt, including general obligation special assessments, general obligation bonds, and general obligation warrants.

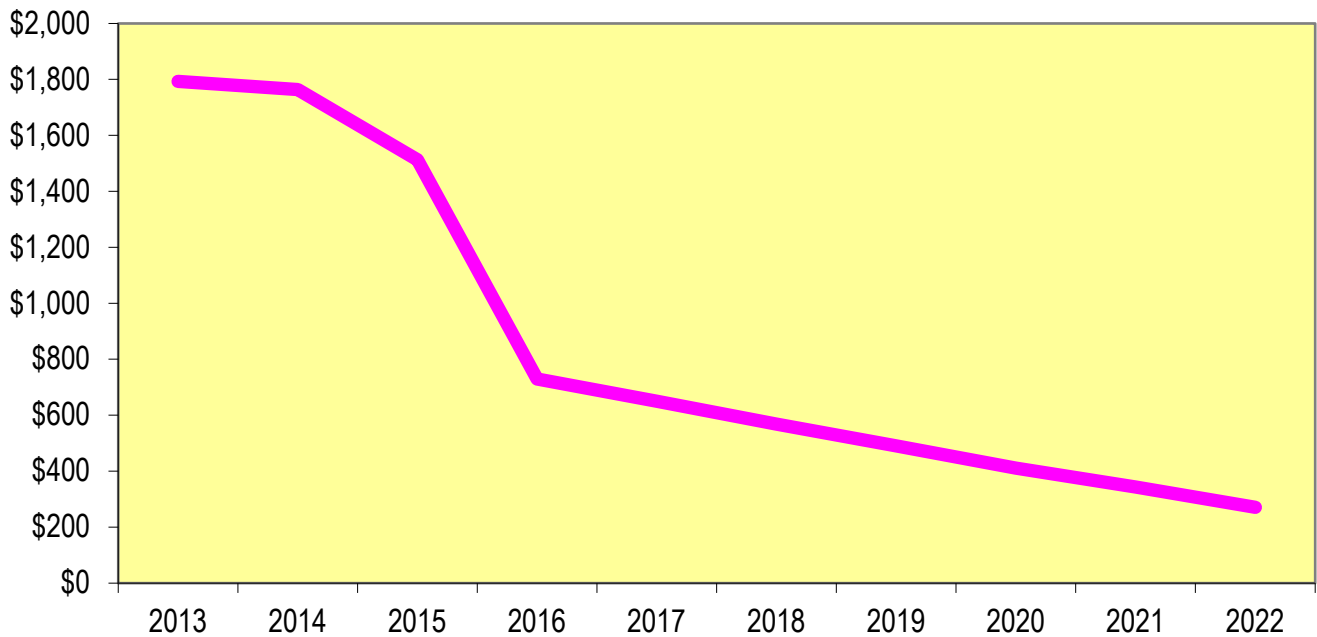
(4) Includes general obligation debt paid from, Utility Services Revenue, fund operations, and special assessment payments from benefited property owners.

(5) Includes Gross Bonded Debt reduced by Debt Service Fund and Enterprise Fund monies available to pay General Obligation Bonded Debt.

**CITY OF ASHLAND, OREGON
RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND
NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
Last ten years - Unaudited (continued)**

Enterprise Fund Monies Available	Debt Payable for Enterprise Revenues (4)	Net General Obligation Bonded Debt (5)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
875,490	\$ 12,103,765	5,835,000	0.00%	\$ 270.72
875,490	12,168,821	7,240,000	0.25%	343.05
875,490	15,938,873	8,615,000	0.30%	411.02
875,490	17,109,812	10,205,000	0.37%	490.27
875,490	16,985,043	11,760,000	0.45%	568.12
875,490	17,774,620	13,395,000	0.53%	649.61
875,490	19,219,172	14,880,000	0.61%	729.23
875,490	20,392,351	30,764,962	1.31%	1,512.53
875,490	19,102,713	35,792,002	1.58%	1,763.59
875,490	18,320,823	36,449,763	1.67%	1,793.35

