

Council Business Meeting

December 21, 2021

Agenda Item	Acceptance of Fiscal Year 2021 (2020/2021) Annual Comprehensive Financial Report (ACFR)	
From	Alison Chan	Interim Finance Director
Contact	Alison.Chan@ashland.or.us (541) 552-2003	

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) 2021 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 FY2021 Annual Comprehensive Financial Report (CARF) provides a snapshot of the City's financial condition as of June 30, 2021. 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. The City of Ashland Municipal Audit Commission met on December 2, 2021 to receive the audit from Moss-Adams and voted to accept it, 4-0. The meeting also included an interested citizen and members of the City staff.

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 FY2021 Annual Comprehensive Financial.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to accept the City of Ashland FY2021 Annual Comprehensive Financial Report

REFERENCES & ATTACHMENTS

Attachment 1: FY2021 Annual Comprehensive Financial Report

**CITY OF
ASHLAND**



STATE OF OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT
for the year ended June 30, 2021

Prepared by the Finance Department Alison Chan, Finance Director



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INTRODUCTORY SECTION





December 15, 2021

RE: City of Ashland Comprehensive Annual Financial Report

To the Citizens of the City of Ashland:

The City of Ashland is pleased to submit our Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2021. 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, 2021, 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, as well as those of the component unit, the Parks and Recreation Commission. Component units are legally autonomous entities for which the primary government is financially accountable. The City provides a full range of services including police protection, fire protection, building inspection, planning services, economic development, social services, senior program, ambulance, electric, internet access, water, streets, storm drain, wastewater treatment, airport, cemetery, band, parks and recreation activities.

The Parks and Recreation Commission activities are reported as a blended component unit. The blended component unit information is included within the government-wide financial statements emphasizing that it is operated autonomously and accounted for separately from the primary government but significantly relies upon the oversight, policies, and financial resources of the primary government.

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 government 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

ADMINISTRATION
20 East Main Street
Ashland, Oregon 97520
www.ashland.or.us

Tel: 541-488-6002
Fax: 541-488-5311
TTY: 800-735-2900





the power, by state statute, to extend its corporate limits by annexation, 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 and Recreation Commission.

The City Manager is charged with general oversight of all operational and management functions, except for the Parks Commission. The City Manager is responsible for the appointment or dismissal of department heads (Fire Chief, Police Chief, Public Works Director, Community Development Director, Administrative Services/Finance Director, Electric/Information Technology 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. 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

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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.

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 2019/21 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. 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



CITY OF ASHLAND

(RMV) initially and have been lowered to \$5.00 per thousand. The local government category is limited to \$10.00 per thousand. The 2020-2021 local net general government tax rate in the City of Ashland was \$9.7366, Ashland Schools \$5.4501 (\$4.1601 - permanent rate and \$1.29 - local option operating tax) and the City of Ashland \$4.2865. Voter approved general obligation debt 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, 2020. This was the thirty-third 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 2019/2021 budget. The City of Ashland has submitted and is awaiting the review of the 2021/2023 biennial 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.

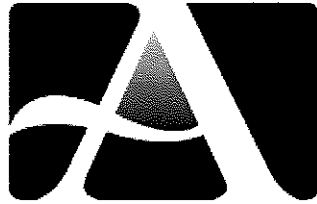
Acknowledgments. The timely preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the City of Ashland Finance Department, all other departments and the Ashland Parks and Recreation Commission staff. Each member has our sincere appreciation 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,



Gary Milliman
Interim City Manager







Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ashland
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

**CITY OF ASHLAND
ELECTED CITY OFFICIALS
as of June 30, 2021**

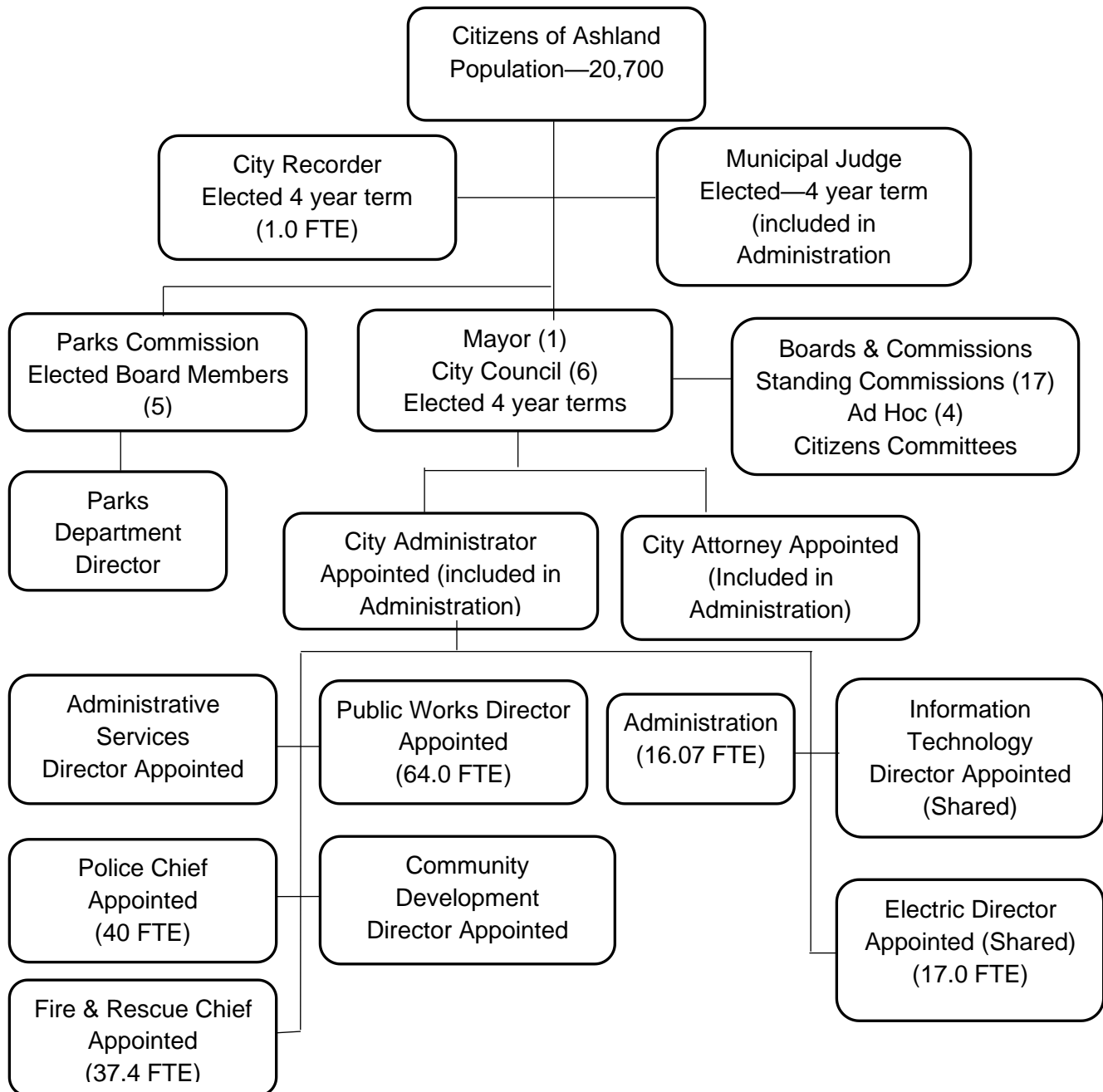
<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Julie Akins	Mayor	December 2024
Gina DuQueene	Council Member	December 2024
Tonya Graham	Council Member	December 2022
Paula Hyatt	Council Member	December 2024
Stefani Seffinger	Council Member	December 2022
Shaun Moran	Council Member	December 2024
Stephen Jensen	Council Member	December 2022
Melissa Huhtala	City Recorder	December 2022
Pamela B. Turner	Municipal Judge	December 2022

**CITY OF ASHLAND
APPOINTED CITY OFFICIALS
as of June 30, 2021**

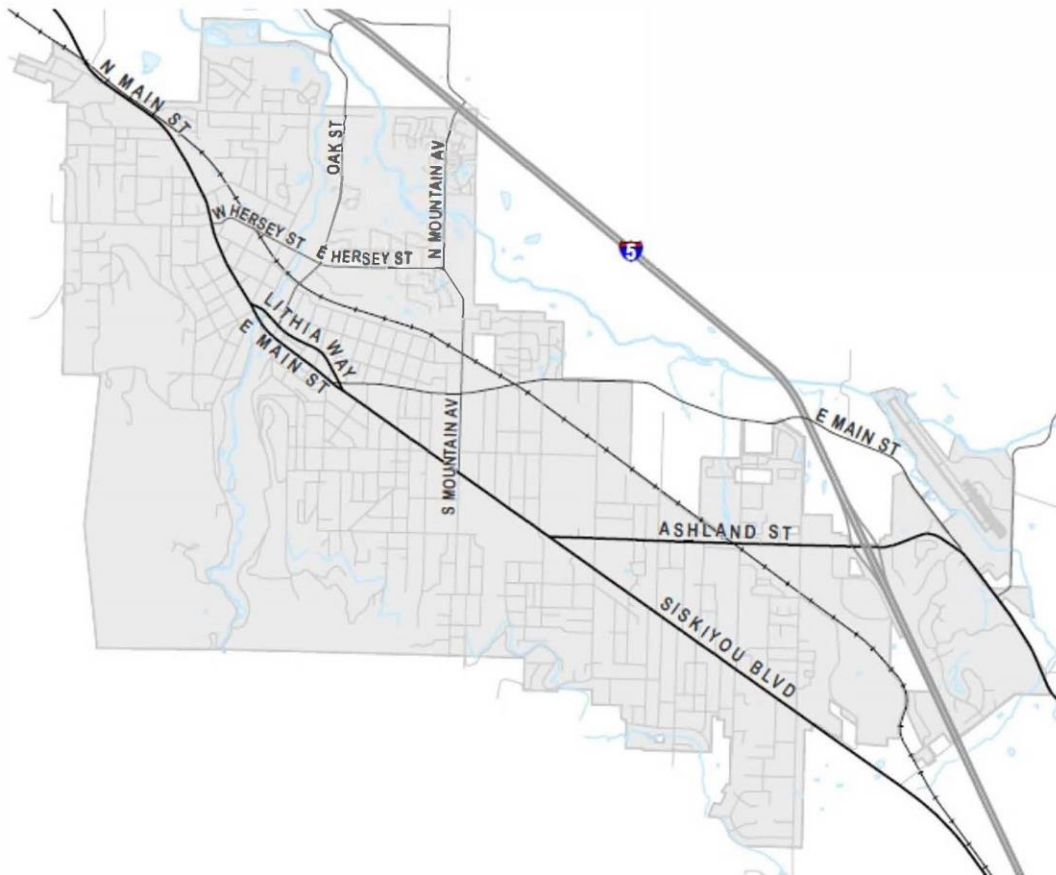
<u>Name</u>	<u>Position</u>
Adam Hanks	City Manager Pro Tem
David Lohman	City Attorney
Melanie Purcell	Finance Director
Scott Fleury	Interim Public Works Director
Thomas McBartlett	Electric Director
William Molnar	Community Development Director
Tighe O'Meara	Police Chief
Ralph Sartain	Interim Fire Chief
Michael Black	Parks and Recreation Director

City of Ashland

258.97 FTE



**CITY OF
ASHLAND**





FINANCIAL SECTION





Report of Independent Auditors

To the Mayor and City Council
City of Ashland, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in other post-employment benefits liability and related ratios, 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 as listed in the table of contents in the required supplementary information section, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis, schedule of changes in other post-employment benefits liability and related ratios, 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 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 fund statements and schedules and other information, as listed in the table of contents (collectively, the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

The introductory section and statistical information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

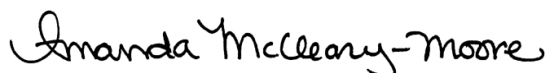
Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

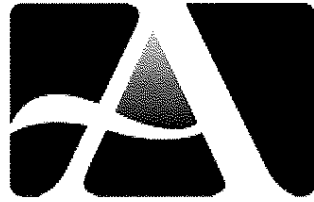
In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2021 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other 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 issued our report dated December 15, 2021 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Amanda McCleary-Moore, Partner for
Moss Adams LLP
Medford, Oregon
December 15, 2021



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, 2021 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.

- 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.
- 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.
- 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”.
- 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.
- 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:

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

2021 Financial Section

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, 2021:

- 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 \$132,635,428 (net position).
- The City of Ashland's total net position has increased by \$8,409,993. Governmental Activities of net position increased by \$5,780,576 while Business-Type Activities increased net position by \$2,629,417.
- At the close of fiscal year 2020-2021, the City's governmental funds reported combined ending fund balances of \$20,885,392, an increase of \$7,718,551 from the prior fiscal year of 2019-2020.

Please see the Financial Analysis on the following page.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2021-2020
	2021	2020	2021	2020	2021	2020	
Current Assets:							
Cash equivalents and investments	\$ 28,133	\$ 19,503	\$ 24,243	\$ 24,061	\$ 52,376	\$ 43,564	20.2%
Receivables, net	3,862	4,152	4,277	3,443	8,139	7,595	7.2%
Prepays	17	2	10	-	27	2	1250.0%
Inventories - supplies and materials	38	25	1,132	1,086	1,170	1,111	5.3%
Internal balances	(4,035)	(3,784)	4,035	3,784	-	-	n/a
Restricted assets:							
Cash and cash equivalents	916	951	-	-	916	951	-3.7%
Total current assets:	<u>28,931</u>	<u>20,849</u>	<u>33,697</u>	<u>32,374</u>	<u>62,628</u>	<u>53,223</u>	17.7%
Non-current Assets:							
Capital assets	149,070	146,408	132,305	130,650	281,375	277,058	1.6%
Less accumulated depreciation	(81,079)	(78,343)	(67,093)	(64,557)	(148,172)	(142,900)	3.7%
Total non-current assets	<u>67,991</u>	<u>68,065</u>	<u>65,212</u>	<u>66,093</u>	<u>133,203</u>	<u>134,158</u>	-0.7%
Total assets	<u>96,922</u>	<u>88,914</u>	<u>98,909</u>	<u>98,467</u>	<u>195,831</u>	<u>187,381</u>	4.5%
Deferred Outflows of Resources:							
Deferred outflows - Pensions	12,487	10,245	3,076	2,524	15,563	12,769	21.9%
Deferred outflows - OPEB	1,179	1,179	367	336	1,546	1,515	2.0%
Total Deferred Outflows	<u>13,666</u>	<u>11,424</u>	<u>3,443</u>	<u>2,860</u>	<u>17,109</u>	<u>14,284</u>	
Current Liabilities:							
Accounts payable and accrued liabilities and current portion of bonds and notes	5,380	6,151	3,513	4,455	8,893	10,606	-16.2%
Total current liabilities	<u>5,380</u>	<u>6,151</u>	<u>3,513</u>	<u>4,455</u>	<u>8,893</u>	<u>10,606</u>	-16.2%
Long-term liabilities:							
Net Pension Liability	37,318	29,216	9,194	7,198	46,512	36,414	27.7%
Transitional Liability	545	603	-	-	545	603	-9.6%
Net OPEB Liability	2,933	2,784	933	781	3,866	3,565	8.4%
Claims	110	110	-	-	110	110	0.0%
Long Term Debt	7,402	9,057	11,131	13,668	18,533	22,725	-18.4%
Total long-term liabilities	<u>48,308</u>	<u>41,770</u>	<u>21,258</u>	<u>21,647</u>	<u>69,566</u>	<u>63,417</u>	
Total liabilities	<u>53,688</u>	<u>47,921</u>	<u>24,771</u>	<u>26,102</u>	<u>78,459</u>	<u>74,023</u>	6.0%
Deferred Inflows of Resources:							
Deferred inflows - Pensions	1,069	2,260	263	557	1,332	2,817	-52.7%
Deferred inflows - OPEB	368	473	146	126	514	599	-14.2%
Total Deferred Inflows	<u>1,437</u>	<u>2,733</u>	<u>409</u>	<u>683</u>	<u>1,846</u>	<u>3,416</u>	-46.0%
Net Position:							
Net investment in capital assets	58,934	57,385	53,043	50,154	111,977	107,539	4.1%
Nonexpendable	917	955	-	-	917	955	n/a
Restricted	4,227	4,299	3,562	3,332	7,789	7,631	2.1%
Unrestricted surplus (deficit)	(8,615)	(12,956)	20,567	21,057	11,952	8,101	47.5%
Total net position	<u>\$ 55,463</u>	<u>\$ 49,683</u>	<u>\$ 77,172</u>	<u>\$ 74,543</u>	<u>\$ 132,635</u>	<u>\$ 124,226</u>	6.8%

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2021-2020
	2021	2020	2021	2020	2021	2020	
Program revenues:							
Charges for services	\$ 8,717	\$ 7,810	\$ 35,928	\$ 34,613	\$ 44,645	\$ 42,423	5.2%
Operating grants and contributions	12,550	9,246	509	223	13,059	9,469	37.9%
Capital grants and contributions	-	-	-	-	-	-	n/a
General revenues:							
Property taxes	12,539	12,207	-	-	12,539	12,207	2.7%
Other taxes	9,241	7,806	2	1,618	9,243	9,424	-1.9%
Interest	95	263	192	518	287	781	-63.3%
Other	187	57	65	114	252	171	47.4%
Transfer	193	50	(193)	(50)	-	-	n/a
Total revenues	<u>43,522</u>	<u>37,439</u>	<u>36,503</u>	<u>37,036</u>	<u>80,025</u>	<u>74,475</u>	7.5%
Program expenses:							
General government	6,343	6,475			6,343	6,475	-2.0%
Public safety	19,734	18,927			19,734	18,927	4.3%
Highways and streets	4,158	4,127			4,158	4,127	0.8%
Parks and Recreation	7,292	7,776			7,292	7,776	-6.2%
Interest on long-term debt	214	448			214	448	-52.2%
Water			7,190	7,112	7,190	7,112	1.1%
Wastewater			6,603	6,611	6,603	6,611	-0.1%
Stormwater			925	921	925	921	N/A
Electric			16,928	16,431	16,928	16,431	3.0%
Telecommunications			2,228	2,239	2,228	2,239	-0.5%
Total expenses	<u>37,741</u>	<u>37,753</u>	<u>33,874</u>	<u>33,314</u>	<u>71,615</u>	<u>71,067</u>	0.8%
Increase (decrease) in net position	5,781	(314)	2,629	3,722	8,410	3,408	146.8%
Net position - Beginning	<u>49,682</u>	<u>49,997</u>	<u>74,543</u>	<u>70,821</u>	<u>124,225</u>	<u>120,818</u>	2.8%
Net position - Ending	<u>\$ 55,463</u>	<u>\$ 49,683</u>	<u>\$ 77,172</u>	<u>\$ 74,543</u>	<u>\$ 132,635</u>	<u>\$ 124,226</u>	6.8%

Financial Analysis

Governmental Funds. As of the end of the current year the City’s governmental funds had a combined ending fund balance of \$20,885,392, an increase from the prior year of \$7,718,551. Government operations, particularly in the administrative areas including Parks held vacancies open, conducted targeted lay-offs, furloughs and minimized operating expenditures during the COVID-19 pandemic. Revenues to the General Fund exceeded estimates especially for permits and plan reviews as development activity remained strong, and in Transient Occupancy Tax partially due to increased demand for emergency, short-term housing after the Alameda and other wildfires.

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 from Transient Occupancy Tax, which is a tax on temporary or short-term lodging. 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.

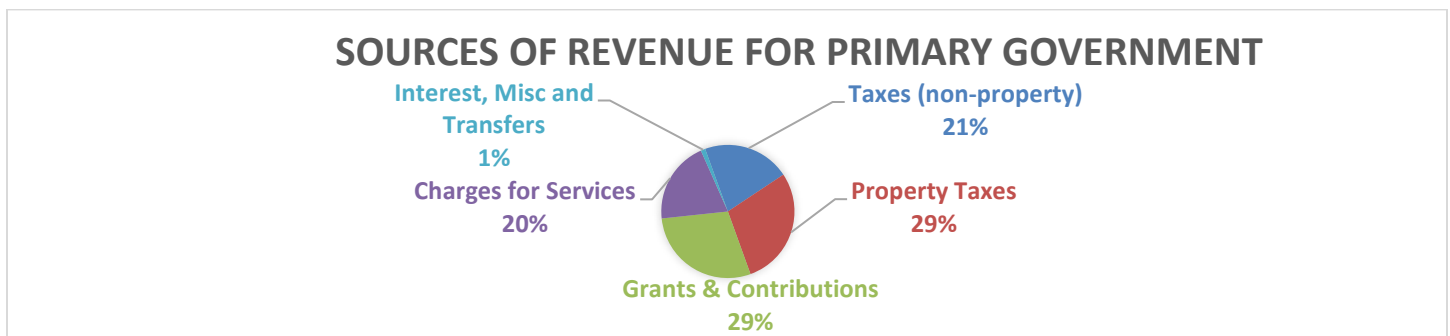
The Street Fund (pg 93) ended the year with revenues less than estimated. While the impacts of the COVID-19 pandemic reduced overall Food and Beverage Tax revenue revenues, the Streets Fund received a greater portion than originally scheduled. In December, 2020, the Ashland City Council approved paying the Wastewater Plant Debt off one year early using balance from the Wastewater Fund. Per ordinance, the remaining Food & Beverage Tax receipts after paying the dedicated percentages to Parks General and Central Service Funds is distributed to the Streets Fund.

The Parks and Recreation Fund (pg 94) ended with a fund balance of \$1,793,398. This was largely due to laying off six positions due to the direct revenue shortage from COVID-19.

The Non-Major funds are comprised of seven funds including: Housing, CDBG, Airport, Parks Capital Improvement, Debt service and Cemetery. These funds remained consistent from previous year, with a small increase by a combined balance to \$266,708, a 5 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 \$39,551.



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.

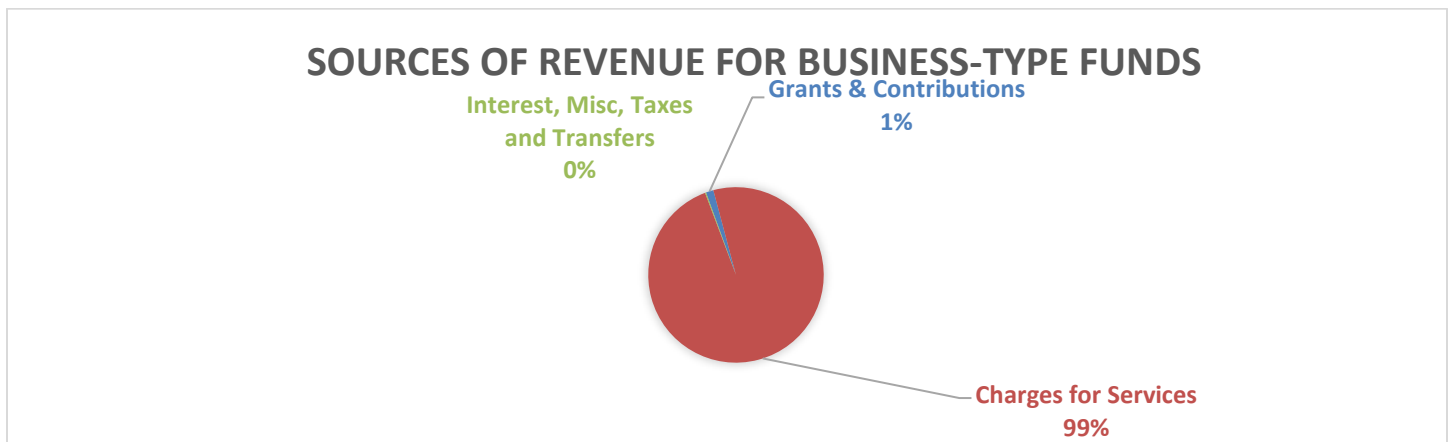
The Water Fund (pg 109) ended the year with an approximate \$1.895 million excess of revenues over expenditures. The City has continued design and engineering evaluations of the \$35-\$40 million water treatment plant project based on the adopted Capital Improvement Plan. The fund balance, consistent 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 \$2.5 million decrease in fund balance. The early payment of the Wastewater Plant debt by this fund, rather than finishing the debt schedule using Food & Beverage Tax revenues reduced available balance as well as the associated interest expense. This fund plans to begin the \$2.9 million shading/riparian improvement project in the next Biennium.

The Stormwater Fund (pg 111) ended the year with a \$1.77 million fund balance. This fund has not completed its Master plan. A new Master plan for wastewater, when adopted, will require an update to infrastructure needs and associated rate design for adequate revenue streams to accomplish the projects identified in the upcoming Master Plan.

Shown on page (pg 112), the Electric Fund ended the year with revenues over expenditures of \$897,082. Historically and currently, most of its infrastructure improvements are covered on a cash basis. This fund anticipates issuing debt in the BN2021-2023 budget to 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.

The Telecommunications Fund (pg 113) ended in the positive with revenues exceeding expenditures. The fund balance is at \$2.1 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 in BN2023-25



Internal Service Funds. The City has four internal service funds: Central Service, Insurance Services, Health Benefits and Equipment Funds.