**Net Bonded Debt Per Capita
Last Ten Years**

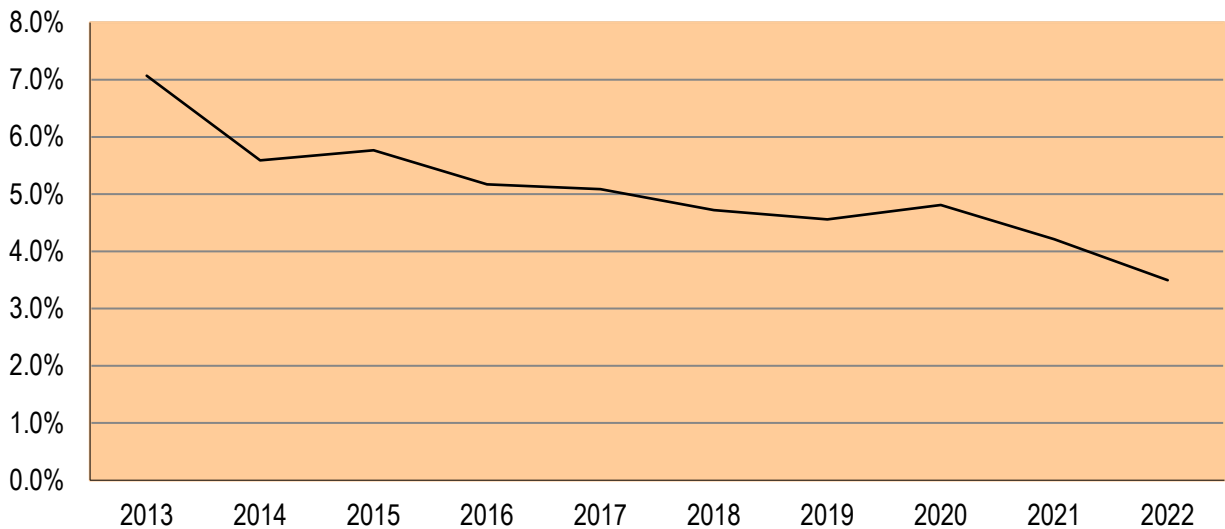


**CITY OF ASHLAND, OREGON
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
Last ten years - Unaudited**

Fiscal Year Ended June 30,	Principal	Interest	Total Debt Service (1)	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2022	\$ 1,405,000	\$ 183,648	\$ 1,588,648	\$ 43,431,473	3.7%
2021	1,375,000	214,241	1,589,241	37,740,415	4.2%
2020	1,590,000	267,623	1,857,623	38,623,257	4.8%
2019	1,555,000	295,651	1,850,651	40,588,484	4.6%
2018	1,455,000	318,747	1,773,747	37,564,475	4.7%
2017	1,485,000	375,091	1,860,091	36,555,232	5.1%
2016	1,445,000	418,422	1,863,422	36,033,961	5.2%
2015	1,495,000	415,879	1,910,879	32,988,739	5.8%
2014	1,320,000	522,374	1,842,374	32,948,928	5.6%
2013	1,000,000	906,689	1,906,689	26,957,272	7.1%

(1) Includes General, Special Revenue Funds, and Debt Service Funds

**Ratio of Debt Service
to General Governmental Expenditures
Last Ten Years**



**CITY OF ASHLAND, OREGON
PLEGGED REVENUE COVERAGE
WATER FUND
Last ten years - Unaudited**

Fiscal Year Ended June 30,	Gross Revenues (1)	Operating Expenses (2)	Fund Balance	Net Revenues Available for Debt Service	Debt Service Requirements (4)			Coverage
					Principal	Interest	Total	
2022	\$ 8,741,494	\$ 7,188,052	\$ 12,889,481	\$ 14,442,923	557,106	124,432	\$ 681,538	21.19
2021	9,473,981	6,568,759	10,850,466	13,755,688	786,863	138,382	925,245	14.87
2020	8,846,790	8,554,214	10,495,072	10,787,648	781,636	209,398	991,034	10.89
2019	8,791,274	9,657,102	9,432,722	8,566,894	479,713	137,914	617,627	13.87
2018	8,290,162	6,520,984	-	1,769,178	464,164	150,069	614,233	2.88
2017	7,756,012	4,706,339	-	3,049,673	453,835	161,855	615,690	4.95
2016	7,289,715	4,225,107	-	3,064,608	443,717	173,330	617,047	4.97
2015	6,604,339	4,256,299	-	2,348,040	899,952	147,300	1,047,252	2.24
2014	6,322,142	4,244,890	-	2,077,252	584,414	129,093	713,507	2.91
2013	8,280,514	5,776,098	-	2,504,416	412,533	82,471	495,004	5.06

(1) Total Operating Revenues, including System Development Charges

(2) Total operating expenses, not including Interfund Loan, Capital Outlay, Existing Debt, and Franchise Taxes paid

(3) Gross revenues in excess of those necessary to meet current debt service obligations by covenant available to assure coverage in future fiscal periods

(4) Includes Revenue Bond principal and interest amounts transferred to registered paying agent irrespective of actual bond maturities

CITY OF ASHLAND, OREGON
RATIOS OF OUTSTANDING DEBT
BY TYPE
Last ten years

Fiscal Year Ended June 30,	Governmental Activities				
	General Obligation Bonds	Percent of Assessed Value	Notes and Contracts		Per Capita (2)
			Promissory Notes	OECCD (1) Loans	
2022	\$ 5,835,000	0.19%	\$ 1,567,000		265.43
2021	7,240,000	0.25%	1,817,000		429.14
2020	8,615,000	0.30%	2,065,000		509.54
2019	10,205,000	0.37%	2,311,000	-	601.30
2018	11,760,000	0.45%	2,591,936	-	693.33
2017	13,395,000	0.53%	1,104,821	-	703.19
2016	14,880,000	0.61%	1,251,707	-	790.58
2015	16,325,000	0.70%	478,543	-	812.39
2014	17,820,000	0.79%	539,474	-	901.48
2013	19,140,000	0.88%	650,253	-	973.69
2012	17,550,000	0.82%	681,780	675,138	853.51

Fiscal Year Ended June 30,	Business - Type Activities				
	General Obligation Bonds	Percent of Assessed Value	Revenue Bonds and Notes	DEQ (3) Loan	Per Capita (2)
2022	\$ 1,605,000	0.05%	7,460,449	3,038,316	561.56
2021	2,005,000	0.07%	7,689,268	2,474,552	576.58
2020	5,721,796	0.20%	7,913,589	2,303,488	760.44
2019	7,607,299	0.28%	6,983,538	2,518,974	821.99
2018	9,429,200	0.36%	5,406,100	2,149,744	820.53
2017	11,077,669	0.44%	4,634,074	2,062,878	932.06
2016	12,777,871	0.52%	4,628,555	1,812,747	941.89
2015	14,439,962	0.61%	4,193,067	1,759,323	985.90
2014	16,054,089	0.71%	3,048,624	-	937.97
2013	17,490,395	0.80%	830,429	-	901.39
2012	14,034,014	0.66%	2,787,143	-	783.84

Fiscal Year Ended June 30,	Total Outstanding Debt			
	Total Outstanding Debt	Personal Income (4)	Debt as a Percentage of Personal Income	
2022	\$ 19,505,765	unavailable	NA	
2021	21,225,820	unavailable	NA	
2020	26,618,873	unavailable	NA	
2019	29,625,811	unavailable	NA	
2018	31,336,980	unavailable	NA	
2017	32,274,442	unavailable	NA	
2016	35,350,879	unavailable	NA	
2015	37,195,894	unavailable	NA	
2014	37,462,187	unavailable	NA	
2013	38,111,077	unavailable	NA	
2012	35,728,075	unavailable	NA	

(1) OECCD - Oregon Economic and Community Development Department

(2) *Per Capita* is calculated using the total debt for the category divided by population shown on *Ratio of Net General Obligation Bonded Debt to Assessed Value* Schedule

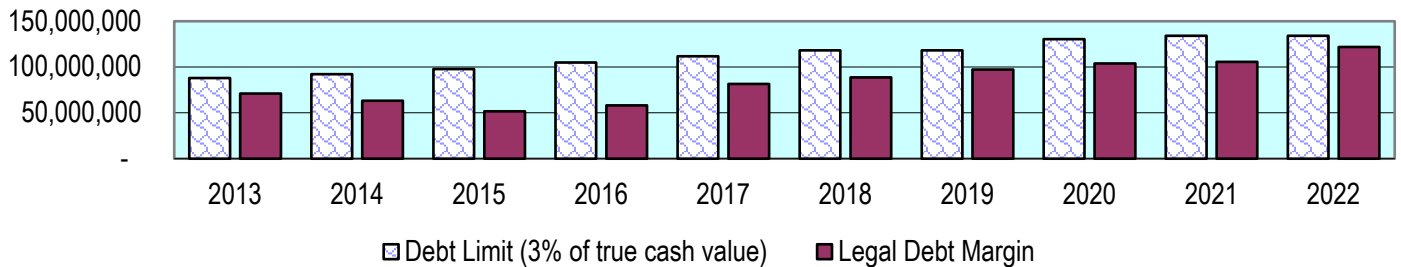
(3) DEQ - Oregon Department of Environmental Quality

(4) Oregon Department of Revenue Personal Income Tax Statistics

CITY OF ASHLAND, OREGON
LEGAL DEBT MARGIN
 Last ten years
 For the year ended June 30

	2022	2021	2020	2019	2018
True Cash Value	\$ 4,466,314,678	\$ 4,466,314,678	\$ 4,346,499,745	\$ 3,937,719,581	\$ 3,937,719,581
Legal Debt Margin					
Debt limit (3% of true cash value)	133,989,440	133,989,440	130,394,992	118,131,587	118,131,587
Net Bonded Debt:					
Gross bonded debt	5,835,000	7,240,000	8,615,000	12,516,000	14,351,936
Less amounts exempted:					
Water	-	-	-	-	-
Special assessment	-	-	-	-	-
Re-funding	-	-	-	-	-
Water re-funding	-	-	-	-	-
Total debt applicable to margin	5,835,000	7,240,000	8,615,000	12,516,000	14,351,936
Legal Debt Margin	\$ 128,154,440	\$ 126,749,440	\$ 121,779,992	\$ 105,615,587	\$ 103,779,652

**Legal Debt Margin
 Compared to Debt Limit
 Last Ten Years**



**CITY OF ASHLAND, OREGON
LEGAL DEBT MARGIN
Last ten years
For the year ended June 30 (continued)**

2017	2016	2015	2014	2013
\$ 3,722,306,182	\$ 3,493,732,448	\$ 3,258,618,439	\$ 3,072,079,759	\$ 2,931,862,235
111,669,185	104,811,973	97,758,553	92,162,393	87,955,867
14,499,821	16,131,707	16,325,000	34,295,413	36,630,395
-	-	-	-	-
-	-	-	-	-
-	-	-	(250,000)	(375,000)
14,499,821	16,131,707	16,325,000	34,045,413	36,255,395
\$ 97,169,364	\$ 88,680,266	\$ 81,433,553	\$ 58,116,980	\$ 51,700,472