The Central Service Fund ended with a positive ending fund balance of \$3,087,205, which will be rolled into the General Fund per the adoption of the financial policy by Council in December 2020, which will be implemented fiscal year 2022. This fund incurred significantly less costs during the pandemic primarily due to unfilled positions.

The Insurance Service Fund ended the year with a positive net position due to a Council approved transfer from operating funds to cover greater than anticipated claims and expenses. 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 \$1,463,355. The City made a substantial change from being self-insured to returning 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. The City will continue to monitor health care benefits and its costs and utilize surplus balances to stabilize costs to operating costs during BN2021-2023 if needed.

The Equipment Fund is currently being re-evaluated to prepare for future purchases and to stabilize the health of the fund. Its fund balance did increase by \$16,643 over the previous year. However, departments will have increased charges to ensure coverage of future equipment purchases and to ensure full coverage 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 two supplemental appropriations during the second year of 2019-2021 Biennium approved by Council.

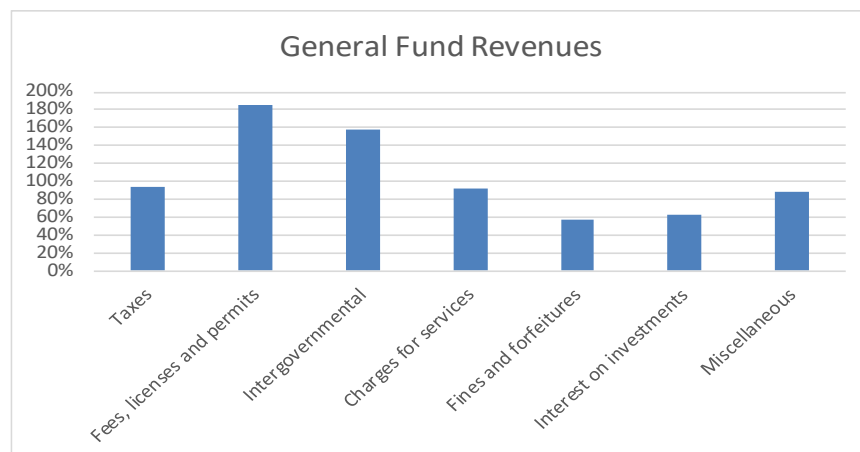
Below are authorized changes in the General Fund:

Second year of the Biennium:

- Fire Department: Recognized reimbursement for the Obenchain and Almeda fire in the amount of \$122,786. As well as several external grants in the amount of \$258,250.
- There was a transfer out of \$224,912 to the Insurance fund. This was to properly allocate increased insurance related costs incurred by operations within the General Fund.

The General Fund ended the second year of the Biennium budget with revenues exceeding expenditures by \$4,428,339. The two major revenue categories in this fund that are trending well are Fees, licenses & permits and Intergovernmental. Taxes revenue is lower than originally anticipated with the decline in Transient Occupancy Tax (TOT) due to the impact from COVID-19. Some revenues were also affected by the impacts of the Almeda and other wildfires in Southern Oregon and Northern California.

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. 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

- **Capital Assets.** As of June 30, 2021, the City had \$133 million in capital assets. In the Governmental Activities, the most notable increase is in Infrastructure. This is due to completion of the Hersey Street Rebuild of \$3.8 million, Laurel and Hersey Railroad crossing of \$547,000. In the Business-type Activities, Infrastructure increased to the Electric underground improvements of \$1.2 million and the completion of the Wastewater collection Rehabilitation of \$511,000.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2021-2020
	2021	2020	2021	2020	2021	2020	
Land	\$ 15,339	\$ 15,338	\$ 3,107	\$ 3,107	\$ 18,446	\$ 18,445	0.0%
Buildings and improvements	45,486	45,414	22,100	22,100	67,586	67,514	0.1%
Equipment	23,614	23,224	1,445	1,381	25,059	24,605	1.8%
Infrastructure	60,950	56,351	99,247	97,409	160,197	153,760	4.2%
Construction in progress	3,681	6,081	6,406	6,654	10,087	12,735	-20.8%
Totals at historical cost	149,070	146,408	132,305	130,651	281,375	277,059	1.6%
Total accumulated depreciation	81,079	78,343	67,093	64,557	148,172	142,900	3.7%
Net capital assets	\$ 67,991	\$ 68,065	\$ 65,212	\$ 66,094	\$ 133,203	\$ 134,159	-0.7%

o **Debt Administration.** At end of year the City had \$21.2 million in debt outstanding. The City overall debt decreased by 20% from Fiscal Year 2020, contributing to a commensurate decrease in interest payment expense. The following debts were retired during FY 2021.

- 2009 Water and Wastewater debt for constructions project of \$1,000,000 was paid off.
- The Wastewater Fund's 2013 Full Faith debt of \$2.9 Million, a loan which was refinanced in 2010 for wastewater treatment plant project.

The City did incur new debts of \$278,649. The only drawdown for the following:

The Wastewater Fund drew down \$278,649 from the Department of Environmental Quality Clean Water State Revolving Fund for the riparian restoration and outfall relocation project 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 66) and Long-Term Debt (section E, starting on page 68).

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2021-2020
	2021	2020	2021	2020	2021	2020	
Bonds payable	\$ 7,240	\$ 8,615	\$ 2,005	\$ 5,722	\$ 9,245	\$ 14,337	-35.52%
Notes payable	1,817	2,065	10,164	10,217	11,981	12,282	-2.45%
Total bonds and notes	\$ 9,057	\$ 10,680	\$ 12,169	\$ 15,939	\$ 21,226	\$ 26,619	-20.26%

o **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 2020-2021 real market value, this debt limitation is \$133,989,440. The amount of outstanding City debt subject to this limitation is \$7,240,000 (under 7% of maximum debt limitation).

Economic Factors and Next Year's Budget and Rates

The City of Ashland adopted its Biennium budget for 2021-2023 of \$263,949,218 in total appropriations.

- **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.
- **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 several years. The City is addressing this with a change 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.

However, the ability to garner sufficient savings through optimization of outsourcing, intergovernmental agreements, negotiated benefit reductions, and other expenditure focused tools without affecting service levels and composition becomes increasingly difficult to accomplish without community trade-offs, adjusted service level expectations and loss of local, independent decision making with regionalization of certain services. The BN2021-2023 Budget anticipates Council efforts to prioritize services and explore alternative structures, partnerships and funding to avoid dramatic reductions in services in future biennia.

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, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets:			
Cash equivalents and investments	\$ 28,132,872	\$ 24,243,484	\$ 52,376,356
Receivables (net of allowance for uncollectible)	3,862,211	4,276,712	8,138,923
Prepays expenses	17,246	10,150	27,396
Inventories	37,568	1,132,279	1,169,847
Internal balances	(4,035,200)	4,035,200	-
Restricted assets:			
Cash and cash equivalents	916,328	-	916,328
Noncurrent assets:			
Capital assets:			
Land	15,338,439	3,106,925	18,445,364
Buildings	45,485,473	22,099,664	67,585,137
Machinery and equipment	23,614,209	1,445,491	25,059,700
Infrastructure	60,950,409	99,246,916	160,197,325
Construction in progress	3,681,360	6,405,580	10,086,940
Accumulated depreciation	(81,078,681)	(67,092,587)	(148,171,268)
Total assets	96,922,234	98,909,814	195,832,048
Deferred Outflows of Resources:			
Deferred outflows - Pension	12,487,017	3,076,479	15,563,496
Deferred outflows - OPEB	1,179,023	367,023	1,546,046
Total Deferred Outflows	13,666,040	3,443,502	17,109,542
Liabilities:			
Current liabilities:			
Accounts payable and other	3,616,270	2,416,715	6,032,985
Claims and judgment	50,000	-	50,000
Bonds and Notes	1,655,000	1,037,483	2,692,483
Accrued interest payable	59,370	58,501	117,871
Noncurrent liabilities:			
Proportional Share of Net Pension Liability	37,318,104	9,194,212	46,512,316
Transitional Liability	544,768	-	544,768
Net OPEB Liability	2,932,972	933,142	3,866,114
Claims and judgment	110,093	-	110,093
Bonds and Notes	7,402,000	11,131,338	18,533,338
Total liabilities	53,688,577	24,771,391	78,459,968
Deferred Inflows of Resources:			
Deferred inflows - Pension	1,069,097	263,399	1,332,496
Deferred inflows - OPEB	367,579	146,119	513,698
Total Deferred Inflows	1,436,676	409,518	1,846,194
Net Position:			
Net investment in capital assets	58,934,209	53,043,168	111,977,377
Non-expendable:			
Perpetual care	917,499	-	917,499
Restricted for:			
Asset forfeiture	35,497	-	35,497
Transient Occupancy Tax - tourism	262,617	-	262,617
System development	2,904,597	3,562,222	6,466,819
The Community Development Block Grant restriction	36,620	-	36,620
Debt service	987,974	-	987,974
Unrestricted (deficit)	(8,615,992)	20,567,017	11,951,025
Total Net Position	\$ 55,463,021	\$ 77,172,407	\$ 132,635,428

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, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 6,342,601	\$ 3,610,941	\$ 3,693,619	\$ -
Public safety	19,734,452	2,292,505	1,109,305	-
Highways and streets	4,158,101	1,985,360	1,513,586	-
Parks and recreation	7,291,708	827,593	6,162,969	70,915
Interest on long-term debt	213,858	-	-	-
Total governmental activities	37,740,720	8,716,399	12,479,479	70,915
Business-type Activities:				
Water	7,189,625	9,362,331	-	-
Wastewater	6,603,551	6,441,907	-	-
Stormwater	925,293	756,488	-	-
Electric	16,927,962	16,715,771	509,585	-
Telecommunications	2,228,550	2,651,517	-	-
Total business-type activities	33,874,981	35,928,014	509,585	-
Total primary government	71,615,701	44,644,413	12,989,064	70,915

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, 2021 (continued)

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ 961,959	\$ -	\$ 961,959
(16,332,642)	-	(16,332,642)
(659,155)	-	(659,155)
(230,231)	-	(230,231)
(213,858)	-	(213,858)
(16,473,927)	-	(16,473,927)
-	2,172,706	2,172,706
-	(161,644)	(161,644)
-	(168,805)	(168,805)
-	297,394	297,394
-	422,967	422,967
-	2,562,618	2,562,618
(16,473,927)	2,562,618	(13,911,309)
12,539,166	-	12,539,166
3,532,748	-	3,532,748
5,706,995	2,193	5,709,188
95,482	192,853	288,335
186,994	64,871	251,865
193,118	(193,118)	-
22,254,503	66,799	22,321,302
5,780,576	2,629,417	8,409,993
49,682,445	74,542,990	124,225,435
\$ 55,463,021	\$ 77,172,407	\$ 132,635,428

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

CITY OF ASHLAND, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	General	Street	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and investments	\$ 10,883,899	\$ 3,612,342	\$ 4,385,455	\$ 18,881,696
Receivables (net of allowance for uncollectible)	3,231,233	363,049	208,270	3,802,552
Prepays expenses	17,246	-	-	17,246
Cash - restricted	-	-	916,328	916,328
Total assets	\$ 14,132,378	\$ 3,975,391	\$ 5,510,053	\$ 23,617,822
Liabilities:				
Accounts payable	1,393,902	93,994	80,981	1,568,877
Total liabilities	1,393,902	93,994	80,981	1,568,877
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	385,485	-	21,080	406,565
Unavailable revenue - special assessments & other	636,730	8,957	111,301	756,988
Total Deferred Inflows of Resources	1,022,215	8,957	132,381	1,163,553
Fund Balances:				
Nonspendable:				
Perpetual care	-	-	917,499	917,499
Prepaid expenses	17,246	-	-	17,246
Restricted for:				
Asset forfeiture	35,497	-	-	35,497
Transient Occupancy Tax - tourism	262,617	-	-	262,617
System development charges	-	2,659,497	245,100	2,904,597
Community Development Block Grant	-	-	36,620	36,620
Debt commitment	-	-	987,974	987,974
Committed for:				
General fund	1,061,438	-	-	1,061,438
Housing Fund	-	-	128,254	128,254
Special revenue funds	-	1,212,943	264,126	1,477,069
Parks activities	-	-	1,891,310	1,891,310
Capital projects funds	-	-	825,808	825,808
Unassigned	10,339,463	-	-	10,339,463
Total fund balances	11,716,261	3,872,440	5,296,691	20,885,392
Total liabilities, deferred inflows and fund balances	\$ 14,132,378	\$ 3,975,391	\$ 5,510,053	\$ 23,617,822

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, 2021**

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

Fund Balances	\$ 20,885,392
<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	62,665,604
<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	(9,057,000)
Accrued interest on liabilities	(59,370)
<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>	
	(18,919,740)
<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>	
	(1,359,174)
<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	(1,247,760)
<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	406,565
Unavailable - Special Assessments and All others	756,988
<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>1,391,516</u>
Total net position	<u>\$ 55,463,021</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, 2021

	General Fund	Street Fund	Other Governmental Funds	Total Government
Revenues:				
Taxes	\$ 22,872,395	\$ 1,874,233	\$ 962,970	\$ 25,709,598
Fees, licenses and permits	2,411,618	-	-	2,411,618
Intergovernmental	4,320,866	2,519,949	1,030,636	7,871,451
Charges for services	7,743,880	1,633,340	2,464,082	11,841,302
System development charges	-	352,020	93,733	445,753
Assessments	-	7,024	-	7,024
Fines and forfeitures	273,630	-	-	273,630
Interest on investments	60,439	9,866	29,457	99,762
Miscellaneous	119,922	20,311	-	140,233
Total revenues	37,802,750	6,416,743	4,580,878	48,800,371
Expenditures:				
General government	9,409,944	-	1,549,571	10,959,515
Public safety	17,552,424	-	-	17,552,424
Highways and streets	-	2,773,399	-	2,773,399
Parks and Recreation	5,706,007	-	749,070	6,455,077
Debt service	-	81,963	1,765,517	1,847,480
Capital outlay	-	1,337,619	-	1,337,619
Total expenditures	32,668,375	4,192,981	4,064,158	40,925,514
Excess (Deficiency) of revenues over (under) expenditures	5,134,375	2,223,762	516,720	7,874,857
Other financing sources (uses)				
Transfers In	391,847	-	324,672	716,519
Transfers Out	(265,634)	(32,507)	(574,684)	(872,825)
Total other financing sources (uses)	126,213	(32,507)	(250,012)	(156,306)
Net change in fund balance	5,260,588	2,191,255	266,708	7,718,551
Fund balance, July 1, 2020	6,455,673	1,681,185	5,029,983	13,166,841
Fund balance, June 30, 2021	\$ 11,716,261	\$ 3,872,440	\$ 5,296,691	\$ 20,885,392

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, 2021**

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

Changes in net fund balance	\$	7,718,551
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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		70,915
Capital outlay expenditures capitalized		2,978,323
Depreciation expense		(3,315,290)

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.		(3,253,597)
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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.		45,892
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Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions 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		1,623,000
Compensated absences		(75,236)
Accrued interest		10,622

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

Property taxes		(247,245)
Special assessments		(6,243)
Other		166,952

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.

Internal Service Fund change in net position		63,932
Change in net position	\$	5,780,576

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

**CITY OF ASHLAND, OREGON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2021**

	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	\$ 11,518,047	\$ 6,199,485	\$ 1,703,172	\$ 2,980,965	\$ 1,841,815	\$ 24,243,484	\$ 9,251,176
Interest and accounts receivable, net	1,172,939	1,730,572	94,460	846,669	342,475	4,187,115	47,514
Notes and contracts receivable	-	-	-	89,596	-	89,596	12,145
Prepays	1,389	125	-	4,131	4,505	10,150	-
Inventories	436,071	4,237	-	691,971	-	1,132,279	37,568
Total current assets	13,128,446	7,934,419	1,797,632	4,613,332	2,188,795	29,662,624	9,348,403
Noncurrent Capital assets:							
Capital assets, not being depreciated or amortized:							
Land	956,587	2,150,338	-	-	-	3,106,925	-
Construction in process	4,817,334	1,530,199	-	58,047	-	6,405,580	646,363
Capital assets, being depreciated or amortized:							
Capital assets	42,347,605	52,529,789	1,521,867	16,600,400	9,792,411	122,792,072	17,046,301
Accumulated depreciation	(21,769,403)	(25,261,773)	(926,111)	(9,768,126)	(9,367,174)	(67,092,587)	(12,367,062)
Capital assets, net	26,352,124	30,948,553	595,756	6,890,321	425,237	65,211,990	5,325,602
Total assets	39,480,570	38,882,971	2,393,388	11,503,653	2,614,032	94,874,614	14,674,005
Deferred Outflows of Resources:							
Deferred Outflows - Pension	884,893	666,619	168,130	1,002,880	353,957	3,076,479	3,628,059
Deferred Outflows - OPEB	100,293	75,554	37,392	113,666	40,118	367,023	411,202
Total deferred outflows of resources	985,186	742,173	205,522	1,116,546	394,075	3,443,502	4,039,261
LIABILITIES, DEFERRED INFLOWS AND NET POSITION							
Current liabilities:							
Accounts payable	291,296	297,378	5,913	683,572	45,435	1,323,594	131,931
Accrued salaries, vacation and payroll taxes	192,544	163,804	26,595	363,061	58,851	804,855	667,700
Accrued interest payable	49,958	8,125	407	11	-	58,501	-
Other liabilities	-	-	-	288,266	-	288,266	-
Revenue bonds payable, Current	407,106	208,663	-	21,714	-	637,483	-
General obligation bonds payable, Current	350,000	40,000	10,000	-	-	400,000	-
Total current liabilities	1,290,904	717,970	42,915	1,356,624	104,286	3,512,699	799,631
Noncurrent liabilities:							
Net OPEB Liabilities	255,043	192,132	94,901	289,049	102,017	933,142	1,045,676
Proportionate Share of Net Pension Liability	2,644,548	1,992,226	502,464	2,997,155	1,057,819	9,194,212	10,842,649
Accrued claims	-	-	-	-	-	-	160,093
Revenue bonds payable, net	7,260,449	2,265,889	-	-	-	9,526,338	-
General obligation bonds payable, net	1,285,000	255,000	65,000	-	-	1,605,000	-
Total noncurrent liabilities	11,445,040	4,705,247	662,365	3,286,204	1,159,836	21,258,692	12,048,418
Total liabilities	12,735,944	5,423,217	705,280	4,642,828	1,264,122	24,771,391	12,848,049
Deferred Inflows of Resources:							
Deferred inflows - Pension	75,762	57,074	14,395	85,863	30,305	263,399	310,622
Deferred inflows - OPEB	31,190	23,496	11,988	66,969	12,476	146,119	127,880
Total deferred inflows of resources	106,952	80,570	26,383	152,832	42,781	409,518	438,502
Net Position:							
Net Position:							
Net Investment in capital assets	17,049,569	28,179,001	520,756	6,868,607	425,237	53,043,169	5,325,602
Restricted for system development	1,260,235	2,301,987	-	-	-	3,562,222	-
Unrestricted	9,313,056	3,640,370	1,346,491	955,932	1,275,967	16,531,815	101,113
Total Net Position	\$ 27,622,859	\$ 34,121,358	\$ 1,867,247	\$ 7,824,539	\$ 1,701,204	\$ 73,137,207	\$ 5,426,715
Total liabilities, Deferred Inflows and Net Position	\$ 40,465,755	\$ 39,625,145	\$ 2,598,910	\$ 12,620,199	\$ 3,008,107	\$ 98,318,116	\$ 18,713,266
Total Net Position						\$ 73,137,207	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						4,035,200	
Net Position of business-type activities						<u>\$ 77,172,407</u>	

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

CITY OF ASHLAND, OREGON
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the year ended June 30, 2021

	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	\$ 9,362,331	\$ 6,441,907	\$ 756,488	\$ 16,715,771	\$ 2,651,517	\$ 35,928,014	\$ 17,527,822
Miscellaneous	14,294	58	-	50,520	-	64,872	238,217
Total operating revenues	9,376,625	6,441,965	756,488	16,766,291	2,651,517	35,992,886	17,766,039
Operating expenses:							
Cost of sales and services	6,279,866	5,000,672	871,940	16,758,358	2,180,364	31,091,200	17,898,666
Depreciation and amortization	829,183	1,286,011	58,603	296,613	64,959	2,535,369	186,672
Total operating expenses	7,109,049	6,286,683	930,543	17,054,971	2,245,323	33,626,569	18,085,338
Operating income (loss)	2,267,576	155,282	(174,055)	(288,680)	406,194	2,366,317	(319,299)
Non-operating income (expenses):							
Taxes	-	2,193	-	-	-	2,193	49,752
Intergovernmental	16,766	17,088	5,049	446,543	24,139	509,585	180,557
Interest income	80,500	67,280	12,831	21,087	11,155	192,853	54,695
Interest expense	(133,683)	(363,831)	(1,701)	(395)	-	(499,610)	-
Total non-operating income (expenses)	(36,417)	(277,270)	16,179	467,235	35,294	205,021	285,004
Transfers							
Transfer In	-	-	-	-	-	-	349,424
Transfer Out	(84,504)	(44,119)	(13,391)	(40,923)	(10,181)	(193,118)	-
Total Transfers	(84,504)	(44,119)	(13,391)	(40,923)	(10,181)	(193,118)	349,424
Change in net position	2,146,655	(166,107)	(171,267)	137,632	431,307	2,378,220	315,129
Total Net Position - Beginning	25,476,204	34,287,465	2,038,514	7,686,907	1,269,897	70,758,987	5,111,586
Total Net Position - Ending	\$ 27,622,859	\$ 34,121,358	\$ 1,867,247	\$ 7,824,539	\$ 1,701,204	\$ 73,137,207	\$ 5,426,715
Change in Net Position						\$ 2,378,220	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						251,197	
Change in Net Position of business-type activities - Statement of Activities						<u>\$ 2,629,417</u>	

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

2021 Basic Financial Statements

**CITY OF ASHLAND, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2021**

	Business-type Activities - Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Water	Wastewater	Stormwater	Electric	Tele-		
	Fund	Fund	Fund	Fund	communications Fund		
Cash flows from operating activities:							
Receipts from customers and users	\$ 9,058,431	\$ 6,007,169	\$ 736,168	\$ 16,747,364	\$ 2,609,707	\$ 35,158,839	\$ 18,024,133
Payments to suppliers	(4,080,520)	(3,173,673)	(449,371)	(13,378,968)	(1,341,098)	(22,423,630)	(10,192,324)
Payments to employees	(1,737,343)	(1,450,104)	(310,676)	(2,956,326)	(686,220)	(7,140,669)	(6,205,681)
Net cash from operating activities	3,240,568	1,383,392	(23,879)	412,070	582,389	5,594,540	1,626,128
Cash flows from noncapital financing activities:							
Taxes collected	-	2,193	-	-	-	2,193	49,752
Transfers In (Out)	(84,504)	(44,119)	(13,391)	(40,923)	(10,181)	(193,118)	349,424
Intergovernmental	16,766	17,088	5,049	446,543	24,139	509,585	180,557
Net cash from noncapital financing activities	(67,738)	(24,838)	(8,342)	405,620	13,958	318,660	579,733
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(629,936)	(933,266)	-	(26,275)	(64,609)	(1,654,086)	(379,388)
Proceeds from issuance of debt	-	278,649	-	-	-	278,649	-
Principal paid on bonds, contracts and notes	(786,863)	(3,230,124)	(10,000)	(21,714)	-	(4,048,701)	-
Interest paid on debt	(133,683)	(363,831)	(1,700)	(395)	-	(499,609)	-
Net cash from capital and related financing activities	(1,550,482)	(4,248,572)	(11,700)	(48,384)	(64,609)	(5,923,747)	(379,388)
Cash flows from investing activities:							
Interest from investments and other income	80,500	67,280	12,831	21,084	11,155	192,852	54,696
Net increase (decrease) in cash and investments	1,702,848	(2,822,738)	(31,090)	790,390	542,893	182,303	1,881,169
Cash and investments, beginning of year	9,815,199	9,022,223	1,734,262	2,190,575	1,298,922	24,061,181	7,370,007
Cash and investments, end of year	\$ 11,518,047	\$ 6,199,485	\$ 1,703,172	\$ 2,980,965	\$ 1,841,815	\$ 24,243,484	\$ 9,251,176
Reconciliation of operating income to net cash provided by operating activities:							
Operating income (loss)	2,267,576	155,282	(174,055)	(288,680)	406,194	2,366,317	(319,299)
Depreciation and amortization	829,183	1,286,011	58,603	296,613	64,959	2,535,369	186,672
Change in assets and liabilities:							
(Increase) decrease in:							
Receivables	(318,194)	(434,796)	(20,320)	(18,927)	(41,810)	(834,047)	258,093
Net Pension Liability	330,834	249,230	62,858	374,946	132,334	1,150,202	1,356,425
Net OPEB Liability	21,835	16,448	38,316	56,365	8,733	141,697	89,524
Inventories	(38,160)	(124)	-	(13,962)	(4,505)	(56,751)	(10,963)
Increase (decrease) in:							
Accounts payable and accrued liabilities	147,580	98,422	5,800	22,514	14,571	288,887	(74,417)
Other liabilities	(86)	12,919	4,919	(16,799)	1,913	2,866	140,093
Net cash from operating activities	\$ 3,240,568	\$ 1,383,392	\$ (23,879)	\$ 412,070	\$ 582,389	\$ 5,594,540	\$ 1,626,128

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.