**CITY OF ASHLAND, OREGON
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2022 - Unaudited**

True cash value	\$	4,466,314,678	
3% of true cash value		0.03	
			\$ 133,989,440
 NET BONDED DEBT:			
Gross bonded debt		5,835,000	
Less amounts exempted:			
Water			
Water re-funding		-	
Total debt applicable to margin			5,835,000
LEGAL DEBT MARGIN			\$ 128,154,440

ORS 287.004 provides a debt limit of three percent of the true cash value of all taxable property within the Municipality's boundaries. According to ORS 287.004, the three percent limitation does not apply to bonds issued for water, sanitary or storm sewers, sewage disposal plants, hospitals, power or lighting purposes, nor to bonds issued pursuant to applications to pay assessments for improvements or installments for benefited property owners.

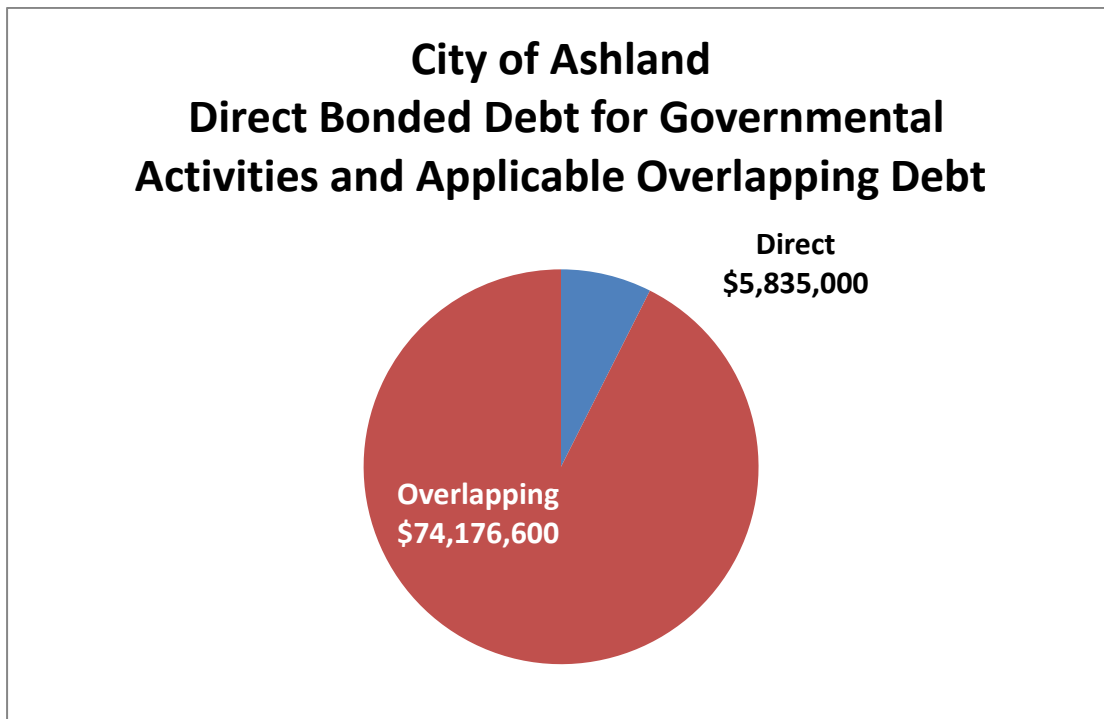
Source: Jackson County Assessor's Office
Audited Financial Statements
Oregon Revised Statutes (ORS) 287.004

**CITY OF ASHLAND, OREGON
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
June 30, 2022 - Unaudited**

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct:			
City of Ashland - Governmental Activities only	\$ 5,835,000	100.00%	\$ 5,835,000
Overlapping:			
Jackson County	3,013,166	13.64%	410,996
School District #5	81,826,156	80.30%	65,706,403
Rogue Community College	4,707,408	10.12%	476,390
Rogue Community College (Jackson Cty Bond)	854,832	13.64%	116,599
Jackson County Housing Authority	420,961	13.64%	57,419
Rogue Valley Transit District	37,929	17.91%	6,793
	<u>90,860,452</u>		<u>66,774,600</u>
	<u>\$ 96,695,452</u>		<u>\$ 72,609,600</u>

(1) Percentage of overlap is calculated on real market value.

Source: State of Oregon, Office of Treasurer - overlapping debt report, debt for governmental activities only



**CITY OF ASHLAND, OREGON
PRINCIPAL EMPLOYERS
Current and ten years ago**

<u>2022</u>		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	690	35%
Oregon Shakespeare Festival*	398	21%
Ashland Public Schools	379	20%
Asante Ashland Community Hospital	250	13%
City of Ashland**	218	11%
Subtotal	<u>1,935.00</u>	<u>100%</u>
Estimated Total City Employment	<u>not available</u>	<u>not available</u>

<u>2013</u>		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	627	6.97%
Oregon Shakespeare Festival	406	4.51%
Ashland Public Schools	435	4.83%
Asante Ashland Community Hospital	375	4.17%
City of Ashland**	251	2.79%
Subtotal	<u>2,094.00</u>	<u>23.27%</u>
Estimated Total City Employment	9,000	

** Excludes Ashland Parks Commission

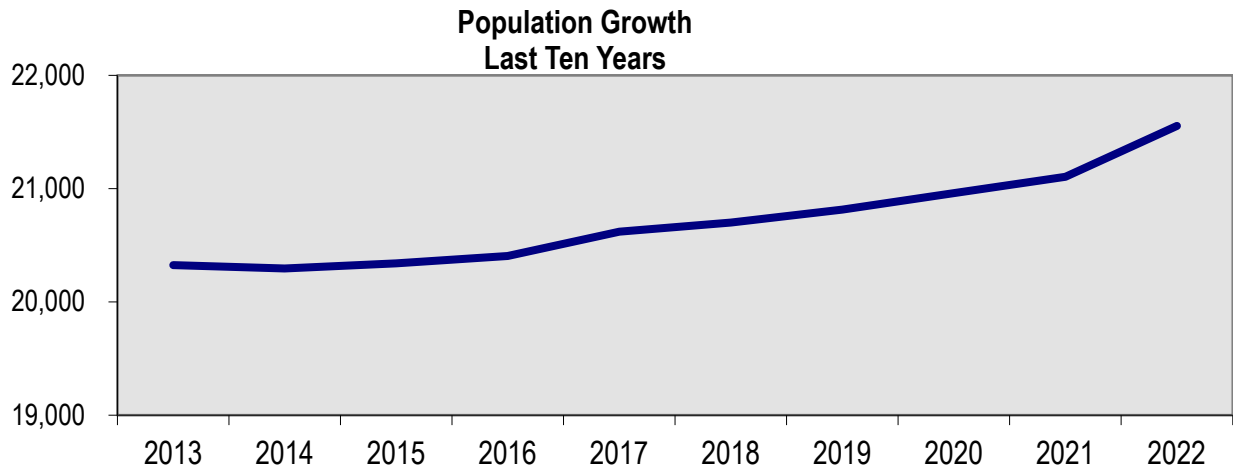
Source: Employer Listed

**CITY OF ASHLAND, OREGON
DEMOGRAPHIC STATISTICS
Last ten years - Unaudited**

Fiscal Year Ended June 30	Population (1)	Percentage Change	Per Capita Income	Total Personal Income (2)	School Enrollment (3)	Jackson County Unemployment Rate (4)
2022	21,554	2.13%	-	unavailable	2,897	4.5%
2021	21,105	0.69%	-	unavailable	3,022	5.4%
2020	20,960	0.70%	-	unavailable	2,992	10.3%
2019	20,815	0.56%	36,769	765,346	2,976	4.6%
2018	20,700	0.39%	36,561	756,817	2,940	4.8%
2017	20,620	1.05%	34,061	702,342	2,921	4.8%
2016	20,405	0.32%	30,947	631,468	2,883	6.1%
2015	20,340	0.22%	29,987	609,934	2,782	7.0%
2014	20,295	-0.15%	28,296	574,277	2,765	8.3%
2013	20,325	-5.29%	25,235	512,899	2,759	9.9%

Sources:

- (1) Center for Population and Research and Census, Portland State University
- (2) Oregon Department of Revenue
- (3) Ashland School District
- (4) US Bureau of Labor Statistics