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 Net Activities) report information on the activities of the primary government and its component unit. 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 general and public works administration, finance, information services, 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 2021 includes \$721,303 by the Water Fund, \$495,344 by the Wastewater Fund, and \$1,681,553 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:

	<u>General Government</u>
Restricted Cash:	
Cemetery Trust Fund	\$ 916,328
	<u>\$ 916,328</u>

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.

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. Interest incurred during the construction phase of capital assets of business-type activities is included as a part of the capitalized value of the asset constructed. No interest was capitalized in the current accounting period.

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 1, 2021. 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 position 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 position 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. New Accounting Pronouncement

GASB Statement 84 - *Fiduciary Activities* was implemented and there was no impact to the City financial report for fiscal year 2021.

GASB Statement 97 – Certain Component Unit Criteria, and Accounting and Financial reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. This will be implemented in next year’s report.

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 2019-2021; therefore, all spending authority of the City lapses at the end of the biennial period.

- In Fiscal year 2019-2020, the City made one appropriation adjustment for transfers and supplemental budget adjustments. This budget amendment were all adopted by resolution.
- In Fiscal year 2020-2021, the City made three appropriation adjustments. All three were amended by resolutions (Resolution # 2020-25, 2021-02 & 2021-16).

Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2021.

Deficit fund equity:

Generally accepted accounting principles and Oregon state law requires fund disclosure of deficit fund balance/total net position. At June 30, 2021 one fund reported a deficit net position in the GAAP basis financial statements:

Internal Service Fund:	
Central Service Fund	\$ 3,878,522

The Central Service Fund, an internal service fund, reported deficit net position of \$3,878,522. The deficit net position is a result of the liabilities for Public Employees Retirement System (PERS). Without an increase in assets, the PERS liability will continue to cause a negative net position for the Central Service Fund.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

	Total Primary Government
Petty cash	\$ 5,590
Deposits with financial institutions	1,918,882
Imprest Cash	120,000
Investments	51,248,212
	\$ 53,292,684
Governmental - unrestricted	\$ 52,376,356
Governmental - restricted:	
Cemetery Trust Fund	916,328
	\$ 53,292,684

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, 2021. 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, 2021, the fair value of the position in the LGIP is 100.40% 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, 2020, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in months)</u>		
		<u>Less than 3</u>	<u>3-17</u>	<u>18-59</u>
State Treasurer's investment pool	51,248,212	51,248,212	-	-
	\$ 51,248,212	\$ 51,248,212	\$ -	\$ -

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.

- 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

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:

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, 2021, 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:

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:

	Balance
<u>Governmental Activities:</u>	
Current:	
Property Tax	\$ 442,276
Business Licenses	111,432
Ambulance billing	524,728
Utility Receivables	794,223
Misc. Receivables	630,789
Grant Receivables	564,172
Hotel/Motel Receivables	660,371
Total current	3,727,991
Long-Term:	
Rehabilitation loans	59,252
Special Assessments	8,957
Notes Receivable	13,961
SDC receivable	52,049
Total Long - Term	134,219
Total	\$ 3,862,211
<u>Business-type Activities:</u>	
Current:	
Utility Receivables	3,106,526
Food & Beverage Receivables	670,650
Grants Receivables	217,765
Misc. Receivables	192,175
Total current	4,187,116
Long-Term:	
Conservation loans	89,596
Total Long - Term	89,596
Total	\$ 4,276,712
Accounts, Net	\$ 8,138,923

C. Capital Assets

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions and Reclasses	Retirements and Reclasses	Balance June 30, 2021
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 15,338,439	\$ -	\$ -	\$ 15,338,439
Construction in progress	6,081,316	2,213,953	4,613,909	3,681,360
Total capital assets, not being depreciated	21,419,755	2,213,953	4,613,909	19,019,799
Buildings	45,413,558	71,915	-	45,485,473
Infrastructure	56,350,836	4,599,573	-	60,950,409
Machinery and equipment	23,223,547	1,157,092	766,430	23,614,209
Total capital assets, being depreciated	124,987,941	5,828,580	766,430	130,050,091
Less accumulated depreciation for:				
Buildings	(19,385,188)	(1,190,177)	-	(20,575,365)
Infrastructure	(41,389,605)	(1,169,856)	-	(42,559,461)
Machinery and equipment	(17,568,356)	(1,141,929)	(766,430)	(17,943,855)
Total accumulated depreciation	(78,343,149)	(3,501,962)	(766,430)	(81,078,681)
Total capital assets being depreciated, net	46,644,792	2,326,618	-	48,971,410
Governmental activities capital assets, net	<u>\$ 68,064,547</u>	<u>\$ 4,540,571</u>	<u>\$ 4,613,909</u>	<u>\$ 67,991,209</u>
	Balance June 30, 2020	Additions and Reclasses	Retirements and Reclasses	Balance June 30, 2021
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 3,106,925	\$ -	\$ -	\$ 3,106,925
Construction in progress	6,653,620	1,589,480	1,837,517	6,405,583
Total capital assets, not being depreciated	9,760,545	1,589,480	1,837,517	9,512,508
Buildings	22,099,664	-	-	22,099,664
Infrastructure	97,409,400	1,837,516	-	99,246,916
Machinery and equipment	1,380,879	64,611	-	1,445,490
Total capital assets, being depreciated	120,889,943	1,902,127	-	122,792,070
Less accumulated depreciation:				
Buildings	(8,608,461)	(436,144)	-	(9,044,605)
Infrastructure	(54,687,411)	(2,047,996)	-	(56,735,407)
Machinery and equipment	(1,261,349)	(51,226)	-	(1,312,575)
Total accumulated depreciation	(64,557,221)	(2,535,366)	-	(67,092,587)
Total capital assets being depreciated, net	56,332,722	(633,239)	-	55,699,483
Business-type activities capital assets, net	<u>\$ 66,093,267</u>	<u>\$ 956,241</u>	<u>\$ 1,837,517</u>	<u>\$ 65,211,991</u>

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

General government	\$	1,167,464
Public safety		180,770
Highways and streets		1,084,884
Parks and Rec		1,068,844
Total	\$	<u>3,501,962</u>

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

Water Fund	\$	829,183
Wastewater Fund		1,286,011
Stormwater Fund		58,602
Electric Fund		296,612
Telecommunication Fund		64,958
Total	\$	<u>2,535,366</u>

Construction Commitments

The government has active construction projects as of June 30, 2021. 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 \$5,468,115 at June 30, 2021.

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, 2021, is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ 391,846	\$ 265,634
Street fund	-	32,507
Non-major governmental	324,672	574,684
Central Service	-	42,455
Insurance Fund	500,000	-
Heath Benefits Fund	-	100,000
Equipment Fund	-	8,120
Business-type Activities:		
Water Fund	-	84,504
Wastewater Fund	-	44,119
Stormwater Fund	-	13,391
Electric Fund	-	40,923
Telecommunication Fund	-	10,181
Total	<u>\$ 1,216,518</u>	<u>\$ 1,216,518</u>

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;

<u>Purpose</u>	<u>Activity</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
Upgrade to Garfield Water Park	Government	\$ 870,000	2.12%	\$ 417,000
Purchase of Biscoe School Building	Government	\$ 1,540,000	0.00%	1,100,000
Purchase of Biscoe School Yard	Government	\$ 500,000	0.00%	300,000
				<u>\$ 1,817,000</u>

Promissory note debt service requirement to maturity is as follows:

<u>Year ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 250,000	\$ 8,363
2023	251,000	6,455
2024	253,000	4,516
2025	255,000	2,533
2026	208,000	509
2027-2031	600,000	-
	<u>\$ 1,817,000</u>	<u>\$ 22,376</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, 2021:

<u>Purpose</u>	<u>Activity</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
2011 Fire station	Government activities	2,960,000	2.0-4.00%	\$ 1,680,000
2013 AFN Debt	Government activities	11,675,000	2-2.8%	4,790,000
2013 GO Bonds New Construction	Government activities	1,520,000	2-2.5%	770,000
2013 Water Debt GO Bonds	Business-type activities	1,580,000	2.00%	365,000
2013 GO Bonds New Construction	Business-type activities	3,245,000	2-2.5%	1,640,000
				<u>\$ 9,245,000</u>

Government Activities:

- The citizens of Ashland authorized by vote in November 1999 for the construction of Fire Station #1. In 2005, the Fire Station #1 bond was issued as a refunding bond in 2005 resulting in a savings of at least 3%. This debt is being paid by property tax.
- 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 5.328 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. The purpose 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.

Business-Type Activities:

- In 2009, the City financed construction project of \$1,000,000 for the Water and Wastewater Fund. This debt is paid by user fees. Paid off in 2021.
- In 2010, the City refinanced the loan for the Wastewater treatment plant project. The refinancing generated approximately \$1.34 million in net present value savings on the total debt. This debt is paid by Food and Beverage Tax. Paid off in 2021.
- 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. 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.

2021 Notes to Basic Financial Statements

Future maturities of bond principal and interest at June 30, 2021, 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
2022	145,000	58,738	1,155,000	109,116	180,000	5,500
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	-	-	-	-
2027-2031	915,000	112,150	-	-	-	-
	<u>\$ 1,680,000</u>	<u>\$ 361,189</u>	<u>\$ 4,790,000</u>	<u>\$ 258,660</u>	<u>\$ 365,000</u>	<u>\$ 7,350</u>

Year Ending June 30,	2013 GO Bonds New Construction		Year Ending June 30,	Total	
	Principal	Interest		Principal	Interest
2022	325,000	49,475	2022	1,805,000	222,829
2023	330,000	42,925	2023	1,840,000	180,535
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
2027-2031	735,000	18,338	2027-2031	1,650,000	130,488
	<u>\$ 2,410,000</u>	<u>\$ 198,339</u>		<u>\$ 9,245,000</u>	<u>\$ 825,538</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
CREBS	Business-type activities	\$ 304,000	3.80% - 6.01%	\$ 21,714
IFA S14005 - Water	Business-type activities	3,515,200	1.00%	3,359,152
DEQ R11751 - Wastewater	Business-type activities	1,645,280	1.00%	1,378,315
Medford Water Commission	Business-type activities	2,358,076	3.42%	1,758,813
IFA S16021 - Water	Business-type activities		1.00%	2,549,591
DEQ R11754 - Wastewater	Business-type activities		1.00%	1,096,237
				<u>\$10,163,822</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.
- 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.
- 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 and Outfall Relocation project. This loan is for a total of \$4,829,000. To date, \$1,096,237 has been received as a drawdown.

The City of Ashland has signed agreements in the amount of \$18,610,865 as June 30, 2021. Of that amount, the City drew down a total of \$278,649.

Purpose	Activity	Signed Agreements	Balance June 30, 2020	Drawdowns	Reclass	Balance June 30, 2021
IFA S16021 - Water	Business-type activities	13,781,865	2,549,591	-	-	2,549,591
DEQ R11754 - Wastewater	Business-type activities	4,829,000	817,588	278,649	-	1,096,237
		<u>\$ 18,610,865</u>	<u>\$ 3,367,179</u>	<u>\$ 278,649</u>	<u>\$ -</u>	<u>\$ 3,645,828</u>

Revenue bond debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest
2022	637,483	156,127
2023	621,489	149,725
2024	627,355	143,307
2025	633,370	136,735
2026	639,540	125,599
2027-2031	2,990,861	449,693
2032-2036	2,306,367	183,128
2037-2041	607,702	73,335
2042-2046	638,701	42,336
2047-2051	460,953	9,868
	<u>\$ 10,163,821</u>	<u>\$ 1,469,853</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, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions and Adjustments</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation	\$ 8,615,000	\$ -	\$ 1,375,000	\$ 7,240,000	\$ 1,405,000
Total bonds payable	<u>8,615,000</u>	<u>-</u>	<u>1,375,000</u>	<u>7,240,000</u>	<u>1,405,000</u>
Notes and contracts	2,065,000	-	248,000	1,817,000	250,000
Claims and judgements	<u>50,000</u>	<u>110,093</u>	<u>-</u>	<u>160,093</u>	<u>50,000</u>
Government Activities:					
Long-term liabilities	<u>\$ 10,730,000</u>	<u>\$ 110,093</u>	<u>\$ 1,623,000</u>	<u>\$ 9,217,093</u>	<u>\$ 1,705,000</u>
Business-type Activities:					
Bonds Payable:					
General obligation	\$ 5,721,796	\$ -	\$ 3,716,796	\$ 2,005,000	\$ 400,000
Revenue	<u>10,217,077</u>	<u>278,649</u>	<u>331,905</u>	<u>10,163,821</u>	<u>637,483</u>
Total bonds payable	<u>15,938,873</u>	<u>278,649</u>	<u>4,048,701</u>	<u>12,168,821</u>	<u>1,037,483</u>
Business-type Activities:					
Long-term liabilities	<u>\$ 15,938,873</u>	<u>\$ 278,649</u>	<u>\$ 4,048,701</u>	<u>\$ 12,168,821</u>	<u>\$ 1,037,483</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, \$380,645 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:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within a Year</u>
Governmental Activities:	\$ 1,172,527	\$ 75,240	\$ -	\$ 1,247,767	\$ 311,942
Business-type Activities:	<u>701,880</u>	<u>158,621</u>	<u>13,937</u>	<u>846,564</u>	<u>211,641</u>
Total compensated absences payable	<u>\$ 1,874,407</u>	<u>\$ 233,861</u>	<u>\$ 13,937</u>	<u>\$ 2,094,331</u>	<u>\$ 523,583</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, 2021, 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:

	<u>Year ended June 30, 2021</u>	<u>Year ended June 30, 2020</u>
Unpaid claims, beginning of fiscal year	\$ 50,000	\$ 17,247
Incurred claims (including IBNRs)	110,093	32,753
Unpaid claims, end of fiscal year	<u>\$ 160,093</u>	<u>\$ 50,000</u>

B. Other Post-Employment Benefits - Insurance Subsidy

The post-employment Health Insurance Subsidy is administrated by the City of Ashland. The City has elected to use the entry age normal actuarial 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 (6.75 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. 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.

Changes in the total OPEB liability:

	2021
Total OPEB Liability/(Assets), beginning of year	\$ 3,914,647
<u>Changes for the year:</u>	
Service Cost	150,117
Interest	137,290
Changes of Benefit Terms	-
Differences between expected and actual experience	-
Changes of economic/demographic gains	23,288
Changes of assumptions or other input	112,559
Benefit Payments	<u>(286,850)</u>
Net change for the year	136,404
Total OPEB Liability/(Assets), end of year	<u><u>\$ 4,051,051</u></u>

At June 30, 2021 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	\$ 951,817	\$ -
Changes in assumptions	<u>197,556</u>	<u>(437,831)</u>
Subtotal - Amortized Deferrals (below)	1,149,373	(437,831)
City Contributions subsequent to measurement date	<u>284,120</u>	<u>-</u>
Net Deferred outflow (inflow) of resources	<u><u>\$ 1,433,493</u></u>	<u><u>\$ (437,831)</u></u>

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

<u>Year ending June 30,</u>	<u>Amount</u>
2022	\$ 126,993
2023	126,993
2024	126,993
2025	126,993
2026	126,993
Thereafter	<u>76,577</u>
Total	<u><u>\$ 711,542</u></u>

2021 Notes to Basic Financial Statements

The following presents the total OPEB Liability/(Assets) of the City, as well as what the City's total Net 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 1.21%	Discounted Rate 2.21%	1% Increase 3.21%
Total OPEB Liability	\$ 4,467,892	\$ 4,051,051	\$ 3,687,395

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 (decreasing to 3.00%)	Healthcare Cost Trend Rates (decreasing to 4.00%)	Healthcare Cost Trend Rates (decreasing to 5.00%)
Total OPEB Liability	\$ 3,808,269	\$ 4,051,051	\$ 4,337,678

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 0.06 of annual covered OPERS payroll and nothing for OPSRP payroll under a contractual requirement in effect until June 30, 2021. 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, 2021 was \$4,100 respectively, which equaled the required contributions each year.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 23,654
Changes in assumptions	-	12,299
Net difference between projected and actual earnings on OPEB plan investments	25,731	-
Net changes in proportionate share	69,059	2,806
Difference between the City contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	94,790	38,759
City Contributions subsequent to measurement date	-	-
Net Deferred outflow (inflow) of resources	<u>\$ 94,790</u>	<u>\$ 38,759</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
2022	\$ 10,771
2023	27,632
2024	9,512
2025	8,116
2026	-
Thereafter	-
Total	<u>\$ 56,031</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 7.20 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 (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	Decrease (6.2%)	Rate (7.2%)	Increase (8.2%)
City's proportionate share of the net OPEB liability	<u>\$ (186,801)</u>	<u>\$ (231,380)</u>	<u>\$ (269,498)</u>

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, 2017 actuarial valuation, which became effective July 1, 2019. 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, 2021 were \$4,472,239, excluding amounts to fund employer specific liabilities. In addition, approximately \$1,144,181 in employee contributions were paid or picked up by the City in fiscal 2021. At June 30, 2021, the City reported a net pension liability of \$46,512,316 for its proportionate share of the net pension liability.

2021 Notes to Basic Financial Statements

The pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2018. 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, 2021 was \$10,776,900.

The rates in effect for the year ended June 30, 2021 were:

- 1) Tier 1/Tier 2 – 21.43%
- 2) OPSRP general services – 14.49%
- 3) Tier 1/Tier 2 Police and Fire – 26.39%
- 4) OPSRP Police and Fire – 19.26%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 2,047,105	\$ -
Changes in assumptions	2,496,169	87,461
Net difference between projected and actual earnings on pension plan investments	5,469,244	-
Net changes in proportionate share	-	-
Difference between the City contributions and proportionate share of contributions	739,545	923,885
	<u>339,194</u>	<u>321,150</u>
Subtotal - Amortized Deferrals (below)	11,091,257	1,332,496
City Contributions subsequent to measurement date	<u>4,472,239</u>	<u>-</u>
Net Deferred outflow (inflow) of resources	<u>\$ 15,563,496</u>	<u>\$ 1,332,496</u>

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, 2022.

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

<u>Year ending June 30,</u>	<u>Amount</u>
2022	\$ 1,998,791
2023	2,908,577
2024	2,856,377
2025	1,952,616
2026	42,400
Thereafter	-
Total	<u>\$ 9,758,761</u>

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, 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, 2018
Measurement date	June 30, 2020
Experience Study	2018, published 2019
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	2.50%
Investment rate of return	7.20%
Discount rate	7.20%
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	<p>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.</p> <p>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.</p> <p>Disable retirees: RP-2014 Disabled Retirees, sex-distinct, generation with Unisex, Social Security Data Scale.</p>

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.

Assumed Asset Allocation:

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.

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-Term Bonds	8.00%	3.61%
Bank/Leveraged Loans	3.00%	5.42%
High Yield Bonds	1.00%	6.20%
Large/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.31%	6.99%
Micro Cap US Equities	1.31%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Market Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equity	17.50%	7.97%
Real Estate (Property)	10.00%	5.84%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	2.50%	4.64%
Hedge Fund - Event-driven	0.63%	6.72%
Timber	1.88%	5.85%
Farmland	1.88%	6.37%
Infrastructure	3.75%	7.13%
Commodities	1.88%	4.58%
Assumed Inflation - Mean		2.50%

Discount Rate – The discount rate used to measure the total pension liability was 7.20 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 7.20 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 (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	Decrease (6.2%)	Rate (7.2%)	Increase (8.2%)
City's proportionate share of the net pension liability	\$ 69,066,948	\$ 46,512,316	\$ 27,599,212

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, 2021.

E. Fund Balance Constraints

The specific purposes for each of the categories of the fund balance as of June 30, 2021, are as follows:

Fund Balances:	General Fund	Street Fund	Non Major Funds	Total
Nonspendable:				
Perpetual care	\$ -	\$ -	\$ 917,499	\$ 917,499
Prepaid expenses	17,246			17,246
Restricted for:				
Asset forfeiture	35,497	-	-	35,497
TOT tourism	262,617	-	-	262,617
CDBG restriction	-	-	36,620	36,620
SDC - Transportation	-	2,659,497	-	2,659,497
SDC - Parks	-	-	245,100	245,100
Debt commitment	-	-	987,974	987,974
Committed for:				
Parking surcharge	397,017	-	-	397,017
Public art	69,020	-	-	69,020
Future Downtown parking supply restriction	573,166	-	-	573,166
Affordable housing	-	-	128,254	128,254
Grubbs Case	22,235	-	-	22,235
Street activities	-	1,212,943	-	1,212,943
Parks activities	-	-	1,891,310	1,891,310
Airport activities	-	-	264,126	264,126
CIP - Facilities	-	-	825,808	825,808
Assigned for:				
N/A				
Unassigned:	10,339,463	-	-	10,339,463
Total fund balances:	\$ 11,716,261	\$ 3,872,440	\$ 5,296,691	\$ 20,885,392

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, 2021, 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, 2021, City of Ashland abated property taxes under these program in FY 20/21 for \$3,985.

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. Covid-19

In March 2020, the World Health Organization declared the novel coronavirus outbreak a public health emergency. The duration and magnitude of the impact of the novel coronavirus and resulting disruption to the City of Ashland's operations is not quantifiable at the time of this report.

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, 2021

	2021	2020	2019	2018
Total OPEB Liability based on measurement date at June 30	\$ 3,914,647	\$ 3,840,270	\$ 2,928,939	\$ 3,065,279
<u>Changes for the year:</u>				
Service Cost	150,117	133,242	151,823	161,964
Interest	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	112,559	131,690	(552,532)	(163,128)
Benefit Payments	(286,850)	(337,855)	(264,798)	(223,681)
Net change for the year	136,404	74,377	911,331	(136,038)
Total OPEB Liability at June 30	\$ 4,051,051	\$ 3,914,647	\$ 3,840,270	\$ 2,929,241
Covered Payroll	\$ 17,013,505	\$ 19,757,586	\$ 19,642,352	\$ 18,161,024
Single Employer total OPEB Plan as a Percentage of Covered Payroll	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.

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
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
2021	\$ 4,100	\$ 4,100	\$ -	\$ 17,013,505	38.0 %
2020	4,400	4,400	-	17,460,741	27.7

REQUIRED SUPPLEMENTARY INFORMATION
For the year ended June 30, 2021

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
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
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
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year	Second Year	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts		Actual	Actual		
Revenues:	Original	Final	FY 2019-20	FY 2020-21		
Taxes	\$ 47,833,328	\$ 47,833,328	\$ 22,071,780	\$ 22,872,395	\$ 44,944,175	\$ (2,889,153)
Fees, licenses and permits	1,898,300	1,898,300	1,095,600	2,411,618	3,507,218	1,608,918
Intergovernmental	3,013,342	4,128,728	2,217,898	4,246,701	6,464,599	2,335,871
Charges for services	3,328,001	3,441,833	1,671,137	1,488,132	3,159,269	(282,564)
Fines and forfeitures	1,210,800	1,210,800	418,514	273,630	692,144	(518,656)
Interest on investments	251,250	251,250	107,484	47,182	154,666	(96,584)
Miscellaneous	140,245	140,245	55,509	69,614	125,123	(15,122)
Total revenues	57,675,266	58,904,484	27,637,922	31,409,272	59,047,194	142,710
Expenditures:						
General Government:						
Administration	2,559,724	2,559,724	1,329,759	1,129,046	2,458,805	100,919
Finance:						
Band	132,733	132,733	48,382	15,933	64,315	68,418
Parks Services	10,783,800	10,783,800	5,391,900	5,391,900	10,783,800	-
Public Works:						
Cemetery	1,075,095	1,075,095	459,164	479,317	938,481	136,614
Community Development:						
Planning	3,463,963	3,463,963	1,769,254	1,577,644	3,346,898	117,065
Building	1,677,657	1,677,657	793,354	816,104	1,609,458	68,199
Social services	268,000	268,000	134,000	-	134,000	134,000
Miscellaneous	38,000	38,000	22,893	-	22,893	15,107
Total general government	<u>19,998,972</u>	<u>19,998,972</u>	<u>9,948,706</u>	<u>9,409,944</u>	<u>19,358,650</u>	<u>640,322</u>
Public Safety:						
Police	16,719,886	16,719,886	7,768,441	7,576,476	15,344,917	1,374,969
Municipal court	1,406,655	1,406,655	653,523	661,305	1,314,828	91,827
Fire and rescue	19,255,049	20,484,267	9,396,269	9,314,643	18,710,912	1,773,355
Total public safety	<u>37,381,590</u>	<u>38,610,808</u>	<u>17,818,233</u>	<u>17,552,424</u>	<u>35,370,657</u>	<u>3,240,151</u>
Contingency	800,000	800,000	-	-	-	800,000
Total expenditures	58,180,562	59,409,780	27,766,939	26,962,368	54,729,307	4,680,473
Excess (deficiency) of revenues over (under) expenditures	<u>(505,296)</u>	<u>(505,296)</u>	<u>(129,017)</u>	<u>4,446,904</u>	<u>4,317,887</u>	<u>4,823,183</u>
Other financing sources (uses):						
Transfers in	850,000	850,000	219,988	206,847	426,835	(423,165)
Transfers out	<u>(211,000)</u>	<u>(435,912)</u>	<u>(500)</u>	<u>(225,412)</u>	<u>(225,912)</u>	<u>210,000</u>
Total other financing sources (uses)	639,000	414,088	219,488	(18,565)	200,923	(213,165)
Net change in fund balance	133,704	(91,208)	90,471	4,428,339	4,518,810	4,610,018
Fund balance, Beginning	<u>4,119,443</u>	<u>4,119,443</u>	<u>4,963,178</u>	<u>5,053,649</u>	<u>10,016,827</u>	<u>5,897,384</u>
Fund balance, Ending	<u>\$ 4,253,147</u>	<u>\$ 4,028,235</u>	<u>\$ 5,053,649</u>	<u>\$ 9,481,988</u>	<u>\$ 14,535,637</u>	<u>\$ 10,507,402</u>
Reconciliation to GAAP fund balance :						
Parks fund balance:				2,194,722		
Reserve fund balance:				39,551		
				<u>\$ 11,716,261</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Taxes	\$ 1,548,000	\$ 1,548,000	\$ 398,771	\$ 1,874,233	\$ 2,273,004	\$ 725,004
Intergovernmental	5,007,336	5,007,336	1,502,423	2,519,949	4,022,372	(984,964)
Charges for services	3,304,000	3,304,000	1,642,903	1,633,340	3,276,243	(27,757)
System development charges (SDC)	200,000	200,000	235,750	352,020	587,770	387,770
Assessments	60,000	60,000	3,319	7,024	10,343	(49,657)
Interest on investments	200,000	200,000	65,516	9,866	75,382	(124,618)
Miscellaneous	168,290	168,290	587	20,311	20,898	(147,392)
Total revenues	10,487,626	10,487,626	3,849,269	6,416,743	10,266,012	(221,614)
Expenditures:						
Highways and streets:						
Operations and maintenance	20,364,474	20,364,474	6,262,347	3,895,523	10,157,870	10,206,604
Transportation SDCs	930,213	930,213	353,846	215,495	569,341	360,872
Total highways and streets	21,294,687	21,294,687	6,616,193	4,111,018	10,727,211	10,567,476
Debt Service:						
Operations and maintenance Debt	251,460	251,460	367,830	81,963	449,793	(198,333)
Total Debt	251,460	251,460	367,830	81,963	449,793	(198,333)
Contingency	43,700	43,700	-	-	-	43,700
Total expenditures	21,589,847	21,589,847	6,984,023	4,192,981	11,177,004	10,412,843
Excess (deficiency) of revenues over (under) expenditures	(11,102,221)	(11,102,221)	(3,134,754)	2,223,762	(910,992)	10,191,229
Other financing sources (uses):						
Bond proceeds	11,000,000	11,000,000	-	-	-	(11,000,000)
Transfers out	-	(32,507)	-	(32,507)	(32,507)	-
Total other financing sources (uses)	11,000,000	10,967,493	-	(32,507)	(32,507)	(11,000,000)
Net change in fund balance	(102,221)	(134,728)	(3,134,754)	2,191,255	(943,499)	(841,278)
Fund balance, Beginning	3,762,408	3,762,408	4,815,939	1,681,185	4,815,939	1,053,531
Fund balance, Ending	\$ 3,660,187	\$ 3,627,680	\$ 1,681,185	\$ 3,872,440	\$ 3,872,440	\$ 244,760

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, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final				
Revenues:						
Intergovernmental	\$ 30,000	\$ 123,485	\$ 190,356	\$ 74,165	\$ 264,521	\$ 141,036
Charges for services - External	2,346,575	2,346,575	819,535	707,148	1,526,683	(819,892)
Charges for services - Internal	10,783,800	10,783,800	5,391,900	5,391,900	10,783,800	-
Interest on investments	46,853	46,853	19,232	10,219	29,451	(17,402)
Miscellaneous	62,000	69,209	33,425	32,124	65,549	(3,660)
Total revenues	13,269,228	13,369,922	6,454,448	6,215,556	12,670,004	(699,918)
Expenditures:						
Parks and Recreation:						
Operations and maintenance	8,209,415	8,233,751	3,769,517	3,543,589	7,313,106	920,645
Recreation	2,957,983	2,970,530	1,261,136	771,358	2,032,494	938,036
Forestry Division	985,619	1,030,773	481,257	451,034	932,291	98,482
Senior Service Division	700,180	715,650	317,639	326,700	644,339	71,311
Golf Course	1,195,850	1,199,037	578,354	548,677	1,127,031	72,006
Total Parks and Recreation	<u>14,049,047</u>	<u>14,149,741</u>	<u>6,407,903</u>	<u>5,641,358</u>	<u>12,049,261</u>	<u>2,100,480</u>
Contingency	150,000	150,000	-	-	-	150,000
Total expenditures	14,199,047	14,299,741	6,407,903	5,641,358	12,049,261	2,250,480
Excess (deficiency) of revenues over (under) expenditures	<u>(929,819)</u>	<u>(929,819)</u>	<u>46,545</u>	<u>574,198</u>	<u>620,743</u>	<u>1,550,562</u>
Other financing sources (uses):						
Transfers in	370,000	370,000	185,000	185,000	370,000	-
Transfers out	-	(40,222)	-	(40,222)	(40,222)	-
Total other financing sources (uses)	<u>370,000</u>	<u>329,778</u>	<u>185,000</u>	<u>144,778</u>	<u>329,778</u>	<u>-</u>
Net change in fund balance	(559,819)	(600,041)	231,545	718,976	950,521	1,550,562
Fund balance, Beginning	<u>611,076</u>	<u>611,076</u>	<u>842,877</u>	<u>1,074,422</u>	<u>1,917,299</u>	<u>1,306,223</u>
Fund balance, Ending	<u>\$ 51,257</u>	<u>\$ 11,035</u>	<u>\$1,074,422</u>	<u>\$ 1,793,398</u>	<u>\$ 2,867,820</u>	<u>\$ 2,856,785</u>

Reconciliation to GAAP fund balance :

Equipment fund balance:	401,324
Total GAAP fund balance	<u>\$ 2,194,722</u>

Parks fund to the General Fund	<u>\$ (2,194,722)</u>
	<u>\$ -</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, 2018. Many assumptions changed from the previous valuation including the rates of retirement, termination, disability, salary scale, and mortality.
- Participation rate was changed from 45% to 37%, and marriage percentage was changed from 60% to 45% to better reflect actual experience and anticipated future experience.
- Retiree lapse rate of 8% to better reflect actual experience.
- Discount rate decreased from 3.50% as of July 1, 2019 to 2.20% as of July 1, 2020.

Changes in Actuarial Methods and Assumptions:

A summary of key changes implemented since the December 31, 2017 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

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.

Changes in Economic Assumptions

Administrative Expenses. The administrative expense assumptions were updated to \$32.5 million per year for Tier 1/Tier 2 and \$8.0 million per year for OPSRP. Previously these were assumed to be \$37.5 million per year and \$6.5 million per year, respectively.

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, 2021

	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	\$ 134,212	\$ 8,934	\$ 277,426	\$ 1,089,710	\$ 1,891,702	\$ 983,471	\$ -	\$ 4,385,455
Receivables (net of allowance for uncollectible)	59,252	30,955	16,151	75,158	-	25,583	1,171	208,270
Cash - restricted	-	-	-	-	-	-	916,328	916,328
Total assets	<u>193,464</u>	<u>39,889</u>	<u>293,577</u>	<u>1,164,868</u>	<u>1,891,702</u>	<u>1,009,054</u>	<u>917,499</u>	<u>5,510,053</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Accounts payable	5,958	3,269	29,451	41,911	392	-	-	80,981
Total liabilities	<u>5,958</u>	<u>3,269</u>	<u>29,451</u>	<u>41,911</u>	<u>392</u>	<u>-</u>	<u>-</u>	<u>80,981</u>
Deferred Inflows of Resources:								
Unavailable revenue - property taxes	-	-	-	-	-	21,080	-	21,080
Unavailable revenue - special assessments	59,252	-	-	52,049	-	-	-	111,301
	<u>59,252</u>	<u>-</u>	<u>-</u>	<u>52,049</u>	<u>-</u>	<u>21,080</u>	<u>-</u>	<u>132,381</u>
Fund Balances:								
Non Spendable:								
Perpetual care	-	-	-	-	-	-	917,499	917,499
Prepaid expenses	-	-	-	-	-	-	-	-
Restricted for:								
CDBG restriction	-	36,620	-	-	-	-	-	36,620
Systems development charges	-	-	-	245,100	-	-	-	245,100
Debt service	-	-	-	-	-	987,974	-	987,974
Committed for:								
Housing Fund	128,254	-	-	-	-	-	-	128,254
Special revenue funds	-	-	264,126	-	-	-	-	264,126
Parks activities	-	-	-	-	1,891,310	-	-	1,891,310
Capital projects funds	-	-	-	825,808	-	-	-	825,808
Total fund balances	<u>128,254</u>	<u>36,620</u>	<u>264,126</u>	<u>1,070,908</u>	<u>1,891,310</u>	<u>987,974</u>	<u>917,499</u>	<u>5,296,691</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 193,464</u>	<u>\$ 39,889</u>	<u>\$ 293,577</u>	<u>\$ 1,164,868</u>	<u>\$ 1,891,702</u>	<u>\$ 1,009,054</u>	<u>\$ 917,499</u>	<u>\$ 5,510,053</u>

CITY OF ASHLAND, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL NON-MAJOR FUNDS
For the year ended June 30, 2021

	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	\$ 107,728	\$ -	\$ -	\$ -	\$ 621,894	\$ 233,348	\$ -	\$ 962,970
Intergovernmental	-	209,365	-	21,271	800,000	-	-	1,030,636
Charges for services	-	-	175,070	1,122,538	-	1,154,300	12,174	2,464,082
System development charges	-	-	-	80,560	13,173	-	-	93,733
Interest on investments	986	-	2,536	7,252	7,862	3,974	6,847	29,457
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	108,714	209,365	177,606	1,231,621	1,442,929	1,391,622	19,021	4,580,878
Expenditures:								
General government	89,539	209,365	287,916	962,751	749,070	-	-	2,298,641
Debt service	-	-	-	-	-	1,765,517	-	1,765,517
Total expenditures	89,539	209,365	287,916	962,751	749,070	1,765,517	-	4,064,158
Excess (deficiency) of revenues over (under) expenditures	19,175	-	(110,310)	268,870	693,859	(373,895)	19,021	516,720
Other financing sources (uses):								
Transfers in	-	-	-	-	-	324,172	500	324,672
Transfers out	-	-	(2,132)	(116,533)	(399,172)	-	(56,847)	(574,684)
Total other financing sources (uses)	-	-	(2,132)	(116,533)	(399,172)	324,172	(56,347)	(250,012)
Net change in fund balance	19,175	-	(112,442)	152,337	294,687	(49,723)	(37,326)	266,708
Fund balance, Beginning	109,079	36,620	376,568	918,571	1,596,623	1,037,697	954,825	5,029,983
Fund balance, Ending	\$ 128,254	\$ 36,620	\$ 264,126	\$ 1,070,908	\$ 1,891,310	\$ 987,974	\$ 917,499	\$ 5,296,691

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOUSING FUND
For the year ended June 30, 2021

	BN 2019-2021 Biennium Budget Amounts		First Year Actual	Second Year Actual	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final	FY 2019-20	FY 2020-21		
Revenues:						
Taxes	\$ 200,000	\$ 200,000	\$ 100,000	\$ 107,728	\$ 207,728	\$ 7,728
Interest on investments	-	-	1,996	986	2,982	2,982
Miscellaneous	-	-	2,215	-	2,215	2,215
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>104,211</u>	<u>108,714</u>	<u>212,925</u>	<u>12,925</u>
Expenditures:						
General government:						
Materials and services	247,000	247,000	65,118	89,539	154,657	92,343
Total general government	<u>247,000</u>	<u>247,000</u>	<u>65,118</u>	<u>89,539</u>	<u>154,657</u>	<u>92,343</u>
Total expenditures	<u>247,000</u>	<u>247,000</u>	<u>65,118</u>	<u>89,539</u>	<u>154,657</u>	<u>92,343</u>
Other financing sources (uses):						
Transfers In	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(47,000)	(47,000)	39,093	19,175	58,268	105,268
Fund balance, Beginning	<u>451,668</u>	<u>451,668</u>	<u>69,986</u>	<u>109,079</u>	<u>179,065</u>	<u>(272,603)</u>
Fund balance, Ending	<u>\$ 404,668</u>	<u>\$ 404,668</u>	<u>\$ 109,079</u>	<u>\$ 128,254</u>	<u>\$ 237,333</u>	<u>\$ (167,335)</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, 2021**

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ 526,727	\$ 820,547	\$ 238,255	\$ 209,365	\$ 447,620	\$ (372,927)
Total revenues	526,727	820,547	238,255	209,365	447,620	(372,927)
Expenditures:						
General government:						
Personal services	70,528	129,291	49,323	64,231	113,554	15,737
Material and services	456,199	691,256	188,932	145,134	334,066	357,190
Total general government	526,727	820,547	238,255	209,365	447,620	372,927
Total expenditures	526,727	820,547	238,255	209,365	447,620	372,927
Net change in fund balance	-	-	-	-	-	-
Fund balance, Beginning	-	-	36,620	36,620	73,240	73,240
Fund balance, Ending	\$ -	\$ -	\$ 36,620	\$ 36,620	\$ 73,240	\$ 73,240

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AIRPORT FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ 468,800	\$ 468,800	\$ 67,245	\$ -	\$ 67,245	\$ (401,555)
Charges for services	322,000	322,000	165,347	175,070	340,417	18,417
Interest on investments	1,000	1,000	5,062	2,536	7,598	6,598
Miscellaneous	-	-	1,000	-	1,000	1,000
Total revenues	791,800	791,800	238,654	177,606	416,260	(375,540)
Expenditures:						
General government:						
Materials and services	266,088	266,088	63,591	175,781	239,372	26,716
Capital outlay	340,000	340,000	34,154	112,135	146,289	193,711
Total general government	606,088	606,088	97,745	287,916	385,661	220,427
Contingency	-	-	-	-	-	-
Total expenditures	606,088	606,088	97,745	287,916	385,661	220,427
Other financing sources (uses):						
Transfer Out	-	(2,132)	-	(2,132)	(2,132)	-
Total other financing sources (uses)	-	(2,132)	-	(2,132)	(2,132)	-
Net change in fund balance	185,712	183,580	140,909	(112,442)	28,467	(155,113)
Fund balance, Beginning	225,306	225,306	235,659	376,568	235,659	10,353
Fund balance, Ending	\$ 411,018	\$ 408,886	\$ 376,568	\$ 264,126	\$ 264,126	\$ (144,760)

**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, 2021**

	BN 2019-2021 Biennium Budget Amounts		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 1,861	\$ 21,271	\$ 23,132	\$ 23,132
Charges for services	1,982,340	1,982,340	1,149,332	1,122,538	2,271,870	289,530
System development charges	103,000	103,000	59,994	80,560	140,554	37,554
Interest on investments	26,000	26,000	19,103	7,252	26,355	355
Miscellaneous	20,000	20,000	4,306	-	4,306	(15,694)
Total revenues	2,131,340	2,131,340	1,234,596	1,231,621	2,466,217	334,877
Expenditures:						
General government:						
Public works - facilities	2,968,879	2,968,879	1,066,743	962,751	2,029,494	939,385
Admin services - parks open space	150,000	150,000	-	-	-	150,000
Total cost of service	3,118,879	3,118,879	1,066,743	962,751	2,029,494	1,089,385
Contingency	60,000	60,000	-	-	-	60,000
Total expenditures	3,178,879	3,178,879	1,066,743	962,751	2,029,494	1,149,385
Excess (Deficiency) of revenues	(1,047,539)	(1,047,539)	167,853	268,870	436,723	1,484,262
Other financing sources (uses):						
Transfers in	100,000	100,000	-	-	-	100,000
Transfers Out	(220,000)	(226,533)	(110,000)	(116,533)	(226,533)	-
Total other financing sources (uses):	(120,000)	(126,533)	(110,000)	(116,533)	(226,533)	100,000
Net change in fund balance	(1,167,539)	(1,174,072)	57,853	152,337	210,190	1,377,729
Fund balance, Beginning	1,349,174	1,349,174	860,718	918,571	1,779,289	430,115
Fund balance, Ending	\$ 181,635	\$ 175,102	\$ 918,571	\$ 1,070,908	\$ 1,989,479	\$ 1,814,377

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, 2021

	BN 2019-2021 Biennium Budget Amounts		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Taxes	\$ 1,513,800	\$ 1,513,800	\$ 664,577	\$ 621,894	\$ 1,286,471	\$ (227,329)
Intergovernmental	2,990,000	2,990,000	171,690	800,000	971,690	(2,018,310)
Interest on investments	40,000	40,000	27,987	13,173	41,160	1,160
Miscellaneous	1,500,000	1,500,000	-	7,862	7,862	(1,492,138)
Total revenues	6,043,800	6,043,800	864,254	1,442,929	2,307,183	(3,736,617)
Expenditures:						
General government:						
Material and Services	-	9,000	8,574	-	8,574	426
Capital outlay	5,020,000	4,961,000	503,043	749,070	1,252,113	3,708,887
Total cost of service	5,020,000	4,970,000	511,617	749,070	1,260,687	3,709,313
Contingency	-	-	-	-	-	-
Total expenditures	5,020,000	4,970,000	511,617	749,070	1,260,687	3,709,313
Excess (Deficiency) of revenues over (under) expenditures	1,023,800	1,073,800	352,637	693,859	1,046,496	(27,304)
Other financing sources (uses):						
Other Financing Sources	-	-	-	-	-	-
Transfers Out	(793,828)	(843,828)	(185,000)	(399,172)	(584,172)	259,656
Total other financing sources (uses):	(793,828)	(843,828)	(185,000)	(399,172)	(584,172)	259,656
Net change in fund balance	229,972	229,972	167,637	294,687	462,324	232,352
Fund balance, Beginning	1,139,000	1,139,000	1,428,986	1,596,623	1,428,986	289,986
Fund balance, Ending	\$ 1,368,972	\$ 1,368,972	\$ 1,596,623	\$ 1,891,310	\$ 1,891,310	\$ 522,338

**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, 2021**

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final				
Revenues:						
Taxes	\$ 698,000	\$ 698,000	\$ 483,627	\$ 233,348	\$ 716,975	\$ 18,975
Charges for services	2,308,600	2,308,600	1,259,300	1,154,300	2,413,600	105,000
Interest on investments	26,130	26,130	175,125	3,974	179,099	152,969
Total revenues	3,032,730	3,032,730	1,918,052	1,391,622	3,309,674	276,944
Expenditures:						
Debt service:						
General Obligation	3,790,874	3,791,874	2,026,211	1,765,517	3,791,728	146
Total expenditures	3,790,874	3,791,874	2,026,211	1,765,517	3,791,728	146
Excess (deficiency) of revenues over (under) expenditures	(758,144)	(759,144)	(108,159)	(373,895)	(482,054)	277,090
Other financing sources (uses):						
Transfers in	753,828	753,828	110,000	324,172	434,172	(319,656)
Total other financing sources (uses):	753,828	753,828	110,000	324,172	434,172	(319,656)
Net change in fund balance	(4,316)	(5,316)	1,841	(49,723)	(47,882)	(43,566)
Fund balance, Beginning	1,424,054	1,424,054	1,035,856	1,037,697	1,035,856	(388,198)
Fund balance, Ending	\$ 1,419,738	\$ 1,418,738	\$ 1,037,697	\$ 987,974	\$ 987,974	\$ (430,764)

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, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final				
Revenues:						
Charges for services	\$ 50,000	\$ 50,000	\$ 19,411	\$ 12,174	\$ 31,585	\$ (18,415)
Interest on investments	13,000	13,000	19,988	6,847	26,835	13,835
Total revenues	63,000	63,000	39,399	19,021	58,420	(4,580)
Other financing sources (uses):						
Transfers In	1,000	1,000	500	500	1,000	-
Transfers Out	(150,000)	(150,000)	(69,988)	(56,847)	(126,835)	23,165
Total other financing sources (uses):	(149,000)	(149,000)	(69,488)	(56,347)	(125,835)	23,165
Net change in fund balance	(86,000)	(86,000)	(30,089)	(37,326)	(67,415)	18,585
Fund balance, Beginning	1,009,964	1,009,964	984,914	954,825	984,914	(25,050)
Fund balance, Ending	\$ 923,964	\$ 923,964	\$ 954,825	\$ 917,499	\$ 917,499	\$ (6,465)

**CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
RESERVE FUND
For the year ended June 30, 2021**

	BN 2019-2021 Biennium Budget Amounts		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Interest on investments	\$ 700	\$ 700	\$ 816	\$ 295	\$ 1,111	\$ 411
Total revenues	<u>700</u>	<u>700</u>	<u>816</u>	<u>295</u>	<u>1,111</u>	<u>411</u>
Excess (deficiency) of revenues over (under) expenditures	700	700	816	295	1,111	411
Net change in fund balance	700	700	816	295	1,111	411
Fund balance, Beginning	<u>38,410</u>	<u>38,410</u>	<u>38,440</u>	<u>39,256</u>	<u>38,440</u>	<u>30</u>
Fund balance, Ending	<u>\$ 39,110</u>	<u>\$ 39,110</u>	<u>\$ 39,256</u>	<u>\$ 39,551</u>	<u>\$ 39,551</u>	<u>\$ 441</u>
Reconciliation to GAAP fund balance Reserve fund to the General Fund				\$ (39,551)		
				<u>\$ -</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 6,331	\$ 16,766	\$ 23,097	\$ 23,097
Charges for services	16,974,000	16,974,000	8,355,413	8,921,504	17,276,917	302,917
System developments charges	200,000	200,000	226,981	440,827	667,808	467,808
Interest on investments	291,450	291,450	216,316	80,500	296,816	5,366
Miscellaneous	50,000	50,000	41,749	14,294	56,043	6,043
Total revenues	17,515,450	17,515,450	8,846,790	9,473,891	18,320,681	805,231
Expenditures:						
Cost of services:						
Administration: Water conservation	578,660	578,660	201,734	155,352	357,086	221,574
Public works water supply	4,382,522	4,382,522	762,548	1,127,594	1,890,141	2,492,381
Public works water treatment	18,225,395	18,041,640	3,219,746	1,454,026	4,673,772	13,367,868
Public works water distribution	9,219,893	9,219,893	3,984,957	3,739,011	7,723,968	1,495,925
Public works improvements SDCs	4,153,000	4,153,000	385,229	92,776	478,005	3,674,995
Total Cost of Service	36,559,470	36,375,715	8,554,214	6,568,759	15,122,972	21,252,743
Debt service	1,251,136	1,941,298	991,033	925,245	1,916,278	25,020
Contingency	685,000	178,593	-	-	-	178,593
Total expenditures	38,495,606	38,495,606	9,545,247	7,494,004	17,039,250	21,456,356
Excess (Deficiency) of revenues over (under) expenditures	(20,980,156)	(20,980,156)	(698,457)	1,979,887	1,281,431	(22,261,587)
Other financing sources (uses):						
Loan proceeds	28,505,124	28,505,124	1,103,851	-	1,103,851	(27,401,273)
Transfer Out	(500,000)	(534,504)	(50,000)	(84,504)	(134,504)	400,000
Total other financing sources (uses)	28,005,124	27,970,620	1,053,851	(84,504)	969,347	(27,001,273)
Net change in fund balance	7,024,968	6,990,464	355,394	1,895,383	2,250,778	(4,739,686)
Fund balance, Beginning	12,575,444	12,575,444	10,495,072	10,850,466	10,495,072	(2,080,372)
Fund balance, Ending	\$ 19,600,412	\$ 19,565,908	\$ 10,850,466	\$ 12,745,850	\$ 12,745,850	\$ (6,820,058)
Reconciliation to Net Position:						
Deferred Outflow - Pension				\$ 884,893		
Deferred Outflow - OPEB				100,293		
Capital assets, net				26,352,124		
Compensated absences				(101,245)		
OPEB implicit rate liability				(255,043)		
Net Pension liability				(2,644,548)		
Deferred Inflow - Pension				(75,762)		
Deferred Inflow - OPEB				(31,190)		
Accrued interest				(49,958)		
GO bonds payable				(1,635,000)		
Revenue bonds payable				(7,667,555)		
Rounding				1		
Total Net Position				\$ 27,622,860		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WASTEWATER FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final				
Revenues:						
Taxes	\$ 3,250,000	\$ 3,250,000	\$ 1,617,688	\$ 2,193	\$ 1,619,881	\$ (1,630,119)
Intergovernmental	-	-	3,409	17,088	20,497	20,497
Charges for services	11,343,000	11,343,000	6,086,169	6,127,636	12,213,805	870,805
System developments charges	200,000	200,000	212,725	314,271	526,996	326,996
Interest on investments	291,450	291,450	188,367	67,280	255,647	(35,803)
Miscellaneous	2,000	2,000	1,610	58	1,668	(332)
Total revenues	<u>15,086,450</u>	<u>15,086,450</u>	<u>8,109,968</u>	<u>6,528,526</u>	<u>14,638,494</u>	<u>(447,956)</u>
Expenditures:						
Cost of services:						
Public works wastewater collection	5,741,660	5,741,660	2,579,229	2,846,572	5,425,801	315,859
Public works wastewater treatment	8,319,440	6,695,689	2,487,997	2,965,296	5,453,293	1,242,396
Public works reimbursements SDC's	1,109,750	1,109,750	109,481	131,036	240,517	869,233
Total cost of service	<u>15,170,850</u>	<u>13,547,099</u>	<u>5,176,707</u>	<u>5,942,904</u>	<u>11,119,611</u>	<u>2,427,488</u>
Debt service	3,585,867	5,209,618	1,796,856	3,336,288	5,133,144	76,474
Contingency	325,000	325,000	-	-	-	325,000
Total expenditures	<u>19,081,717</u>	<u>19,081,717</u>	<u>6,973,563</u>	<u>9,279,192</u>	<u>16,252,755</u>	<u>2,828,962</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,995,267)</u>	<u>(3,995,267)</u>	<u>1,136,405</u>	<u>(2,750,666)</u>	<u>(1,614,261)</u>	<u>2,381,006</u>
Other financing sources (uses):						
Loan proceeds	9,900,000	9,900,000	122,729	278,649	401,378	(9,498,622)
Transfer Out	-	(44,119)	-	(44,119)	(44,119)	-
Total other financing sources (uses)	<u>9,900,000</u>	<u>9,855,881</u>	<u>122,729</u>	<u>234,530</u>	<u>357,259</u>	<u>(9,498,622)</u>
Net change in fund balance	5,904,733	5,860,614	1,259,134	(2,516,136)	(1,257,002)	(7,117,616)
Fund balance, Beginning	<u>9,328,398</u>	<u>9,328,398</u>	<u>8,826,689</u>	<u>10,085,823</u>	<u>8,826,689</u>	<u>(501,709)</u>
Fund balance, Ending	<u>\$ 15,233,131</u>	<u>\$ 15,189,012</u>	<u>\$ 10,085,823</u>	<u>\$ 7,569,687</u>	<u>\$ 7,569,687</u>	<u>\$ (7,619,325)</u>
Reconciliation to Net Position:						
Deferred Outflow - Pension				\$ 666,619		
Deferred Outflow - OPEB				75,554		
Capital assets, net				30,948,553		
Compensated absences				(96,452)		
OPEB implicit rate liability				(192,132)		
Net Pension liability				(1,992,226)		
Deferred Inflow - Pension				(57,074)		
Deferred Inflow - OPEB				(23,496)		
Accrued interest				(8,125)		
GO bonds payable				(295,000)		
Revenue bonds payable				(2,474,552)		
Rounding				2		
Total Net Position				<u>\$ 34,121,358</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
STORMWATER FUND
For the year ended June 30, 2021