CITY OF ASHLAND, OREGON
SCHEDULE OF MAJOR INSURANCE IN FORCE
June 30, 2022

Company	Coverage	Policy Period	Annual Aggregate/Each Occurrence	Premium
City County Insurance Services	General Liability			\$562,455
	Commercial General Liability	07/01/2022-07/01/2023	\$15,000,000 / \$5,000,000	Included above
	Public Officials Liability	07/01/2022-07/01/2023	\$15,000,000 / \$5,000,000	Included above
	Employment Practices	07/01/2022-07/01/2023	\$15,000,000 / \$5,000,000	Included above
	Automobile Liability			\$65,096
	Scheduled Autos	07/01/2022-07/01/2023	None / \$5,000,000	Included above
	Hired Autos/Non Owned	07/01/2022-07/01/2023	None / \$5,000,000	Included above
	Uninsured Motorist	07/01/2022-07/01/2023	None / \$5,000,000	Included above
	Auto Physical Damage			\$32,572
	Scheduled Autos	07/01/2022-07/01/2023	Per Filed Value	Included above
	Rented or Leased	07/01/2022-07/01/2023	Per Filed Value	Included above
	Newly Acquired Autos	07/01/2022-07/01/2023	Per Filed Value	Included above
	Property			\$151,671
	Buildings	07/01/2022-07/01/2023	Per Filed Value	Included above
	Mobile Equipment	07/01/2022-07/01/2023	Per Filed Value	Included above
	Boiler and Machinery	07/01/2022-07/01/2023	Replacement Cost of Machinery & Equipment not covered elsewhere	Included above
	Cyber Security	07/01/2022-07/01/2023	Per Loss / \$50,000	\$6,750
	Excess Earthquake	07/01/2022-07/01/2023	Each Occur. \$5,000,000	\$27,000
	Excess Flood	07/01/2022-07/01/2023	Each Occur. \$5,000,000	\$4,500
	Travelers Casualty Ins Co of Amer	Crime	07/01/2022-07/01/2023	\$1,000,000
ACE Group	Airport Liability	07/01/2022-07/01/2023	\$4,000,000 / \$4,000,000	\$3,039
Wright National Flood Ins. Co.	Flood	10/23/2022-10/23/2023	\$250,000	\$832
SAIF Corporation	Workers' Compensation	07/01/2022-07/01/2023	\$1,000,000	\$208,444 *
Safety National Casualty Corp.	Excess Workers' Compensation Bond	07/01/2022-07/01/2023	\$400,000	\$6,000
Philadelphia Indemnity Ins Co	Volunteer Accident Ins	07/01/2022-07/01/2023	\$100,000 max medical expense	\$1,601
ACE Group	Underground Storage Tank	07/01/2022-07/01/2023	\$2,000,000 / \$1,000,000	\$1,643

* Estimated payroll

CITY OF ASHLAND, OREGON
CITY EMPLOYEE BY FUNCTION/PROGRAM
Last ten years
For the year ended June 30

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Administration	2.00	3.60	3.60	4.00	4.00	3.00	3.00	4.00	4.00	4.00
Human Resources	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Legal	1.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Information Technology	5.00	8.40	8.40	9.00	9.00	8.75	8.75	8.80	8.80	8.80
Finance	12.00	16.75	16.75	16.75	16.75	16.75	16.75	16.25	16.25	16.25
Municipal Court	4.07	3.57	3.57	4.07	4.07	4.15	4.15	4.15	4.15	4.15
City Recorder/Treasurer	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Police	27.00	39.50	39.50	40.00	40.00	36.75	36.75	36.75	36.75	36.30
Fire	36.00	37.00	37.00	37.40	37.40	37.60	37.60	34.75	34.75	34.75
Streets	8.10	8.53	8.53	8.35	8.35	10.70	10.70	10.70	10.70	10.95
Water	15.00	15.00	15.00	14.00	14.00	15.00	15.00	14.50	14.50	14.50
Wastewater	13.30	13.88	13.88	13.65	13.65	11.30	11.30	11.30	11.30	11.30
Public Works Administration	7.35	8.50	8.50	8.50	8.50	7.00	7.00	7.00	7.00	7.00
Engineering	4.75	7.60	7.60	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Facilities Maintenance / Cemetery	4.75	4.25	4.25	5.50	5.50	5.50	5.50	4.00	4.00	4.50
Fleet Maintenance	5.75	6.25	6.25	5.00	5.00	4.00	4.00	4.80	4.80	4.80
Planning	9.30	10.90	10.90	10.90	10.90	9.00	9.00	9.00	9.00	9.00
Building	4.70	4.10	4.10	4.10	4.10	4.00	4.00	4.00	4.00	4.00
Electric	15.50	17.50	17.50	17.00	17.00	17.00	17.00	17.25	17.25	17.25
Telecommunication	5.50	5.50	5.50	5.50	5.50	5.75	5.75	5.70	5.70	5.70
Conservation	2.25	3.00	3.00	5.00	5.00	4.00	4.00	3.50	3.50	3.50
Subtotal	185.82	219.82	219.82	221.72	221.72	214.25	214.25	210.45	210.45	210.75
Parks	32.00	39.75	39.75	37.25	37.25	48.00	48.00	43.80	43.80	43.80
Total	217.82	259.57	259.57	258.97	258.97	262.25	262.25	254.25	254.25	254.55