	BN 2019-2021 Biennium Budget Amounts		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 2,597	\$ 5,049	\$ 7,646	\$ 7,646
Charges for services	1,560,000	1,560,000	727,545	728,665	1,456,210	(103,790)
System developments charges	80,000	80,000	16,834	27,823	44,657	(35,343)
Interest on investments	60,300	60,300	37,214	12,831	50,045	(10,255)
Miscellaneous	-	-	-	-	-	-
Total revenues	1,700,300	1,700,300	784,190	774,368	1,558,558	(141,742)
Expenditures:						
Cost of services:						
Public works stormwater operations	1,888,482	1,888,482	756,257	733,042	1,489,299	399,183
Public works stormwater SDC's	316,000	316,000	87,356	33,734	121,090	194,910
Total cost of service	2,204,482	2,204,482	843,613	766,776	1,610,389	594,093
Debt service	23,700	23,700	11,950	11,750	23,700	-
Contingency	30,000	30,000	-	-	-	30,000
Total expenditures	2,258,182	2,258,182	855,563	778,526	1,634,089	624,093
Excess (deficiency) of revenues over (under) expenditures	(557,882)	(557,882)	(71,373)	(4,158)	(75,531)	482,351
Other financing sources (uses):						
Transfer Out	-	(13,391)	-	(13,391)	(13,391)	-
Total other financing sources (uses)	-	(13,391)	-	(13,391)	(13,391)	-
Net change in fund balance	(557,882)	(571,273)	(71,373)	(17,549)	(88,922)	482,351
Fund balance, Beginning	1,784,746	1,784,746	1,866,537	1,795,164	1,866,537	3,651,283
Fund balance, Ending	\$ 1,226,864	\$ 1,213,473	\$ 1,795,164	\$ 1,777,615	\$ 1,777,615	\$ 564,142
Reconciliation to Net Position:						
Deferred Outflow - Pension				\$ 168,130		
Deferred Outflow - OPEB				37,392		
Capital assets, net				595,755		
Compensated absences				(12,491)		
OPEB implicit rate liability				(94,901)		
Net Pension liability				(502,464)		
Deferred Inflow - Pension				(14,395)		
Deferred Inflow - OPEB				(11,988)		
Accrued interest				(407)		
GO bonds payable				(75,000)		
Rounding				1		
Total Net Position				<u>\$ 1,867,247</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
ELECTRIC FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ 420,000	\$ 420,000	\$ 205,315	\$ 446,543	\$ 651,858	\$ 231,858
Charges for services	34,641,320	34,641,320	16,478,238	16,715,771	33,194,009	(1,447,311)
Interest on investments	74,295	74,295	54,149	21,087	75,236	941
Miscellaneous	195,560	195,560	74,069	78,947	153,016	(42,544)
Total revenues	35,331,175	35,331,175	16,811,771	17,262,348	34,074,119	(1,257,056)
Expenditures:						
Cost of Services:						
Administration - Conservation	1,830,754	1,830,754	788,117	756,957	1,545,074	285,680
Electric - supply	16,114,835	16,114,835	7,446,726	7,501,872	14,948,598	1,166,237
Electric distribution	16,896,919	16,896,919	7,388,997	7,142,254	14,531,251	2,365,668
Electric transmission	2,665,970	2,665,970	893,860	901,139	1,794,999	870,971
Total cost of service	37,508,478	37,508,478	16,517,700	16,302,222	32,819,922	4,688,556
Debt service	44,517	44,517	22,393	22,121	44,514	3
Contingency	225,000	225,000	-	-	-	225,000
Total expenditures	37,777,995	37,777,995	16,540,093	16,324,343	32,864,436	4,913,559
Excess (deficiency) of revenues over (under) expenditures	(2,446,820)	(2,446,820)	271,678	938,005	1,209,683	3,656,503
Other financing sources (uses):						
Transfer Out	-	(40,923)	-	(40,923)	(40,923)	-
Total other financing sources (uses)	-	(40,923)	-	(40,923)	(40,923)	-
Net change in fund balance	(2,446,820)	(2,487,743)	271,678	897,082	1,168,760	3,656,503
Fund balance, Beginning	3,208,518	3,208,518	2,249,388	2,521,066	2,249,388	(959,130)
Fund balance, Ending	\$ 761,698	\$ 720,775	\$ 2,521,066	\$ 3,418,148	\$ 3,418,148	\$ 2,697,373
Reconciliation to Net Position:						
Deferred Outflow - Pension				\$ 1,002,880		
Deferred Outflow - OPEB				113,666		
Capital assets, net				6,890,321		
Compensated absences				(229,307)		
OPEB implicit rate liability				(289,049)		
Net Pension liability				(2,997,155)		
Deferred Inflow - Pension				(85,863)		
Deferred Inflow - OPEB				(66,969)		
Accrued interest				(11)		
Revenue bonds payable				(21,714)		
Deferred revenue				89,597		
Rounding				(5)		
Total Net Position				<u>\$ 7,824,539</u>		

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
TELECOMMUNICATIONS FUND
For the year ended June 30, 2021

	BN 2019-2021 Biennium Budget Amounts		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 4,904	\$ 24,139	\$ 29,043	\$ 29,043
Charges for services	4,836,905	4,836,905	2,508,889	2,651,517	5,160,406	323,501
Interest on investments	4,000	4,000	22,338	11,155	33,493	29,493
Miscellaneous	2,000	2,000	-	-	-	(2,000)
Total revenues	4,842,905	4,842,905	2,536,131	2,686,811	5,222,942	380,037
Expenditures:						
Cost of services:						
Personal services	1,619,782	1,519,782	658,729	668,259	1,326,988	192,794
Materials and services	2,801,123	2,951,123	1,466,128	1,437,961	2,904,089	47,034
Capital outlay	130,000	130,000	6,060	-	6,060	123,940
Total cost of service	4,550,905	4,600,905	2,130,917	2,106,220	4,237,137	363,768
Contingency	105,000	55,000	-	-	-	55,000
Total expenditures	4,655,905	4,655,905	2,130,917	2,106,220	4,237,137	418,768
Excess (deficiency) of revenues over (under) expenditures	187,000	187,000	405,214	580,591	985,805	798,805
Other financing sources (uses):						
Transfer Out	-	(10,181)	-	(10,181)	(10,181)	-
Total other financing sources (uses)	-	(10,181)	-	(10,181)	(10,181)	-
Net change in fund balance	187,000	176,819	405,214	570,410	975,624	798,805
Fund balance, Beginning	1,081,142	1,081,142	1,135,311	1,540,525	1,135,311	54,169
Fund balance, Ending	\$ 1,268,142	\$ 1,257,961	\$ 1,540,525	\$ 2,110,935	\$ 2,110,935	\$ 852,974
Reconciliation to net position:						
Deferred Outflow - Pension				\$ 353,957		
Deferred Outflow - OPEB				40,118		
Capital assets, net				425,238		
Compensated absences				(26,423)		
OPEB implicit rate liability				(102,017)		
Net pension liability				(1,057,819)		
Deferred Inflow - Pension				(30,305)		
Deferred Inflow - OPEB				(12,476)		
Rounding				(4)		
Total Net Position				\$ 1,701,204		

**CITY OF ASHLAND, OREGON
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
June 30, 2021**

	Central Services Fund	Insurance Services Fund	Health Benefits Fund	Equipment Fund	Totals
ASSETS					
Current assets:					
Cash and investments	\$ 3,402,031	\$ 507,228	\$ 1,463,354	\$ 3,878,563	\$ 9,251,176
Interest and accounts receivable, net	1,814	18,178	1	27,520	47,514
Notes receivable	-	12,145	-	-	12,145
Inventories	21,425	-	-	16,143	37,568
Total current assets	3,425,270	537,551	1,463,355	3,922,226	9,348,403
Non-Current assets:					
Capital assets, not being depreciated or amortized:					
Land	-	-	-	-	-
Construction in process	646,363	-	-	-	646,363
Capital assets, being depreciated or amortized:					
Non-Current capital assets	845,928	-	-	16,200,373	17,046,301
Accumulated depreciation	(690,872)	-	-	(11,676,190)	(12,367,062)
Capital assets, net	801,419	-	-	4,524,183	5,325,602
Total Assets	4,226,689	537,551	1,463,355	8,446,409	14,674,005
Deferred Outflows of Resources:					
Deferred Outflows - Pension	3,244,607	-	-	383,452	3,628,059
Deferred Outflows - OPEB	367,742	-	-	43,460	411,202
Total Deferred Outflows	3,612,349	-	-	426,912	4,039,261
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
Current liabilities:					
Accounts payable	75,525	26,934	-	29,472	131,931
Accrued salaries, vacation and payroll taxes	618,044	-	-	49,656	667,700
Total current liabilities	693,569	26,934	-	79,128	799,631
Long-term liabilities:					
Net OPEB Liabilities	935,158	-	-	110,518	1,045,676
Proportionate Share of Net Pension Liability	9,696,677	-	-	1,145,972	10,842,649
Accrued claims	-	160,093	-	-	160,093
Total long-term liabilities	10,631,835	160,093	-	1,256,490	12,048,418
Total liabilities	11,325,404	187,027	-	1,335,618	12,848,049
Deferred Inflows of Resources:					
Deferred Inflows - Pensions	277,793	-	-	32,829	310,622
Deferred Inflows - OPEB	114,364	-	-	13,516	127,880
Total Deferred Inflows	392,157	-	-	46,345	438,502
Net Position:					
Net Investment in Capital Assets	801,419	-	-	4,524,183	5,325,602
Unrestricted	(4,679,942)	350,524	1,463,355	2,967,176	101,113
Total net position:	(3,878,523)	350,524	1,463,355	7,491,359	5,426,715
Total liabilities, deferred inflows and net position	\$ 7,839,038	\$ 537,551	\$ 1,463,355	\$ 8,873,322	\$ 18,713,266

CITY OF ASHLAND, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the year ended June 30, 2021

	Central Service Fund	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Totals
Operating revenues:					
Service charges and fees	\$ 8,776,570	\$ 598,222	\$ 5,615,526	\$ 2,537,504	\$ 17,527,822
Miscellaneous	1,468	31,636	-	205,113	238,217
Total revenues	8,778,038	629,858	5,615,526	2,742,617	17,766,039
Operating expenses:					
Cost of service	8,678,379	1,359,716	5,273,304	2,587,267	17,898,666
Depreciation	31,213	-	-	155,459	186,672
Total operating expenses	8,709,592	1,359,716	5,273,304	2,742,726	18,085,338
Operating income (loss)	68,446	(729,858)	342,222	(109)	(319,299)
Nonoperating income (expense):					
Taxes	49,752	-	-	-	49,752
Intergovernmental	30,872	114,669	-	35,016	180,557
Interest income	18,519	913	8,960	26,303	54,695
Total nonoperating income (expense)	99,143	115,582	8,960	61,319	285,004
Other financing sources (uses):					
Transfer In	-	500,000	-	-	500,000
Transfer Out	(42,456)	-	(100,000)	(8,120)	(150,576)
Total other financing sources (uses)	(42,456)	500,000	(100,000)	(8,120)	349,424
Change in Net Position	125,133	(114,276)	251,182	53,090	315,129
Total Net Position - beginning	(4,003,656)	464,800	1,212,173	7,438,269	5,111,586
Total Net Position - ending	\$ (3,878,523)	\$ 350,524	\$ 1,463,355	\$ 7,491,359	\$ 5,426,715

CITY OF ASHLAND, OREGON
COMBINING INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the year ended June 30, 2021

	Central Service Fund	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ 8,991,881	\$ 680,983	\$ 5,618,188	\$ 2,733,080	\$ 18,024,133
Payments to suppliers	(1,664,798)	(1,392,268)	(5,273,304)	(1,861,954)	(10,192,324)
Payments to employees	(5,574,783)	-	-	(630,897)	(6,205,681)
Net cash from operating activities	1,752,300	(711,285)	344,884	240,229	1,626,128
Cash flows from noncapital financing activities:					
Taxes collected	49,752	-	-	-	49,752
Transfers In (Out)	(42,456)	500,000	(100,000)	(8,120)	349,424
Intergovernmental	30,872	114,669	-	35,016	180,557
Net cash from noncapital financing activities	38,168	614,669	(100,000)	26,896	579,733
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(32,436)	-	-	(346,952)	(379,388)
Net cash from capital and related financing activities	(32,436)	-	-	(346,952)	(379,388)
Cash flows from investing activities:					
Interest from investments and other income	18,519	914	8,960	26,303	54,696
Net increase (decrease) in cash and investments	1,776,551	(95,702)	253,844	(53,524)	1,881,169
Cash and investments, beginning of year	1,625,480	602,930	1,209,510	3,932,087	7,370,007
Cash and investments, end of year	\$ 3,402,031	\$ 507,228	\$ 1,463,354	\$ 3,878,563	\$ 9,251,176
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	68,446	(729,858)	342,222	(109)	(319,299)
Depreciation and amortization	31,213	-	-	155,459	186,672
Change in assets and liabilities:					
(Increase) decrease in:					
Receivables	213,843	51,125	2,662	(9,537)	258,093
Net Pension Assets, Outflows/Inflows	1,213,062	-	-	143,363	1,356,425
OPEB, Outflows/Inflows	80,062	-	-	9,462	89,524
Inventories	(11,850)	1,601	-	(714)	(10,963)
Increase (decrease) in:					
Accounts payable and accrued liabilities	17,025	(34,153)	-	(57,289)	(74,417)
Other liabilities	140,499	-	-	(406)	140,093
Net cash from operating activities	\$ 1,752,300	\$ (711,285)	\$ 344,884	\$ 240,229	\$ 1,626,128

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
CENTRAL SERVICES FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Taxes	\$ 165,100	\$ 165,100	\$ 53,166	\$ 49,752	\$ 102,918	\$ (62,182)
Intergovernmental revenues	-	-	215,509	30,872	246,382	246,382
Charges for services	17,121,969	17,121,969	7,891,080	8,776,570	16,667,650	(454,319)
Interest on investments	59,570	59,570	31,499	18,519	50,018	(9,552)
Miscellaneous	-	-	9,122	1,468	10,590	10,590
Total revenues	17,346,639	17,346,639	8,200,376	8,877,181	17,077,558	(269,081)
Expenditures:						
Cost of services:						
Administration department	3,578,160	3,578,160	1,474,265	1,458,475	2,932,740	645,420
IT - Information Services	2,996,167	2,996,167	1,299,078	1,219,507	2,518,585	477,582
Finance department	5,877,867	5,857,867	2,342,606	2,507,171	4,849,777	1,008,090
City Recorder department	375,849	395,849	183,363	197,856	381,219	14,630
Public Works department	5,008,021	5,008,021	2,167,935	1,937,376	4,105,311	902,710
Contingency	210,418	210,418	-	-	-	210,418
Total expenditures	18,046,482	18,046,482	7,467,247	7,320,385	14,787,632	3,258,850
Excess (deficiency) of revenues over (under) expenditures	(699,843)	(699,843)	733,129	1,556,796	2,289,926	2,989,769
Other financing sources (uses):						
Transfers Out	-	(42,456)	-	(42,456)	(42,456)	-
Total other financing sources (uses)	-	(42,456)	-	(42,456)	(42,456)	-
Net change in fund balance	(699,843)	(742,299)	733,129	1,514,340	2,247,470	2,989,769
Fund balance, Beginning	751,050	751,050	839,735	1,572,864	839,735	88,685
Fund balance, Ending	\$ 51,207	\$ 8,751	\$ 1,572,864	\$ 3,087,205	\$ 3,087,205	\$ 3,078,454
Reconciliation to Net Position:						
Deferred Outflow - Pension				\$ 3,244,607		
Deferred Outflow - OPEB				367,742		
Capital assets, net				801,420		
Accrued compensated absences				(355,504)		
OPEB implicit rate liability				(935,158)		
Net Pension liability				(9,696,677)		
Deferred Inflow - Pension				(277,793)		
Deferred Inflow - OPEB				(114,364)		
Rounding						
Total Net Position				\$ (3,878,522)		

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, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 63,998	\$ 114,669	\$ 178,667	\$ 178,667
Charges for services	1,425,888	1,425,888	1,288,503	598,222	1,886,725	460,837
Interest on investments	17,500	17,500	1,746	913	2,659	(14,841)
Miscellaneous	80,000	307,265	243,694	31,636	275,330	(31,935)
Total revenues	1,523,388	1,750,653	1,597,941	745,440	2,343,381	592,728
Expenditures:						
Cost of services:						
Personal services	-	227,265	227,264	-	227,264	1
Materials and services	2,112,012	2,612,012	1,129,582	1,359,716	2,489,298	122,714
Total cost of services	2,112,012	2,839,277	1,356,846	1,359,716	2,716,562	122,715
Contingency	-	-	-	-	-	-
Total expenditures	2,112,012	2,839,277	1,356,846	1,359,716	2,716,562	122,715
Excess (deficiency) of revenues over (under) expenditures	(588,624)	(1,088,624)	241,095	(614,276)	(373,181)	715,443
Other financing sources (uses):						
Transfers In	-	500,000	-	500,000	500,000	-
Total other financing sources (uses)	-	500,000	-	500,000	500,000	-
Net change in fund balance	(588,624)	(588,624)	241,095	(114,276)	126,819	715,443
Fund balance, Beginning	831,976	831,976	8,140	249,235	8,140	(823,836)
Fund balance, Ending	\$ 243,352	\$ 243,352	\$ 249,235	\$ 134,959	\$ 134,959	\$ (108,393)
Reconciliation to net position:						
Accrued claims and judgments				\$ (160,093)		
Deferred Revenues				375,658		
Total Net Position				<u>\$ 350,524</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, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Charges for services	\$ 13,053,921	\$ 13,053,921	\$ 5,771,133	\$ 5,615,526	\$ 11,386,659	\$ (1,667,262)
Interest on investments	19,687	19,687	18,573	8,960	27,533	7,846
Miscellaneous	-	-	2,933	-	2,933	2,933
Total revenues	13,073,608	13,073,608	5,792,639	5,624,486	11,417,125	(1,656,483)
Expenditures:						
Cost of services:						
Materials and services	12,732,303	12,732,303	5,412,841	5,273,304	10,686,145	2,046,158
Total cost of services	12,732,303	12,732,303	5,412,841	5,273,304	10,686,145	2,046,158
Contingency	100,000	100,000	-	-	-	100,000
Total expenditures	12,832,303	12,832,303	5,412,841	5,273,304	10,686,145	2,146,158
Other financing sources (uses):						
Transfer Out	(200,000)	(200,000)	(100,000)	(100,000)	(200,000)	-
Total other financing sources (uses)	(200,000)	(200,000)	(100,000)	(100,000)	(200,000)	-
Net change in fund balance	41,305	41,305	279,798	251,182	530,980	489,675
Fund balance, Beginning	882,648	882,648	932,375	1,212,173	932,375	49,727
Fund balance, Ending	\$ 923,953	\$ 923,953	\$ 1,212,173	\$ 1,463,355	\$ 1,463,355	\$ 539,402

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
EQUIPMENT FUND
For the year ended June 30, 2021

	BN 2019-2021		First Year Actual FY 2019-20	Second Year Actual FY 2020-21	Total Actual for budget period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 3,943	\$ 35,016	\$ 38,959	\$ 38,959
Charges for services	5,028,342	5,028,342	3,033,111	2,537,504	5,570,615	542,273
Interest on investments	136,680	136,680	86,945	26,303	113,248	(23,432)
Miscellaneous	150,000	150,000	37,269	205,113	242,382	92,382
Total revenues	5,315,022	5,315,022	3,161,268	2,803,936	5,965,204	650,182
Expenditures:						
Cost of services:						
Public works maintenance	3,715,299	3,715,299	1,580,214	1,728,543	3,308,757	406,542
Total cost of service	3,715,299	3,715,299	1,580,214	1,728,543	3,308,757	406,542
Capital outlay	3,877,500	3,877,500	1,057,901	1,050,630	2,108,532	1,768,968
Contingency	100,000	100,000	-	-	-	100,000
Total expenditures	7,692,799	7,692,799	2,638,115	2,779,173	5,417,289	2,275,510
Excess (deficiency) of revenues over (under) expenditures	(2,377,777)	(2,377,777)	523,153	24,763	547,915	(2,925,692)
Other financing sources (uses):						
Transfer Out	-	(8,120)	-	(8,120)	(8,120)	-
Total other financing sources (uses)	-	(8,120)	-	(8,120)	(8,120)	-
Net change in fund balance	(2,377,777)	(2,385,897)	523,153	16,643	539,795	2,925,692
Fund balance, Beginning	2,424,868	2,424,868	3,328,444	3,851,597	3,328,444	903,576
Fund balance, Ending	\$ 47,091	\$ 38,971	\$ 3,851,597	\$ 3,868,239	\$ 3,868,239	\$ 3,829,268
Reconciliation to Net Position:						
Deferred Outflow - Pension				\$ 383,452		
Deferred Outflow - OPEB				43,460		
Capital assets, net				4,524,184		
Accrued compensated absences				(25,141)		
OPEB implicit rate liability				(110,518)		
Net Pension liability				(1,145,972)		
Deferred Inflow - Pension				(32,829)		
Deferred Inflow - OPEB				(13,516)		
Rounding				(1)		
Total Net Position				\$ 7,491,358		

OTHER INFORMATION



**CITY OF ASHLAND, OREGON
CAPITAL ASSETS USED
IN THE OPERATION OF GOVERNMENTAL FUNDS
BY SOURCE
June 30, 2021**

Governmental funds capital assets:	
Land	\$ 15,239,669
Buildings and improvements	45,166,963
Improvements other than buildings	60,506,004
Machinery and equipment	7,429,592
Construction in progress	3,034,997
Total capital assets	<u>131,377,225</u>
Investments in governmental funds capital assets by source:	
General and capital projects funds	63,695,339
Special revenue funds	53,117,139
Leased to other agencies	14,564,747
Total investments in governmental funds capital assets	<u>\$ 131,377,225</u>

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, 2021**

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	1,971,174	270,067	744,668	41,289	4,998,799
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	14,645,383	2,760,187	6,128,173	41,289	29,445,068
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	43,661,664	2,039,364	47,721,810
Total highways and streets	589,276	647,984	783,522	43,661,664	2,039,364	47,721,810
Airports	176,566	1,029,780	15,740	4,173,243	-	5,395,329
Culture and recreation	7,525,391	21,975,880	2,726,310	4,727,272	954,344	37,909,197
Total governmental funds capital assets	\$ 15,239,669	\$ 45,166,963	\$ 7,429,592	\$ 60,506,004	\$ 3,034,997	\$ 131,377,225

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, 2021**

	Original Issue	Bond Principal Transactions	
		Outstanding June 30, 2020	Issued
General Obligation Bonds			
Water and Wastewater, Series 2009, issued May 15, 2009 interest at 4.95%	1,000,000	341,795	-
Wastewater, issued October 13, 2010 interest at 2.00% to 4.00%	15,440,000	2,980,000	-
**Fire Station #2, issued November 1, 2011 interest at 2.00% to 4.00%	2,960,000	1,820,000	-
**Ashland Fiber Network Bonds, (Refinanced 2004) issued March 7, 2013 interest at 2.00% to 2.80%	11,675,000	5,920,000	-
Water debt (Refinanced 2003), issued March 7, 2013 interest at 2.00%	1,580,000	545,000	-
New Construction for Street, CIP, Water and Wastewater, issued March 7, 2013 interest at 2.00% to 2.50%	4,765,000	2,730,000	-
Revenue Bonds			
Electric, Series 2008, issued June 20, 2008 interest at 3.8% to 6.01%	304,000	43,429	-
Water, DEQ loan interest at 1.00%	979,630	3,460,752	-
Wastewater, DEQ Loan interest at 1.00%	1,645,280	1,485,900	-
Medford Water Commission - Treatment Plant - Issued 3/26/2014 interest at 3.42%	2,620,084	1,859,818	-
Water, DEQ loan interest at 1.00%	-	2,549,591	-
Wastewater, DEQ loan interest at 1.00%	-	817,588	278,649
	\$ 40,348,910	\$ 24,553,873	\$ 278,649

**CITY OF ASHLAND, OREGON
SCHEDULE OF BOND PRINCIPAL
AND BOND INTEREST TRANSACTIONS
For the year ended June 30, 2021 (continued)**

Bond Principal Transactions			Interest Transactions			
Matured	Paid	Outstanding June 30, 2021	Outstanding June 30, 2020	Matured	Paid	Outstanding June 30, 2021
341,795	341,795	-	-	3,572	3,572	-
2,980,000	2,980,000	-	-	76,485	76,485	-
140,000	140,000	1,680,000	-	62,938	62,938	-
1,130,000	1,130,000	4,790,000	-	133,410	133,410	-
180,000	180,000	365,000	-	9,100	9,100	-
320,000	320,000	2,410,000	-	55,925	55,925	-
21,714	21,714	21,715	-	407	407	-
101,600	101,600	3,359,152	-	34,608	34,608	-
107,585	107,585	1,378,315	-	14,591	14,591	-
101,006	101,006	1,758,812	-	62,749	62,749	-
-	-	2,549,591	-	-	-	-
-	-	1,096,237	-	-	-	-
<u>\$ 5,423,700</u>	<u>\$ 5,423,700</u>	<u>\$ 19,408,822</u>	<u>\$ -</u>	<u>\$ 453,785</u>	<u>\$ 453,785</u>	<u>\$ -</u>

CITY OF ASHLAND, OREGON
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND BALANCES
ELECTED OFFICIALS
June 30, 2021

	Cash Balance July 1, 2020	Receipts	Turnovers to			Cash Balance June 30, 2021
			Treasurer	State	Other	
City Recorder	\$ 44,515,475	\$ 269,964,364	\$ -	\$ -	\$ 261,187,155	\$ 53,292,684
Judge	-	257,598	207,952	49,646	-	-
	<u>\$ 44,515,475</u>	<u>\$ 270,221,962</u>	<u>\$ 207,952</u>	<u>\$ 49,646</u>	<u>\$ 261,187,155</u>	<u>\$ 53,292,684</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.	132-149
Revenue Capacity	
These tables contain information that may assist the reader is assessing the viability of the City's revenue sources.	150-159
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.	160-168
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.	169-170
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.	171-175

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

ASSETS	2021	2020	2019	2018	2017
Assets:					
Cash and cash equivalents	\$ 52,376,356	\$ 43,564,028	\$ 42,173,319	\$ 39,515,544	\$ 36,235,307
Receivables (net of allowance for uncollectible)	8,138,923	7,594,224	8,253,374	8,135,704	7,314,031
Prepays	27,396	1,615	-	-	-
Inventories	1,169,847	1,110,681	1,259,272	1,275,359	1,302,116
Deferred charges	-	-	-	-	68,734
Restricted assets:					
Cash and cash equivalents	916,328	951,447	984,463	967,771	954,262
Proportional Share of Net Pension Assets			-	-	-
Capital assets:					
Land	18,445,364	18,445,364	18,445,364	17,445,364	14,733,964
Buildings and improvements	67,585,137	67,513,222	66,560,431	65,362,359	61,939,633
Machinery and equipment	25,059,700	24,604,426	23,311,261	20,929,013	20,275,179
Infrastructure	160,197,325	153,760,236	149,530,462	148,657,284	146,223,864
Construction in progress	10,086,940	12,734,933	10,467,215	5,648,364	5,049,759
Accumulated depreciation	(148,171,268)	(142,900,367)	(137,184,134)	(131,265,122)	(125,204,692)
Total assets	\$ 195,832,048	\$ 187,379,809	\$ 183,801,027	\$ 176,671,640	\$ 168,892,157
Deferred Outflows of Resources:					
Deferred outflows - pensions	15,563,496	12,769,178	12,943,236	11,405,216	18,906,964
Deferred outflows - OPEB	1,546,046	1,514,245	1,629,190	264,798	-
Liabilities:					
Current liabilities:					
Accounts payable and other	\$ 6,032,985	\$ 6,506,876	\$ 7,403,730	\$ 7,114,423	\$ 6,002,038
Claims and judgment	50,000	50,000	-	-	-
Bonds	2,692,483	3,894,192	4,527,757	3,773,933	3,548,507
Accrued interest payable	117,871	154,235	218,523	230,728	180,176
Noncurrent liabilities:					
Proportional Share of Net Pension Liability	46,512,316	36,414,527	31,643,235	29,786,911	34,849,281
Transitional Liability	544,768	603,272	-	-	-
Total OPEB Liability	3,866,114	3,564,521	3,840,269	2,929,241	1,857,483
Medical Stipend	-	-	-	4,037,004	3,934,756
Claims and judgement	110,093	110,093	160,093	17,247	17,247
Bonds	18,533,338	22,724,681	25,098,055	27,563,046	28,725,935
Total liabilities	78,459,968	74,022,397	72,891,662	75,452,533	79,115,423
Deferred Inflows of Resources:					
Deferred inflows - pensions	1,332,496	2,817,239	4,052,489	2,695,736	2,118,535
Deferred inflows - OPEB	513,698	598,161	610,761	144,694	-
Net position:					
Net investment in capital assets	111,977,377	107,538,941	101,504,787	95,440,283	90,743,265
Perpetual care: nonexpendable	917,499	954,825	1,035,856	970,304	955,356
Restricted for:					
Asset forfeiture	35,497	35,217	34,459	23,972	32,313
TOT tourism	262,617	501,558	487,873	425,141	338,658
Library Levy	-	-	-	-	-
System development	6,466,819	6,019,144	6,348,034	6,089,130	6,194,373
Debt service	987,974	1,037,697	1,955,218	1,027,297	976,090
CDBG restriction	36,620	36,620	36,620	33,804	33,801
Unrestricted	11,951,025	8,101,433	9,415,693	6,038,760	7,291,307
Total net position	\$ 132,635,428	\$ 124,225,435	\$ 120,818,540	\$ 110,048,691	\$ 106,565,163

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

	2016	2015	2014	2013	2012
\$	34,302,519	\$ 30,706,665	\$ 30,294,891	\$ 27,318,469	\$ 24,217,823
	6,875,708	6,952,616	6,965,083	8,944,226	6,007,813
	-	-	-	-	-
	1,181,124	1,241,570	1,097,205	955,594	960,976
	178,703	288,672	488,135	607,054	725,973
	943,355	855,545	1,149,616	1,140,881	976,265
	-	5,498,618	-	-	-
	14,373,273	14,373,273	14,346,985	14,346,985	14,142,444
	58,071,284	57,939,461	57,828,552	44,478,937	41,652,492
	19,404,748	18,388,604	17,823,317	14,229,072	13,784,934
	140,152,030	139,206,796	137,340,186	139,493,296	137,079,527
	8,810,424	7,403,156	4,689,277	7,574,458	6,145,626
	(119,389,812)	(113,263,213)	(106,839,820)	(102,158,683)	(95,803,201)
\$	<u>164,903,356</u>	<u>\$ 169,591,763</u>	<u>\$ 165,183,427</u>	<u>\$ 156,930,289</u>	<u>\$ 149,890,672</u>
	3,903,782	-	-	-	-
	-	-	-	-	-
\$	9,384,143	\$ 9,674,563	\$ 9,981,681	\$ 7,948,346	\$ 6,218,719
	-	-	-	-	-
	3,706,477	2,562,893	3,441,773	3,296,002	2,737,562
	204,769	222,149	253,863	238,254	488,516
	14,910,215	-	-	-	-
	-	-	-	-	-
	1,751,480	-	-	-	-
	-	-	-	-	-
	17,247	122,107	-	-	-
	31,644,402	34,633,001	34,142,648	34,937,044	32,990,512
	<u>61,618,733</u>	<u>47,214,713</u>	<u>47,819,965</u>	<u>46,419,646</u>	<u>42,435,309</u>
	3,463,962	8,220,518	-	-	-
	-	-	-	-	-
	86,071,068	86,852,183	87,604,076	79,731,019	81,273,748
	895,931	922,667	896,572	874,045	861,244
	25,784	29,678	28,897	14,579	224,361
	129,763	99,108	116,131	-	102,786
	-	56,587	142,497	-	-
	7,086,198	6,760,284	6,710,884	6,441,906	6,385,161
	1,028,912	1,737,051	1,670,185	1,661,313	1,858,140
	33,804	33,797	33,801	33,801	33,798
	8,452,983	17,665,177	20,160,419	21,753,980	16,716,125
\$	<u>103,724,443</u>	<u>\$ 114,156,532</u>	<u>\$ 117,363,462</u>	<u>\$ 110,510,643</u>	<u>\$ 107,455,363</u>

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

ASSETS	2021	2020	2019	2018	2017
Assets:					
Cash and cash equivalents	\$ 28,132,872	\$ 19,502,847	\$ 20,041,451	\$ 20,136,422	\$ 21,109,299
Receivables (net of allowance for uncollectible)	3,862,211	4,151,559	4,149,741	4,150,698	3,955,520
Prepaid expenses	17,246	1,615	-	-	-
Inventories	37,568	25,004	126,413	53,407	60,258
Internal balances	(4,035,200)	(3,784,001)	(3,022,208)	(736,580)	(690,424)
Restricted assets:					
Temporarily restricted:					
Cash and cash equivalents	916,328	951,447	984,463	967,771	954,262
Proportional Share of Net Pension Assets	-	-	-	-	-
Capital assets:					
Land	15,338,439	15,338,439	15,338,439	14,338,439	12,827,039
Buildings and improvements	45,485,473	45,413,558	44,460,767	43,262,695	39,839,969
Machinery and equipment	23,614,209	23,223,547	21,930,382	19,548,134	18,901,908
Infrastructure	60,950,409	56,350,836	56,295,205	56,217,158	56,008,878
Construction in progress	3,681,360	6,081,316	2,674,665	2,401,188	3,126,490
Accumulated depreciation	(81,078,681)	(78,343,149)	(75,249,062)	(71,921,238)	(69,116,513)
Total assets	\$ 96,922,234	\$ 88,913,018	\$ 87,730,256	\$ 88,418,094	\$ 86,976,686
Deferred Outflows of Resources:					
Deferred outflows - pensions	12,487,017	10,245,060	10,384,712	9,165,705	14,980,658
Deferred outflows - OPEB	1,179,023	1,178,645	1,270,634	264,798	-
Liabilities:					
Current liabilities:					
Accounts payable and other	\$ 3,616,270	\$ 4,407,662	\$ 4,369,603	\$ 4,460,514	\$ 4,038,455
Claims and judgment	50,000	50,000	-	-	-
Bonds	1,655,000	1,623,000	2,311,000	1,835,936	1,682,087
Accrued interest payable	59,370	69,992	80,400	91,799	109,425
Noncurrent liabilities:					
Proportional Share of Net Pension Liability	37,318,104	29,216,371	25,517,913	24,037,793	27,571,024
Transitional Liability	544,768	603,272	-	-	-
Total OPEB Liability	2,932,972	2,783,899	3,011,185	2,246,442	1,361,013
Medical Stipend	-	-	-	4,037,004	3,934,756
Claims and judgement	110,093	110,093	160,093	17,247	17,247
Bonds	7,402,000	9,057,000	10,205,000	12,516,000	12,817,735
Total liabilities	53,688,577	47,921,289	45,655,194	49,242,735	51,531,742
Deferred Inflows of Resources:					
Deferred inflows - pensions	1,069,097	2,260,347	3,251,423	2,215,143	1,754,236
Deferred inflows - OPEB	367,579	472,642	481,829	144,694	-
Net position:					
Net investment in capital assets	58,934,209	57,384,547	52,934,396	49,494,440	47,087,949
Perpetual care: nonexpendable	917,499	954,825	1,035,856	970,304	955,356
Restricted for:					
Asset forfeiture	35,497	35,217	34,459	23,972	32,313
TOT tourism	262,617	501,558	487,873	425,141	338,658
Library Levy	-	-	-	-	-
System development	2,904,597	2,687,513	2,745,614	2,540,793	2,746,404
Debt service	987,974	1,037,697	1,955,218	1,027,297	976,090
CDBG restriction	36,620	36,620	36,620	33,804	33,801
Unrestricted	(8,615,992)	(12,955,532)	(9,232,880)	(8,269,726)	(3,499,205)
Total net position	\$ 55,463,021	\$ 49,682,445	\$ 49,997,156	\$ 46,246,025	\$ 48,671,366

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

	2016	2015	2014	2013	2012
\$	21,839,880	\$ 20,251,175	\$ 19,534,572	\$ 17,585,953	\$ 18,062,202
	3,338,266	4,167,775	3,471,767	3,688,713	3,462,383
	-	-	-	-	-
	65,010	187,511	73,094	74,943	61,605
	(113,519)	(1,945,133)	(1,392,782)	(1,122,695)	(690,129)
	943,355	855,545	1,149,616	1,140,881	976,265
	-	4,350,234	-	-	-
	12,466,348	12,466,348	12,466,348	12,466,348	12,261,807
	35,982,031	35,850,207	35,739,298	22,389,683	19,563,238
	18,115,158	17,116,629	16,653,654	13,169,274	12,890,582
	55,745,615	54,917,223	53,668,418	49,724,924	48,193,897
	1,390,232	1,614,351	1,620,133	3,541,161	2,692,359
	(65,662,055)	(61,946,174)	(58,028,592)	(48,437,198)	(46,093,174)
\$	84,110,321	\$ 87,885,691	\$ 84,955,526	\$ 74,221,987	\$ 71,381,035
	3,088,480	-	-	-	-
	-	-	-	-	-
\$	6,921,351	\$ 7,163,036	\$ 7,116,594	\$ 5,271,651	\$ 4,811,345
	730,000	793,836	1,555,932	1,452,982	1,127,229
	121,564	130,429	155,091	130,897	382,895
	11,796,223	-	-	-	-
	-	-	-	-	-
	1,276,128	-	-	-	-
	-	-	-	-	-
	17,247	122,107	-	-	-
	15,401,707	16,009,707	16,925,776	18,337,270	17,779,689
	36,264,220	24,219,115	25,753,393	25,192,800	24,101,158
	2,740,515	6,503,667	-	-	-
	-	-	-	-	-
	41,905,622	43,215,041	43,637,551	33,063,940	30,601,791
	895,931	922,667	896,572	874,045	861,244
	25,784	29,678	28,897	14,579	224,361
	129,763	99,108	116,131	-	102,786
	-	56,587	142,497	-	-
	3,226,398	3,036,906	2,924,188	2,835,567	2,763,714
	1,028,912	861,561	794,695	785,823	982,650
	33,804	33,797	33,801	33,801	33,798
	947,852	8,907,564	10,627,801	11,421,432	11,709,533
\$	48,194,066	\$ 57,162,909	\$ 59,202,133	\$ 49,029,187	\$ 47,279,877

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

ASSETS	2021	2020	2019	2018	2017
Assets:					
Cash and cash equivalents	\$ 24,243,484	\$ 24,061,181	\$ 22,131,868	\$ 19,379,122	\$ 15,126,008
Receivables (net of allowance for uncollectible)	4,246,712	3,442,665	4,103,633	3,985,006	3,358,511
Prepaid Expenses	10,150	-	-	-	-
Inventories	1,132,279	1,085,677	1,132,859	1,221,952	1,241,858
Deferred charges	-	-	-	-	68,734
Internal balances	4,035,200	3,784,001	3,022,208	736,580	690,424
Proportional Share of Net Pension Assets	-	-	-	-	-
Capital assets:					
Land	3,106,925	3,106,925	3,106,925	3,106,925	1,906,925
Buildings and improvements	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664
Machinery and equipment	1,445,491	1,380,879	1,380,879	1,380,879	1,373,271
Infrastructure	99,246,916	97,409,400	93,235,257	92,440,126	90,214,986
Construction in progress	6,405,580	6,653,617	7,792,550	3,247,176	1,923,269
Accumulated depreciation	(67,092,587)	(64,557,218)	(61,935,072)	(59,343,884)	(56,088,179)
Total assets	\$ 98,879,814	\$ 98,466,791	\$ 96,070,771	\$ 88,253,546	\$ 81,915,471
Deferred Outflows of Resources:					
Deferred outflows - pensions	3,076,479	2,524,118	2,558,524	2,239,511	3,926,306
Deferred outflows - pensions	367,023	335,600	358,556	-	-
Liabilities:					
Current liabilities:					
Accounts payable and other	\$ 2,416,715	\$ 2,099,214	\$ 3,034,127	\$ 2,653,909	\$ 1,963,580
Bonds	737,483	2,271,192	2,216,757	1,937,997	1,866,420
Accrued interest payable	58,501	84,243	138,123	138,929	70,754
Noncurrent liabilities:					
Proportional Share of Net Pension Liability	9,194,212	7,198,156	6,125,322	5,749,118	7,278,257
Total OPEB Liability	933,142	780,622	829,084	682,799	496,470
Bonds	11,131,338	13,667,681	14,893,055	15,047,046	15,908,200
Total liabilities	24,471,391	26,101,108	27,236,468	26,209,798	27,583,681
Deferred Inflows of Resources:					
Deferred inflows - pensions	263,399	556,892	801,066	480,593	364,299
Deferred inflows - OPEB	146,119	125,519	128,932	-	-
Net position:					
Net investment in capital assets	53,043,168	50,154,394	48,570,391	45,945,843	43,655,316
Restricted for:					
System development	3,562,222	3,331,631	3,602,420	3,548,337	3,447,969
Debt service	-	-	-	-	-
Unrestricted	20,567,017	21,056,965	18,648,573	14,308,486	10,790,512
Total net position	\$ 77,172,407	\$ 74,542,990	\$ 70,821,384	\$ 63,802,666	\$ 57,893,797

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

	2016		2015		2014		2013		2012
\$	12,462,639	\$	10,455,490	\$	10,760,319	\$	9,732,516	\$	6,155,621
	3,537,442		2,780,841		3,493,316		5,255,513		2,545,430
	-		-		-		-		-
	1,116,114		1,054,059		1,024,111		880,651		899,374
	178,703		288,672		488,135		607,054		725,973
	113,519		1,949,133		1,392,782		1,122,695		690,129
	-		1,148,384		-		-		-
	1,906,925		1,906,925		1,880,637		1,880,637		1,880,637
	22,089,253		22,089,254		22,089,254		22,089,254		22,089,254
	1,289,590		1,271,975		1,169,663		1,059,798		894,352
	84,406,415		84,289,573		83,671,768		89,768,372		88,885,630
	7,420,192		5,788,805		3,069,144		4,033,297		3,453,267
	(53,727,757)		(51,317,039)		(48,811,228)		(53,721,485)		(49,710,027)
\$	<u>80,793,035</u>	\$	<u>81,706,072</u>	\$	<u>80,227,901</u>	\$	<u>82,708,302</u>	\$	<u>78,509,640</u>
	815,302		-		-		-		-
	-		-		-		-		-
\$	2,938,144	\$	2,511,527	\$	2,865,087	\$	2,798,666	\$	1,407,377
	2,976,477		1,769,057		1,885,841		1,843,020		1,610,333
	83,205		91,720		98,772		107,357		105,621
	3,113,992		-		-		-		-
	-		-		-		-		-
	<u>16,242,695</u>		<u>18,623,294</u>		<u>17,216,872</u>		<u>16,477,803</u>		<u>15,210,823</u>
	<u>25,354,513</u>		<u>22,995,598</u>		<u>22,066,572</u>		<u>21,226,846</u>		<u>18,334,154</u>
	723,447		1,716,851		-		-		-
	-		-		-		-		-
	44,165,446		43,637,142		43,966,525		46,789,050		50,671,957
	3,859,800		3,723,378		3,786,696		3,606,339		3,621,447
	-		875,490		875,490		875,490		875,490
	7,505,131		8,757,613		9,532,618		10,210,577		5,006,592
\$	<u>55,530,377</u>	\$	<u>56,993,623</u>	\$	<u>58,161,329</u>	\$	<u>61,481,456</u>	\$	<u>60,175,486</u>

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

	2021	2020	2019	2018	2017
Program Revenues:					
Governmental Activities					
General government:					
Charges for services	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169	\$ 910,241
Operating grants and contributions	3,693,619	732,823	262,489	129,380	129,380
Capital grants and contributions	-	-	-	-	-
Public safety:					
Charges for services	2,292,505	2,675,547	2,548,153	1,606,504	1,688,843
Operating grants and contributions	1,109,305	1,279,769	1,623,913	104,913	582,508
Capital grants and contributions	-	-	-	-	-
Highways and streets:					
Charges for services	1,985,360	2,003,993	3,249,260	2,023,624	2,944,784
Operating grants and contributions	1,513,586	1,479,134	1,511,605	-	-
Capital grants and contributions	-	-	-	-	-
Parks and Recreation :					
Charges for Services	827,593	967,035	1,144,135	1,096,063	1,139,709
Operating Grants and Contributions	6,162,969	5,753,946	5,412,257	7,086,738	-
Capital grants and contributions	70,915	-	-	-	-
Total Governmental Activities Program Expenses	21,266,793	17,055,348	17,508,476	12,438,391	7,395,465
Business-Type Activities					
Water:					
Charges for services	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860	\$ 7,639,625
Capital grants and contributions	-	-	-	-	-
Capital system development charges	-	-	-	-	-
Wastewater:					
Charges for services	6,441,907	6,298,894	6,156,129	6,025,937	5,606,470
Capital system development charges	-	-	-	-	-
Stormwater:					
Charges for services	756,488	744,379	738,913	731,273	-
Electric:					
Charges for services	16,715,771	16,478,238	16,182,698	15,917,213	14,913,883
Operating grants and contributions	509,585	222,556	80,914	259,094	126,497
Telecommunications:					
Charges for services	2,651,517	2,508,889	2,379,809	2,252,527	2,094,810
Total Business-Type Program Revenues	36,437,599	34,835,350	34,074,617	33,295,904	30,381,285
Total Program Revenues	57,704,392	51,890,698	51,583,093	45,734,295	37,776,750
Program Expenses:					
Governmental Activities					
General government	6,342,601	6,475,196	5,131,091	7,543,912	5,496,540
Public safety	19,734,452	18,926,690	17,929,057	19,412,731	16,623,123
Highways and streets	4,158,101	4,126,947	5,448,730	4,404,007	5,783,911
Parks and Recreation	7,291,708	7,775,649	6,674,183	6,260,320	6,957,300
Interest on long-term debt	213,858	447,633	277,965	657,711	262,979
Total Governmental Activities Program Expenses	37,740,720	37,752,115	35,461,026	38,278,681	35,123,853
Business-Type Activities					
Water	7,189,625	7,112,003	5,933,108	6,171,718	6,308,939
Wastewater	6,603,551	6,610,862	6,425,838	6,426,131	6,550,650
Stormwater	925,293	921,169	703,372	243,016	-
Electric	16,927,962	16,430,442	14,788,411	15,878,525	15,324,892
Telecommunications	2,228,550	2,239,378	2,018,513	1,837,333	2,158,040
Total Business-Type Program Expenses	33,874,981	33,313,854	29,869,242	30,556,723	30,342,521
Total Program Expenses	71,615,701	71,065,969	65,330,268	68,835,404	65,466,374
Net (Expense) Revenue:					
Governmental Activities	(16,473,927)	(20,696,767)	(17,952,550)	(25,840,290)	(27,728,388)
Business-Type Activities	2,562,618	1,521,496	4,205,375	2,739,181	38,764
	(13,911,309)	(19,175,271)	(13,747,175)	(23,101,109)	(27,689,624)
General Revenues:					
Property taxes	12,539,166	12,206,619	11,772,192	11,373,320	10,907,541
Utility users tax	3,532,748	3,446,443	3,378,833	5,179,602	4,871,486
Users taxes	5,709,188	5,976,996	7,287,844	5,479,524	5,708,277
Unrestricted interest earnings	288,335	781,048	1,341,448	708,809	346,860
Miscellaneous	251,865	171,054	736,708	5,241,962	7,615,593
OSF Donated Capital	-	-	-	-	3,440,453
Transfers:					
Total general revenues and transfers	22,321,302	22,582,160	24,517,025	27,983,217	32,890,210
Change in net position	8,409,993	3,406,889	10,769,850	4,882,108	5,200,586
Net position - beginning, restated	124,225,435	120,818,546	110,048,691	105,166,583	101,364,577
Net position - ending	\$ 132,635,428	\$ 124,225,435	\$ 120,818,541	\$ 110,048,691	\$ 106,565,163