**CITY OF ASHLAND, OREGON
OPERATING INDICATORS
BY FUNCTION / PROGRAM
Last ten years**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Physical arrests, juvenile and adult	635	1,068	1,448	2,056	2,439	2,083	2,042	2,591	2,509	2,868
Traffic violations	487	1,001	1,737	2,830	2,849	2,155	2,065	2,969	3,461	3,061
Fire										
Fire alarm responses	92	223	1,119	1,024	994	1,004	819	462	398	390
Emergency medical responses	3,669	3,337	2,779	2,776	2,873	2,900	2,718	3,144	3,098	2,927
Non-emergency public service responses	581	415	364	355	316	274	248	261	155	97
Fire & Life Safety code enforcements	624	1,299	600	616	746	486	507	499	404	380
Total calls for service	4,966	4,310	4,262	4,155	4,183	4,178	4,063	3,867	3,533	3,414
Total ambulance patient transports	2,749	2,341	1,967	2,016	2,069	1,972	1,942	1,895	1,600	1,523
Water										
Service connections	9,167	9,453	9,342	9,239	8,841	9,155	7,689	8,738	8,870	9,038
Daily average consumption in millions of gallons	2.84	2.80	3.00	3.00	3.00	2.70	4.10	3.00	2.90	2.70
Maximum daily capacity of plant in million gallons	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Sewer										
Service connections	8,670	8,787	8,551	8,426	8,440	8,394	8,414	8,308	8,295	8,181
Daily average treatment in million of gallons	2.10	2.10	2.10	2.10	2.15	2.20	2.20	2.40	2.25	2.20
Maximum daily capacity in millions of gallons	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Electric										
Service connections	12,402	13,505	13,249	13,205	12,817	11,864**	12,706	12,678	12,662	11,914
Telecommunications										
Cable TV	808	892	973	1,000	1,125	1,200	1,350	1,306	1,400	1,840
Cable modem	4,142	4,098	4,021	4,002	3,884	3,800	3,833	3,866	3,888	4,005
Potential station capacity	140	140	140	140	140	140	140	140	140	140

** Actual service connections, previous information provided was by billed services

CITY OF ASHLAND, OREGON
CAPITAL ASSETS AND INFRASTRUCTURE STATISTICS
BY FUNCTION/PROGRAM
Last ten years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Contact station	1	1	1	1	1	1	1	1	1	1
Patrol units (vehicles)	8	8	8	8	8	8	8	8	8	8
Sworn officers	28	29	29	30	32	28	28	28	28	28
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Firefighters	32	28	29	30	30	30	26	27	27	27
Streets										
Miles of paved streets	95.94	94.64	93.84	93.84	93.84	93	93	92	92	92
Miles of gravel streets	8.24	9.54	9.54	9.54	9.54	10	10	9	9	9
Miles of storm sewers	95.39	95.27	94.54	94.54	94.54	94	94	93	93	93
Water										
Miles of water mains	134.84	134.69	133.5	132.9	133	132	132.76	130	130	130
Hydrants	1,290	1,288	1,281	1,269	1,266	1,263	1,263	1,267	1,266	1,262
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Sewer										
Miles of sanitary sewers	113.33	113.24	113	110	111.7	110	110	110	110	110
Treatment plant	1	1	1	1	1	1	1	1	1	1

1 Identifies integration of Cartegraph System with GIS that has provided more accurate figures.

**CITY OF ASHLAND, OREGON
CAPITAL ASSETS AND INFRASTRUCTURE
STATISTICS BY FUNCTION/PROGRAM
Last ten years (continued)**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Electric										
Street lights	1,956	1,948	1,927	1,888	1,884	1,865	1,865	1,864	1,864	1,858
Electrical transformers	2,230	2,119	2,099	2,087	2,071	2,052	2,049	2,040	2,032	2,025
Poles	3,607	3,605	3,603	3,603	3,601	3,600	3,600	3,602	3,605	3,600
Substations	3	3	3	3	3	3	3	3	3	3
Telecommunications										
Miles of fiber	65	60	60	60	60	25	25	25	25	25
Miles of coax	125	119	119	119	119	119	119	119	119	119
Parks and Recreation										
Community centers	3	3	3	3	3	3	3	3	3	3
Parks	18	18	18	18	18	19	19	19	19	16
Park acreage	797	797	797	797	772		831	642	642	642
Golf courses	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Ice skating rinks	1	1	1	1	1	1	1	1	1	1
Skateboard parks	1	1	1	1	1	1	1	1	1	1
Tennis courts	7	7	11	12	12	12	12	12	12	12
Trails (miles)	8	8	48	48	48	48	41	40	29	29
Health Care										
Hospital	1	1	1	1	1	1	1	1	1	1
Hospital beds	49	49	49	49	49	49	49	49	49	49
Education										
Elementary schools	4	4	4	4	4	4	4	4	4	4
Elementary school instructors	NA	NA	NA	NA	71	70	78	75	69	69
Secondary schools	2	2	2	2	2	2	2	2	2	2
Secondary school instructors	NA	NA	NA	NA	135	101	105	103	91	91
State universities	1	1	1	1	1	1	1	1	1	1

*co-managed



AUDIT COMMENTS AND DISCLOSURES

Required by State Regulations

Oregon Administrative Rules 162-10-0000 through 162-10-0330, the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.

Report of Independent Auditors Required by Oregon State Regulations

To the Mayor and City Council
City of Ashland, Oregon

We have audited, 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 the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 15, 2022.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

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

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Highway funds
- Investments
- Public contracts and purchasing

In connection with our testing, nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

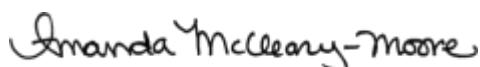
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination 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 or significant deficiencies may exist that have not been identified.

Purpose of this Report

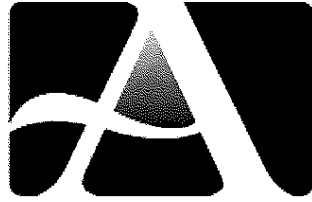
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

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



Amanda-McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
December 15, 2022

GOVERNMENT AUDITING STANDARDS COMPLIANCE REPORTS



Report of Independent Auditors 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*

To the Major and City Council
City of Ashland, Oregon

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 City of Ashland, Oregon (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Ashland, Oregon's basic financial statements, and have issued our report thereon dated December 15, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing 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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 financial statements. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon
December 15, 2022

Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Mayor and City Council
City of Ashland, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Ashland, Oregon's (the City)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon
December 15, 2022

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2022 Government Auditing Standard Compliance Reports

CITY OF ASHLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Program Title	Federal Assistance Listing Number	Pass-Through Organization	Identifying Number	Year to Date Disbursements / Expenditures	Passed Through to Subrecipients
DEPARTMENT OF AGRICULTURE					
Cooperative Forestry Assistance					
TNC State & Private Grant	10.664	The Nature Conservancy	COA_S&PF_2018123	\$ 11,888	\$ -
AIM Micro Grant	10.664	Coalitions& Collaboratives, Inc.	16-CA-11132543-087	2,144	-
Total Cooperative Forestry Assistance ALN 10.664				<u>14,032</u>	<u>-</u>
State & Private Forestry Cooperative Fire Assistance FY22 FACLN Grant	10.698	Watershed Research and Training Center	21-CA-11132543-096	24,167	-
Total Department of Agriculture				<u>38,199</u>	<u>-</u>
DEPARTMENT OF HOMELAND SECURITY					
Building Resilient Infrastructure and Communities Wildfire Mitigation	97.047	Oregon Office of Emergency Management	EMS-2020-PC-0005	179,398	-
Total Department of Homeland Security				<u>179,398</u>	<u>-</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Community Development Block Grants/Entitlement Grants	14.218	Direct	B21MC410008	311,449	-
Covid-19 Cares Act CDBG-CV	14.218	Direct	B20MW410008	190,588	-
Total CDBG - Entitlement Grants Cluster				<u>502,037</u>	<u>-</u>
Assistant Secretary for Community Planning and Development Emergency Solutions Grant Program	14.231	Direct	E-20-DW-41-0001	298,837	-
Total Department of Housing and Urban Development				<u>800,874</u>	<u>-</u>
DEPARTMENT OF INTERIOR					
BLM Fuels Management and Community Fire Assistance Program Activities SOFEEL BLM	15.228	Oregon Bureau of Land Management	L21AC10045-00	20,016	-
Total Department of Interior				<u>20,016</u>	<u>-</u>
DEPARTMENT OF JUSTICE					
Bulletproof Vest Partnership Program	16.607	Direct	ASHLAND CITY	5,214	-
Total Department of Justice				<u>5,214</u>	<u>-</u>
DEPARTMENT OF TREASURY					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct		2,323,979	-
Total Department of Treasury				<u>2,323,979</u>	<u>-</u>
DEPARTMENT OF TRANSPORTATION					
Airport Improvement Program and COVID-19 Airports Programs					
FAA Grant Airport Taxiway Rehabilitation	20.106	Direct	3-41-0002-013-2022	250,415	-
COVID-19 FAA Coronavirus Relief Grant	20.106	Direct	3-41-0002-014-2021	13,000	-
COVID-19 FAA Coronavirus Relief Grant	20.106	Direct	3-41-0002-015-2022	31,489	-
Total Airport Improvement Program				<u>294,904</u>	<u>-</u>
DUII Grant	20.608	Oregon Impact	69A37518300001640R1	2,181	-
State and Community Highway Safety Grant Program					
Speed Grant	20.600	ODOT Transportation Safety Division	SE-21-35-05 BBB	1,079	-
Distracted Driving Grant	20.600	Oregon Impact	69A375130000405EORC	2,273	-
Seatbelt Grant	20.600	ODOT Transportation Safety Division	OP-21-45-03 BBB	1,049	-
Seatbelt Grant	20.600	ODOT Transportation Safety Division	OP-22-45-03 222	793	-
Total ALN 20.600				<u>5,193</u>	<u>-</u>
National Highway Traffic Safety Administration DUII Grant	20.616	Oregon Impact	69A3752030000405DORM	3,158	-
Distracted Driving Grant	20.616	Oregon Impact	69A3752030000405EORC	418	-
Total ALN 20.616				<u>3,577</u>	<u>-</u>
Total Highway Safety Cluster				<u>8,770</u>	<u>-</u>
Total of Department of Transportation				<u>305,855</u>	<u>-</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE				<u>\$ 3,673,534</u>	<u>-</u>

See notes to schedule of expenditures of federal awards.

City of Ashland, Oregon
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes federal grant activity in programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has elected to use the ten percent de minimis indirect cost rate as allowed under Uniform Guidance when allowed.

City of Ashland, Oregon
Schedule of Findings and Questioned Costs
For the Year June 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

<i>Federal Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

None reported