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

	2016	2015	2014	2013	2012
\$	1,041,323	\$ 1,777,397	\$ 2,022,814	\$ 6,054,232	\$ 6,915,050
	162,143	611,864	252,742	199,701	290,097
	-	-	-	-	99,591
	1,563,986	1,805,092	1,412,785	1,722,410	1,525,061
	438,074	132,061	180,422	77,257	37,537
	-	-	-	-	3,060,434
	2,845,870	2,248,027	2,093,705	2,090,907	3,024,262
	-	25,712	-	620,913	-
	-	-	-	-	868,543
	1,153,455	1,149,154	1,578,123	-	-
	92	320,539	-	-	-
	-	-	-	-	-
	<u>7,204,943</u>	<u>8,069,846</u>	<u>7,540,591</u>	<u>10,765,420</u>	<u>15,820,575</u>
\$	6,937,651	\$ 6,163,924	\$ 5,913,633	\$ 5,547,560	\$ 4,891,233
	14,898	70,473	89,747	1,969,979	461,964
	277,247	328,414	269,029	266,196	491,612
	5,093,609	4,651,836	4,171,230	3,928,342	3,601,900
	107,655	112,989	80,570	95,132	81,998
	-	-	-	-	-
	14,600,751	13,817,822	13,671,443	12,938,039	12,402,857
	395,149	157,698	178,002	148,642	125,123
	2,010,444	1,960,462	1,929,101	1,896,106	1,931,126
	<u>29,437,404</u>	<u>27,263,618</u>	<u>26,302,755</u>	<u>26,789,996</u>	<u>23,987,813</u>
	<u>36,642,347</u>	<u>35,333,464</u>	<u>33,843,346</u>	<u>37,555,416</u>	<u>39,808,388</u>
	6,914,541	4,010,499	4,921,674	7,269,820	6,086,034
	19,474,413	11,271,574	14,677,285	10,352,003	13,893,641
	5,490,894	4,536,755	5,420,004	3,080,513	3,923,526
	8,802,091	5,452,550	5,881,480	-	-
	293,944	322,330	435,790	1,618,065	966,063
	<u>40,975,883</u>	<u>25,593,708</u>	<u>31,336,233</u>	<u>22,320,401</u>	<u>24,869,264</u>
	7,271,424	7,832,250	6,852,085	7,581,708	5,256,110
	6,838,563	5,359,115	7,475,207	3,846,640	5,035,171
	-	-	-	-	-
	16,708,504	13,521,819	15,825,968	13,613,715	13,673,739
	2,557,101	1,945,375	2,240,951	3,233,961	3,308,448
	<u>33,375,592</u>	<u>28,658,559</u>	<u>32,394,211</u>	<u>28,276,024</u>	<u>27,273,468</u>
	<u>74,351,475</u>	<u>54,252,267</u>	<u>63,730,444</u>	<u>50,596,425</u>	<u>52,142,732</u>
	(33,770,940)	(17,523,862)	(23,795,642)	(11,554,981)	(9,048,689)
	<u>(3,938,188)</u>	<u>(1,394,941)</u>	<u>(6,091,456)</u>	<u>(1,486,028)</u>	<u>(3,285,655)</u>
	<u>(37,709,128)</u>	<u>(18,918,803)</u>	<u>(29,887,098)</u>	<u>(13,041,009)</u>	<u>(12,334,344)</u>
	10,452,785	10,203,218	10,216,080	5,783,168	5,416,909
	4,763,832	4,607,586	4,572,352	4,306,761	4,209,696
	5,603,646	4,628,130	4,676,572	4,528,236	4,254,933
	187,447	192,577	342,638	346,084	329,126
	5,919,329	5,854,694	5,600,322	1,132,040	1,251,148
	-	-	-	-	-
	350,000	-	(90,000)	-	-
	<u>27,277,039</u>	<u>25,486,205</u>	<u>25,317,964</u>	<u>16,096,289</u>	<u>15,461,812</u>
	(10,432,089)	6,567,402	(4,569,134)	3,055,280	3,127,468
	114,156,532	107,589,130	121,932,596	107,455,363	104,327,895
\$	<u>103,724,443</u>	<u>114,156,532</u>	<u>117,363,462</u>	<u>110,510,643</u>	<u>107,455,363</u>

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

Program Revenues:	2021	2020	2019	2018	2017
General government:					
Charges for services	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169	\$ 910,241
Operating grants and contributions	3,693,619	732,823	262,489	129,380	129,380
Capital grants and contributions	-	-	-	-	-
Public safety:					
Charges for services	2,292,505	2,675,547	2,548,153	1,606,504	1,688,843
Operating grants and contributions	1,109,305	1,279,769	1,623,913	104,913	58,208
Capital grants and contributions	-	-	-	-	-
Highways and streets:					
Charges for services	1,985,360	2,003,993	3,249,260	2,023,624	2,944,784
Operating grants and contributions	1,513,586	1,479,134	1,511,605	-	-
Capital grants and contributions	-	-	-	-	-
Parks and Recreation :					
Charges for Services	827,593	967,035	1,144,135	1,096,063	1,139,709
Operating Grants and Contributions	6,162,969	5,753,946	5,412,257	7,086,738	-
Capital Grants and Contributions	70,915	-	-	-	-
	<u>21,266,793</u>	<u>17,055,348</u>	<u>17,508,476</u>	<u>12,438,391</u>	<u>6,871,165</u>
Program Expenses:					
General government	6,342,601	6,475,196	5,131,091	7,543,912	5,496,540
Public safety	19,734,452	18,926,690	17,929,057	19,412,731	16,623,123
Highways and streets	4,158,101	4,126,947	5,448,730	4,404,007	5,783,911
Parks and Recreation	7,291,708	7,775,649	6,674,183	6,260,320	6,957,300
Interest on long-term debt	213,858	447,633	277,965	657,711	262,979
	<u>37,740,720</u>	<u>37,752,115</u>	<u>35,461,026</u>	<u>38,278,681</u>	<u>35,123,853</u>
Net (Expense) Revenue:					
General government	961,959	(3,579,272)	(3,111,938)	(7,023,363)	(4,456,919)
Public safety	(16,332,642)	(14,971,374)	(13,756,991)	(17,701,314)	(14,351,772)
Highways and streets	(659,155)	(643,820)	(687,865)	(2,380,383)	(2,839,127)
Parks and Recreation	(301,146)	(1,054,668)	(117,791)	1,922,481	(5,817,591)
Interest on long-term debt	(213,858)	(447,633)	(277,965)	(657,711)	(262,979)
	<u>(16,544,842)</u>	<u>(20,696,767)</u>	<u>(17,952,550)</u>	<u>(25,840,290)</u>	<u>(27,728,388)</u>
General Revenues:					
Property taxes	12,539,166	12,206,619	11,772,192	11,373,320	10,907,541
Utility users tax	3,532,748	3,446,443	3,378,833	5,179,602	4,871,486
Users taxes	5,706,995	4,359,308	5,661,545	3,851,111	3,702,721
Unrestricted interest earnings	95,482	262,664	806,851	369,819	188,869
Miscellaneous	186,994	57,016	84,260	5,104,961	7,454,484
OSF Donated Capital	-	-	-	-	3,440,453
Transfers:	193,118	50,000	-	-	-
Total general revenues and transfers	<u>22,254,503</u>	<u>20,382,050</u>	<u>21,703,681</u>	<u>25,878,813</u>	<u>30,565,554</u>
Change in net position	5,709,661	(314,717)	3,751,131	38,523	2,837,166
Net position - beginning, restated	49,682,445	49,997,162	46,246,025	46,207,502	45,834,200
Net position - ending	<u>\$ 55,392,106</u>	<u>\$ 49,682,445</u>	<u>\$ 49,997,156</u>	<u>\$ 46,246,025</u>	<u>\$ 48,671,366</u>

**CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES**

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

	2016	2015	2014	2013	2012
\$	1,041,323	\$ 1,777,397	\$ 2,022,814	\$ 6,054,232	\$ 6,915,050
	162,143	611,864	252,742	199,701	290,097
	-	-	-	-	99,591
	1,563,986	1,805,092	1,412,785	1,722,410	1,525,601
	438,074	132,061	180,422	77,257	37,537
	-	-	-	-	3,060,434
	2,845,870	2,248,027	2,093,705	2,090,907	3,024,262
	-	25,712	-	620,913	-
	-	-	-	-	868,543
	1,153,455	1,149,154	1,578,123	-	-
	92	320,539	-	-	-
	-	-	-	-	-
	<u>7,204,943</u>	<u>8,069,846</u>	<u>7,540,591</u>	<u>10,765,420</u>	<u>15,821,115</u>
	6,914,541	4,010,499	4,921,674	7,269,820	6,086,034
	19,474,413	11,271,574	14,677,285	10,352,003	13,893,641
	5,490,894	4,536,755	5,420,004	3,080,513	3,923,526
	8,802,091	5,452,550	5,881,480	-	-
	293,944	322,330	435,790	1,618,065	966,063
	<u>40,975,883</u>	<u>25,593,708</u>	<u>31,336,233</u>	<u>22,320,401</u>	<u>24,869,264</u>
	(5,711,075)	(1,621,238)	(2,646,118)	(1,015,887)	1,218,704
	(17,472,353)	(9,334,421)	(13,084,078)	(8,552,336)	(9,270,609)
	(2,645,024)	(2,263,016)	(3,326,299)	(368,693)	(30,721)
	(7,648,544)	(3,982,857)	(4,303,357)	-	-
	(293,944)	(322,330)	(435,790)	(1,618,065)	(966,063)
	<u>(33,770,940)</u>	<u>(17,523,862)</u>	<u>(23,795,642)</u>	<u>(11,554,981)</u>	<u>(9,048,689)</u>
	10,452,785	10,203,218	10,216,080	5,783,168	5,416,909
	4,763,832	4,607,586	4,572,352	4,306,761	4,209,696
	3,343,859	2,547,514	2,784,842	2,688,525	2,547,854
	110,363	137,558	186,146	179,794	173,648
	5,781,258	5,721,728	4,877,216	346,043	618,616
	-	-	-	-	-
	350,000	-	(90,000)	-	-
	<u>24,802,097</u>	<u>23,217,604</u>	<u>22,546,636</u>	<u>13,304,291</u>	<u>12,966,723</u>
	(8,968,843)	5,693,742	(1,249,006)	1,749,310	3,918,034
	57,162,909	51,469,167	60,451,139	47,279,877	43,361,843
\$	<u>48,194,066</u>	<u>57,162,909</u>	<u>59,202,133</u>	<u>49,029,187</u>	<u>47,279,877</u>

**CITY OF ASHLAND, OREGON
CHANGES IN NET POSITION
BUSINESS TYPE ACTIVITIES**

Last ten years

For the year ended June 30

Program Revenues:	2021	2020	2019	2018	2017
Water:					
Charges for services	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860	\$ 7,639,625
Capital grants and contributions	-	-	-	-	-
Capital system development charges	-	-	-	-	-
Wastewater:					
Charges for services	6,441,907	6,298,894	6,156,129	6,025,937	5,606,470
Capital system development charges	-	-	-	-	-
Stormwater:					
Charges for services	756,488	744,379	738,913	731,273	
Electric:					
Charges for services	16,715,771	16,478,238	16,182,698	15,917,213	14,913,883
Operating grants and contributions	509,585	222,556	80,914	259,094	126,497
Telecommunications:					
Charges for services	2,651,517	2,508,889	2,379,809	2,252,527	2,094,810
	<u>36,437,599</u>	<u>34,835,350</u>	<u>34,074,617</u>	<u>33,295,904</u>	<u>30,381,285</u>
Program Expenses:					
Water	7,189,625	7,112,003	5,933,108	6,171,718	6,308,939
Wastewater	6,603,551	6,610,862	6,425,838	6,426,131	6,550,650
Stormwater	925,293	921,169	703,372	243,016	-
Electric	16,927,962	16,430,442	14,788,411	15,878,525	15,324,892
Telecommunications	2,228,550	2,239,378	2,018,513	1,837,333	2,158,040
	<u>33,874,981</u>	<u>33,313,854</u>	<u>29,869,242</u>	<u>30,556,723</u>	<u>30,342,521</u>
Net (Expense) Revenue:					
Water	2,172,706	1,470,391	2,603,046	1,938,142	1,330,686
Wastewater	(161,644)	(311,968)	(269,709)	(400,194)	(944,180)
Stormwater	(168,805)	(176,790)	35,541	488,257	-
Electric	297,394	270,352	1,475,201	297,782	(284,512)
Telecommunications	422,967	269,511	361,296	415,194	(63,230)
	<u>2,562,618</u>	<u>1,521,496</u>	<u>4,205,375</u>	<u>2,739,181</u>	<u>38,764</u>
General Revenues:					
Users taxes	2,193	1,617,688	1,626,299	1,628,413	2,005,556
Unrestricted interest earnings	192,853	518,384	534,597	338,990	157,991
Miscellaneous	64,871	114,038	652,448	137,001	161,109
Transfers:	(193,118)	(50,000)	-	-	-
Total general revenues and transfers	<u>66,799</u>	<u>2,200,110</u>	<u>2,813,344</u>	<u>2,104,404</u>	<u>2,324,656</u>
Change in net position	2,629,417	3,721,606	7,018,719	4,843,585	2,363,420
Net position - beginning, Restated	74,542,990	70,821,384	63,802,666	58,959,081	55,530,377
Net position - ending	<u>\$ 77,172,407</u>	<u>\$ 74,542,990</u>	<u>\$ 70,821,385</u>	<u>\$ 63,802,666</u>	<u>\$ 57,893,797</u>

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

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 7,214,898	\$ 6,163,924	\$ 5,913,633	\$ 5,547,560	\$ 4,891,233
14,898	70,473	89,747	1,969,979	461,964
277,247	328,414	269,029	266,196	491,612
5,201,264	4,651,836	4,171,230	3,928,342	3,601,900
107,655	112,989	80,570	95,132	81,998
14,600,751	13,817,822	13,671,443	12,938,039	12,402,857
395,149	157,698	178,002	148,642	125,123
2,010,444	1,960,462	1,929,101	1,896,106	1,931,126
<u>29,822,306</u>	<u>27,263,618</u>	<u>26,302,755</u>	<u>26,789,996</u>	<u>23,987,813</u>
7,271,424	7,832,250	6,852,085	7,581,708	5,256,110
6,838,563	5,359,115	7,475,207	3,846,640	5,035,171
-	-	-	-	-
16,708,504	13,521,819	15,825,968	13,613,715	13,673,739
2,557,101	1,945,375	2,240,951	3,233,961	3,308,448
<u>33,375,592</u>	<u>28,658,559</u>	<u>32,394,211</u>	<u>28,276,024</u>	<u>27,273,468</u>
235,619	(1,269,439)	(579,676)	202,027	588,699
(1,529,644)	(594,290)	(3,223,407)	176,834	(1,351,273)
-	-	-	-	-
(1,712,604)	453,701	(1,976,523)	(527,034)	(1,145,759)
(546,657)	15,087	(311,850)	(1,337,855)	(1,377,322)
<u>(3,553,286)</u>	<u>(1,394,941)</u>	<u>(6,091,456)</u>	<u>(1,486,028)</u>	<u>(3,285,655)</u>
2,259,787	2,080,616	1,891,730	1,839,710	1,707,079
77,084	55,019	156,492	166,290	155,478
138,071	132,966	723,106	785,997	632,532
-	-	-	-	-
<u>2,474,942</u>	<u>2,268,601</u>	<u>2,771,328</u>	<u>2,791,997</u>	<u>2,495,089</u>
(1,463,246)	873,660	(3,320,128)	1,305,969	(790,566)
56,993,623	56,119,963	61,481,457	60,175,486	60,966,052
<u>\$ 55,530,377</u>	<u>\$ 56,993,623</u>	<u>\$ 58,161,329</u>	<u>\$ 61,481,456</u>	<u>\$ 60,175,486</u>

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

Revenues:	2021	2020	2019	2018	2017
Taxes	\$ 25,709,598	\$ 23,718,755	\$ 24,250,159	\$ 23,320,298	\$ 21,503,597
Fees, licenses and permits	2,411,618	1,095,600	859,045	838,832	1,306,346
Intergovernmental	7,871,451	4,389,728	4,049,917	3,679,646	2,493,399
Special assessments	7,024	12,490,539	12,426,073	17,535	101,006
Charges for services	1184,1302	99,557	99,436	11,984,766	13,030,993
System development charges	445,753	3,319	8,924	78,232	232,171
Fines and forfeitures	273,630	418,514	588,070	545,835	365,365
Interest on investments	99,762	419,911	344,270	257,293	188,869
Miscellaneous	140,233	111,735	1,499,847	1,062,344	292,318
Total revenues	48,800,371	42,747,658	44,125,741	41,784,781	39,514,064
Expenditures:					
General government	10,959,515	11,416,567	12,499,041	11,377,907	10,760,734
Public safety	17,552,424	17,818,233	18,052,832	17,005,350	15,305,740
Highways and streets	2,773,399	2,468,937	3,462,082	2,577,597	3,338,576
Parks and recreation	6,455,077	6,919,520	6,574,529	6,303,621	7,150,182
Capital outlay	1,337,619	4,291,183	906,840	951,063	872,683
Debt service	1,847,480	2,394,041	2,068,345	1,910,697	1,907,003
Principal	1,623,000	1,836,000	1,835,935	1,537,000	1,631,885
Interest	224,480	558,041	232,410	373,697	275,118
Total expenditures	40,925,514	45,308,481	43,563,669	40,126,235	39,334,918
Excess (deficiency) of revenues over expenditures	7,874,857	(2,560,823)	562,073	1,658,546	179,146
Other financing sources (uses):					
Proceeds from debt issuance	-	-	-	-	-
Interfund loans	-	-	-	-	-
Interfund loans forgiveness	-	-	-	(840,544)	-
Transfers in	716,519	515,488	734,143	622,954	396,205
Transfers out	(872,825)	(365,488)	(791,098)	(1,572,954)	(146,205)
Total other financing sources (uses)	(156,306)	150,000	(56,955)	(1,790,544)	250,000
Net change in fund balance	\$ 7,718,551	\$ (2,410,823)	\$ 505,118	\$ (131,998)	\$ 429,146
Non-capital expenditures:					
Total expenditures (Debt excluded)	\$ 40,925,514	\$ 45,308,481	\$ 43,563,669	\$ 40,126,235	\$ 39,334,918
Less: capital assets expenditures	(1,337,619)	(5,018,236)	(2,288,414)	(5,269,130)	(5,822,754)
Non-capital expenditures:	\$ 39,587,895	\$ 40,290,245	\$ 41,275,255	\$ 34,857,105	\$ 33,512,164
Ratio of debt service to noncapital expenditures	4.67%	5.94%	5.01%	5.48%	5.69%

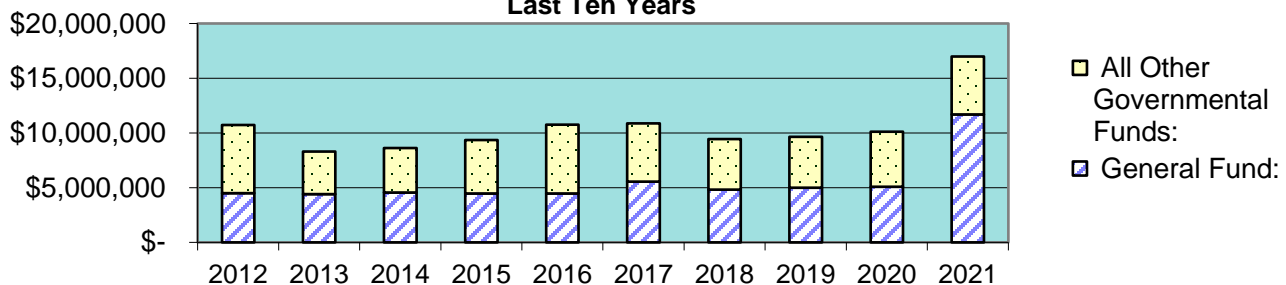
CITY OF ASHLAND, OREGON
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Last ten years
For the year ended June 30 (continued)

	2016	2015	2014	2013	2012
\$	20,473,799	\$ 19,210,392	\$ 18,850,869	\$ 13,661,986	\$ 13,270,221
	835,278	1,205,381	667,416	583,679	1,340,102
	2,394,661	2,774,500	2,847,336	2,500,297	2,878,726
	32,831	67,508	59,483	41,048	43,542
	13,548,958	12,358,624	10,835,737	6,319,508	6,520,263
	232,752	-	-	-	-
	180,638	178,455	183,732	196,535	168,305
	110,363	79,835	86,025	72,312	87,553
	208,355	221,293	410,589	559,195	262,858
	<u>38,017,635</u>	<u>36,095,988</u>	<u>33,941,187</u>	<u>23,934,560</u>	<u>24,571,570</u>
	10,488,718	9,346,850	9,381,555	4,820,740	4,631,724
	14,846,892	13,328,400	13,102,433	11,868,980	11,411,045
	3,067,591	2,762,562	1,974,219	2,529,333	2,422,483
	6,214,551	6,591,385	6,854,314		
	1,434,986	959,542	1,636,407	4,984,031	2,374,574
	1,844,645	1,902,924	1,842,374	2,754,188	2,172,846
	1,541,836	1,454,442	1,320,000	1,732,744	1,196,086
	302,016	447,689	522,374	1,021,444	976,760
	<u>37,897,383</u>	<u>34,891,663</u>	<u>34,791,302</u>	<u>26,957,272</u>	<u>23,012,672</u>
	120,252	1,204,325	(850,115)	(3,022,712)	1,558,898
	870,000	-	-	1,767,459	-
	-	-	-	208,000	-
	-	-	-	-	-
	612,162	556,515	750,927	41,461	203,105
	<u>(262,162)</u>	<u>(556,515)</u>	<u>(840,927)</u>	<u>(41,461)</u>	<u>(203,105)</u>
	1,220,000	-	(90,000)	1,975,459	-
\$	<u>1,340,252</u>	<u>1,204,325</u>	<u>(940,115)</u>	<u>(1,047,253)</u>	<u>1,558,898</u>
\$	37,897,383	\$ 34,891,663	\$ 34,791,302	\$ 26,957,272	\$ 23,012,672
	(1,139,673)	(959,542)	(1,636,407)	(4,984,031)	(2,374,574)
\$	<u>36,757,710</u>	<u>33,932,121</u>	<u>33,154,895</u>	<u>21,973,241</u>	<u>20,638,098</u>
	5.02%	5.61%	5.56%	12.53%	10.53%

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

General Fund:	2021	2020	2019	2018	2017
Nonspendable					
Prepaid expenses	\$ 17,246	\$ -	\$ -	\$ -	\$ -
Restricted for:					
Asset forfeiture	35,497	35,217	34,459	23,972	32,313
Transient Occupancy Tax - tourism	262,617	501,558	487,873	425,141	338,658
Library services	-	-	-	-	-
Committed for:					
Parking surcharge	397,017	397,017	370,085	370,085	370,085
Public art	69,020	43,075	21,392	19,919	99,324
Future Downtown Parking supply	573,166	413,558	241,326	-	-
Affordable housing	-	-	-	-	166,351
Grubbs case	22,235	22,235	22,235	22,235	22,235
Unassigned, reported in:					
General fund	10,339,463	3,680,245	3,824,249	3,968,680	4,527,421
Total general fund	11,716,261	5,092,905	5,001,619	4,830,032	5,556,387
Street Fund:					
Restricted for:					
System development charges	2,659,497	2,522,973	2,641,068	2,511,605	2,431,470
Committed reported in:					
Special revenue funds	1,212,943	(841,788)	2,174,869	2,323,501	3,231,966
Total street fund	3,872,440	1,681,185	4,815,937	4,835,106	5,663,436
Parks Fund:					
Committed reported in:					
Parks Activities	-	1,362,768	1,107,369	788,308	386,186
Total parks fund	-	1,362,768	1,107,369	788,308	386,186
All Other Governmental Funds:					
Restricted for:					
System development charges	245,100	164,540	104,546	29,187	314,934
Community Development Grant Block funding	36,620	36,620	36,620	33,804	33,801
Restricted for debt service	987,974	1,037,697	1,035,856	1,027,297	976,090
Cemetery perpetual care	917,499	954,825	984,914	970,304	955,357
Committed for:					
Committed for parks activities	1,891,310	1,596,623	1,428,986	981,826	852,407
Committed for airport activities	264,126	376,568	235,659	202,017	-
Committed for affordable housing	128,254	109,079	69,986	-	-
Committed for food and beverage	-	-	-	-	-
Committed for facilities	825,808	754,031	756,172	1,110,763	2,000,302
Special revenue funds	-	-	-	263,903	173,227
Total all other governmental funds	5,296,691	5,029,983	4,652,739	4,619,101	5,306,118
Total governmental funds	\$ 20,885,392	\$ 13,166,841	\$ 15,577,664	\$ 15,072,547	\$ 16,912,127

Fund Balance Comparison
Governmental Funds
Last Ten Years



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

2016	2015	2014	2013	2012
\$ -	\$ -	\$ -	\$ -	\$ -
25,784	29,678	28,897	14,579	224,361
129,763	99,108	116,131	-	102,786
-	56,587	142,497	-	-
370,085	334,949	287,725	273,965	247,725
109,938	85,667	78,154	82,849	73,011
166,351	166,351	148,426	148,426	148,426
22,235	22,235	22,230	22,230	21,230
3,636,527	3,671,969	3,731,916	3,863,212	3,692,190
<u>4,460,683</u>	<u>4,466,544</u>	<u>4,555,976</u>	<u>4,405,261</u>	<u>4,509,729</u>
2,619,729	2,479,609	2,415,789	2,376,109	2,352,315
2,795,238	2,798,621	2,321,834	2,041,013	690,977
<u>5,414,967</u>	<u>5,278,230</u>	<u>4,737,623</u>	<u>4,417,122</u>	<u>3,043,292</u>
313,140	503,626	583,394	-	-
<u>313,140</u>	<u>503,626</u>	<u>583,394</u>	<u>-</u>	<u>-</u>
606,669	557,297	508,399	459,458	411,399
33,804	33,797	33,801	33,801	33,798
1,028,912	861,560	794,695	785,823	982,650
944,552	922,667	896,572	874,045	861,244
1,536,623	209,302	332,482	-	-
138,905	117,516	80,488	97,697	83,711
-	524,663	470,422	365,466	365,466
2,004,725	1,667,528	944,553	1,268,783	3,463,420
-	-	-	-	-
6,294,190	4,894,330	4,061,412	3,885,073	6,201,688
<u>\$ 16,482,980</u>	<u>\$ 15,142,730</u>	<u>\$ 13,938,405</u>	<u>\$ 8,290,334</u>	<u>\$ 10,711,417</u>

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

Fund Balances	2021 Adopted	2020 Adopted	2019 Adopted	2018 Adopted	2017 Adopted
City Component					
General Fund	\$ 4,253,147	\$ 4,253,147	\$ 2,464,474	\$ 2,464,474	\$ 252,360
Housing Fund	404,668	404,668	-	-	-
Community Development Block Grant Fund	-	-	1	1	1
Reserve Fund	39,110	39,110	25,085	25,085	38,580
Street Fund	3,660,187	3,660,187	3,959,022	3,959,022	2,022,280
Airport Fund	411,018	411,018	143,947	143,947	70,236
Capital Improvements Fund	181,635	181,635	1,705,906	1,705,906	1,536,953
Debt Service Fund	1,419,738	1,419,738	1,208,002	1,208,002	849,354
Water Fund	19,600,412	19,600,412	8,954,820	8,954,820	2,072,024
Wastewater Fund	15,233,131	15,233,131	6,872,543	6,872,543	2,193,032
Stormwater Fund	1,226,864	1,226,864	1,544,630	1,544,630	-
Electric Fund	761,698	761,698	819,118	819,118	368,237
Telecommunications Fund	1,268,142	1,268,142	200,299	200,299	327,302
Central Services Fund	51,207	51,207	490,440	490,440	16,549
Insurance Services Fund	243,352	243,352	623,899	623,899	136,638
Health Benefits Fund	923,953	923,953	84,755	84,755	33,370
Equipment Fund	47,091	47,091	2,385,539	2,385,539	1,968,694
Cemetery Trust Fund	923,964	923,964	984,270	984,270	974,046
Total city component	50,649,317	50,649,317	32,466,750	32,466,750	12,859,656
Parks Component					
Parks and Recreation Fund	51,257	51,257	(24,876)	(24,876)	4,014
Youth Activities Levy Fund	-	-	-	-	-
Parks Capital Improvements Fund	1,368,972	1,368,972	(743,870)	(743,870)	308,617
Parks Equipment Fund	215,744	215,744	164,364	164,364	40,000
Total parks component	1,635,973	1,635,973	(604,382)	(604,382)	352,631
Total budget	\$ 52,285,290	\$ 52,285,290	\$ 31,862,368	\$ 31,862,368	\$ 13,212,287

Fund Balances	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
City Component					
General Fund	\$ 9,481,988	\$ 5,053,649	\$ 4,963,179	\$ 4,792,507	\$ 4,687,675
Housing Fund	128,254	109,079	69,986	263,903	-
Community Development Block Grant Fund	36,620	36,620	36,620	33,801	33,801
Reserve Fund	39,551	39,256	38,440	37,524	28,168
Street Fund	3,872,440	1,681,185	4,815,937	4,835,107	5,663,436
Airport Fund	264,126	376,568	235,659	202,016	173,227
Capital Improvements Fund	1,070,908	918,571	860,718	1,139,950	2,315,236
Debt Service Fund	987,974	1,037,697	1,035,856	1,027,296	976,090
Water Fund	12,745,850	10,850,466	10,495,072	9,432,724	7,795,562
Wastewater Fund	7,569,687	10,085,823	8,826,689	7,636,846	7,842,215
Stormwater Fund	1,777,615	1,795,164	1,866,537	1,768,991	-
Electric Fund	2,418,148	2,521,066	2,249,388	2,468,855	2,026,665
Telecommunications Fund	2,110,935	1,540,525	1,135,311	834,108	599,420
Central Services Fund	3,087,205	1,572,864	839,735	1,092,453	281,575
Insurance Services Fund	134,959	204,852	8,140	586,216	1,017,579
Health Benefits Fund	1,463,355	1,212,173	932,375	4,695	396,418
Equipment Fund	3,868,239	3,851,597	3,328,444	3,579,502	3,404,966
Cemetery Trust Fund	917,499	954,825	984,914	970,305	955,357
Total city component	51,975,353	43,841,980	42,723,000	40,706,799	38,197,390
Parks Component					
Parks and Recreation Fund	1,793,398	1,074,422	842,878	661,453	209,332
Youth Activities Levy Fund	-	-	-	-	-
Parks Capital Improvements Fund	1,891,310	1,596,623	1,428,986	981,825	852,407
Parks Equipment Fund	401,324	288,346	264,491	126,854	176,854
Total parks component	4,086,032	2,959,391	2,536,355	1,770,132	1,238,593
Total actual	\$ 56,061,385	\$ 46,801,371	\$ 45,259,355	\$ 42,476,931	\$ 39,435,983

CITY OF ASHLAND, OREGON
FUND BALANCE COMPARISON

Last ten years

For the year ended June 30 (continued)

	2016	2015	2014	2013	2012
	Adopted	Adopted	Adopted	Adopted	Adopted
\$	1,646,957	\$ 777,434	\$ 2,594,256	\$ 1,563,870	\$ 1,729,188
	-	-	-	-	-
	1	-	-	(34,424)	-
	221,580	454,910	336,910	1,018,502	869,172
	3,694,376	1,059,860	1,403,337	1,669,993	2,205,420
	71,735	64,468	34,564	99,276	44,387
	1,363,411	1,890,308	1,858,486	545,638	1,828,450
	803,151	606,593	637,043	949,626	1,020,546
	4,711,984	3,559,316	3,575,115	2,383,044	1,121,531
	2,803,471	2,305,611	2,415,670	2,235,859	233,204
	-	-	-	-	-
	537,900	590,117	1,012,411	1,077,114	1,091,591
	172,269	30,968	210,594	153,998	339,464
	232,353	392,031	754,268	32,508	10,026
	318,938	429,287	622,602	477,568	646,302
	(291,630)	86,718	348,359	-	-
	1,657,459	1,280,781	1,233,835	2,553,013	1,124,500
	948,546	937,744	912,244	892,603	852,797
	18,892,501	14,466,146	17,949,694	15,618,188	13,116,578
	184,915	666,289	583,396	1,290,439	1,703,840
	-	-	-	-	-
	(674,924)	302,132	270,032	242,067	193,504
	192,000	-	-	-	-
	(298,009)	968,421	853,428	1,532,506	1,897,344
\$	18,594,492	\$ 15,434,567	\$ 18,803,122	\$ 17,150,694	\$ 15,013,922
	2016	2015	2014	2013	2012
	Actual	Actual	Actual	Actual	Actual
\$	3,603,674	\$ 3,620,264	\$ 3,719,809	\$ 3,385,681	\$ 3,495,819
	-	-	-	-	-
	33,804	33,797	33,801	33,801	33,798
	166,465	196,279	336,167	1,019,580	1,013,910
	5,414,967	5,278,231	4,737,624	4,417,121	3,043,292
	138,905	117,516	80,488	116,697	83,710
	2,802,016	2,749,488	1,923,374	2,094,707	4,449,285
	1,028,912	861,560	1,159,490	1,150,618	982,649
	6,081,537	5,208,592	6,273,413	6,437,576	2,708,910
	6,499,438	5,095,342	4,271,386	4,290,774	2,794,806
	-	-	-	-	-
	1,863,131	900,609	1,899,104	2,327,540	2,418,099
	365,637	305,058	479,997	587,624	586,943
	579,888	870,190	870,190	853,280	-
	1,160,957	1,766,284	1,584,721	848,857	761,552
	140,764	473,726	169,366	-	-
	3,134,593	2,937,105	2,540,413	3,357,663	2,479,905
	944,553	922,667	896,572	874,045	861,243
	33,959,241	31,336,708	30,975,915	31,795,564	25,713,921
	254,306	503,628	583,396	1,783,433	2,242,227
	-	-	-	-	20,326
	1,346,001	209,302	332,482	387,632	449,131
	58,834	-	-	-	-
	1,659,141	712,930	915,878	2,171,065	2,711,684
\$	35,618,382	\$ 32,049,638	\$ 31,891,793	\$ 33,966,629	\$ 28,425,605

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

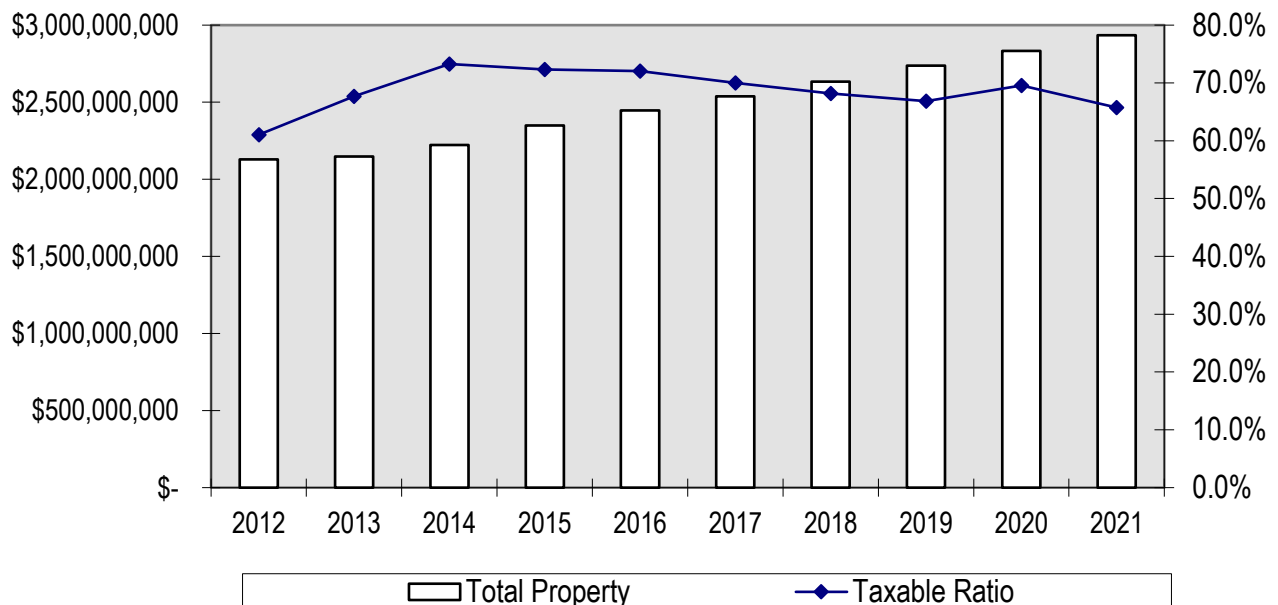
Fiscal Year Ended June 30,	Real Property	Mobile Home	Personal (1)	Utilities	Total	Property Tax Rate	Taxable ratio (True Cash Value to Assessed)
2021	\$ 2,849,800,218	\$ 7,695,981	\$ 37,736,900	\$ 40,040,300	2,935,273,399	\$ 4.36	65.7%
2020	2,745,946,271	7,428,132	39,388,970	39,719,700	2,832,483,073	4.47	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%
2012	2,055,111,118	6,318,010	40,939,090	26,290,929	2,128,659,147	4.71	67.7%

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

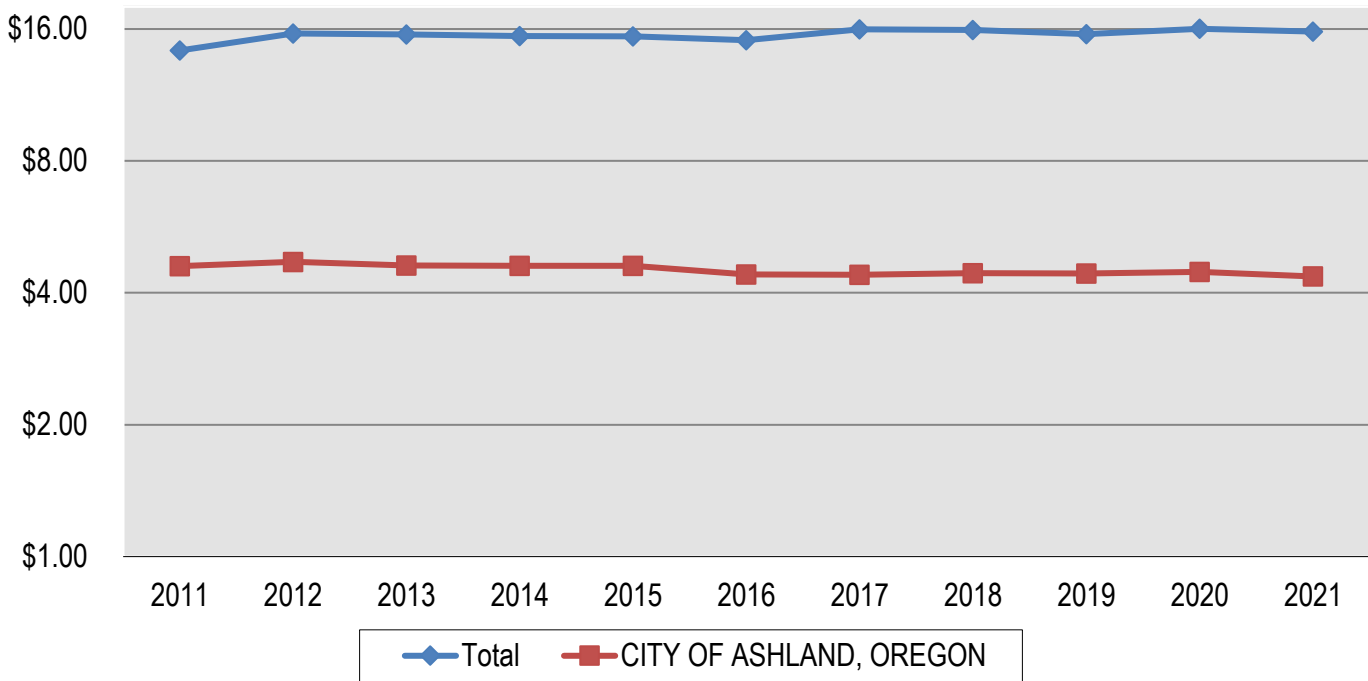
(1) Includes non-profit housing

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
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
2012	2.10	0.19	0.32	2.09	4.71	0.04	2.33	0.18	2.55	7.26	-	8.38	-	8.38	15.64

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

Source: Jackson County Assessor and Tax Collector

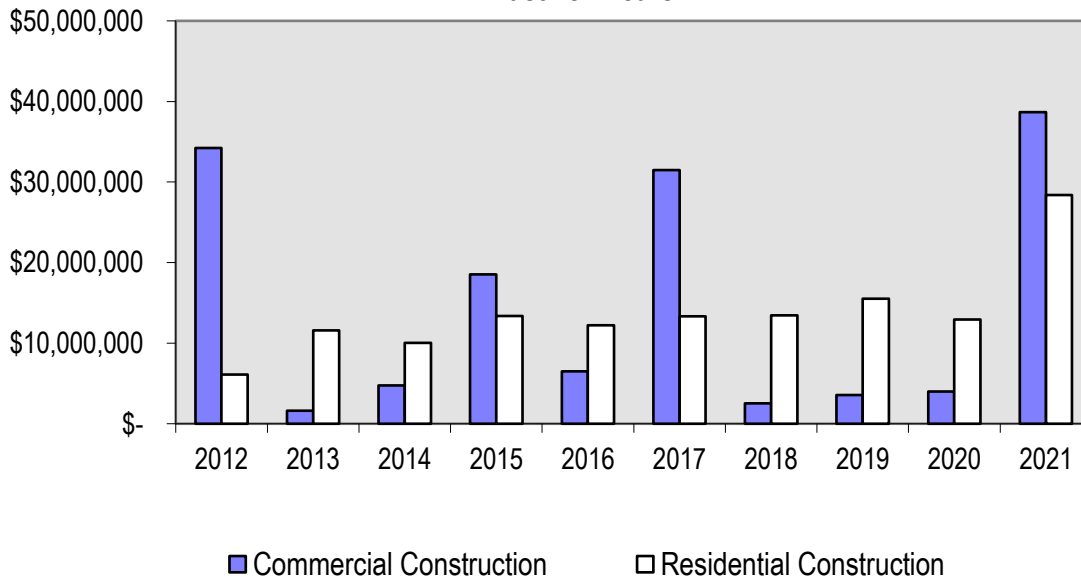
CITY OF ASHLAND, OREGON
PROPERTY VALUE AND NEW CONSTRUCTION HISTORY
Last ten years - Unaudited

Fiscal Year Ended June 30,	Property Value (1)	Commercial Construction		Residential Construction	
		Number of Units	Value	Number of Units	Value
2021	3,040,952,775	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
2012	2,128,659,147	10	34,221,808	33	6,123,270

(1) Property value is assessed valuation

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

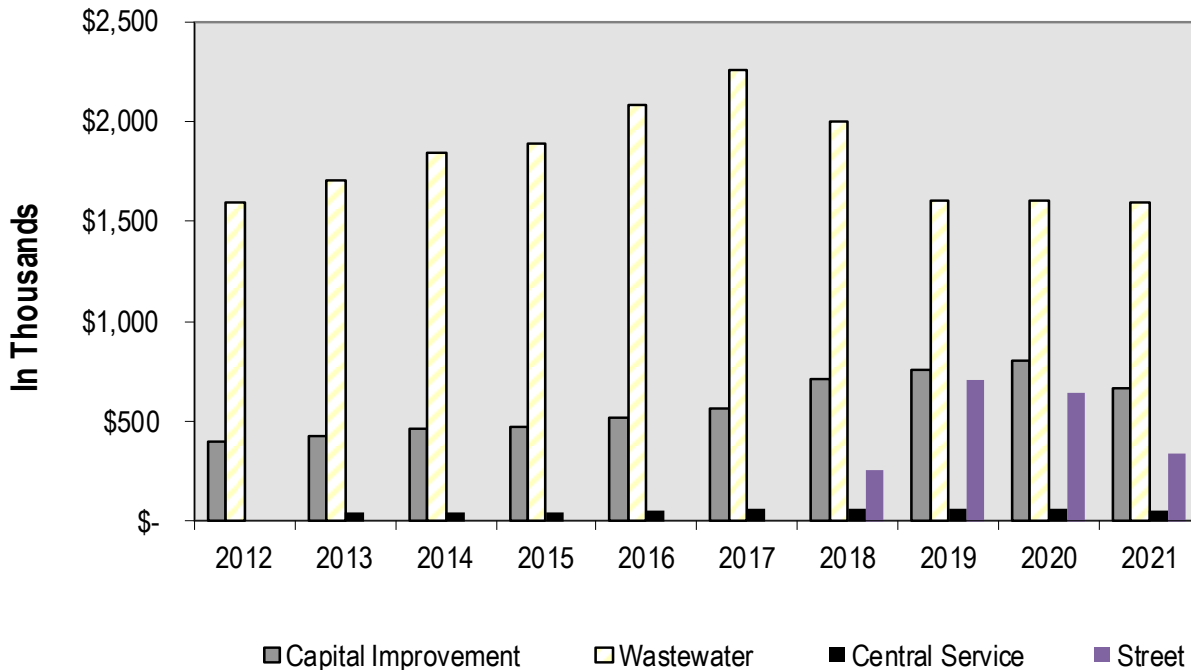
**Commercial and Residential Construction
 Last Ten Years**



**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
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
2012	-	427	1,707	47	2,181	30,774

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

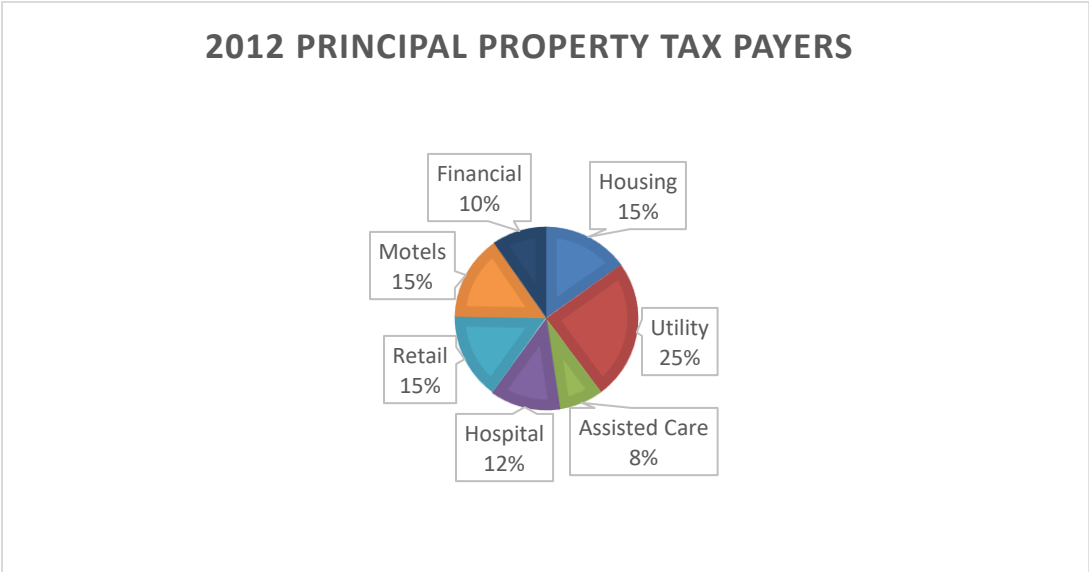
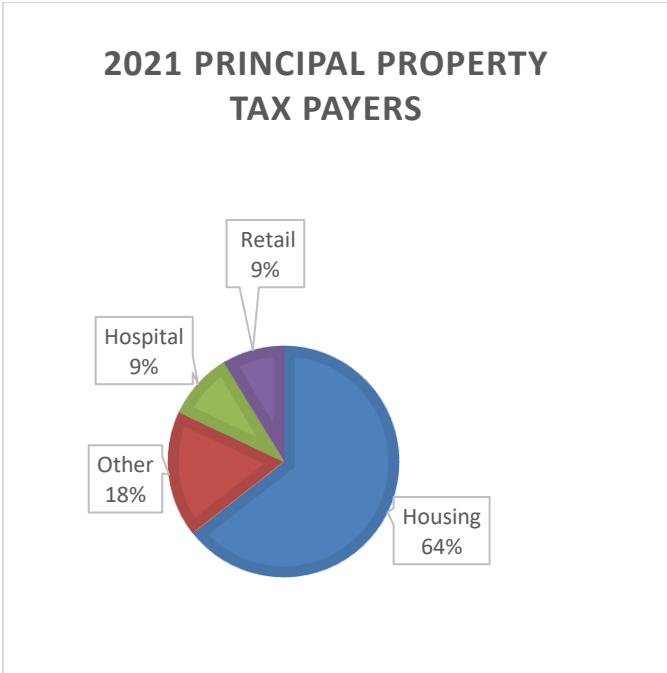


**CITY OF ASHLAND, OREGON
PRINCIPAL PROPERTY TAXPAYERS
Current and ten years ago**

Taxpayers	Type of Business	2021 Assessed Valuation	Percentage of Total Assessed Valuation
Deluca Ronald L Trustee ET AL	Housing	27,617,092	0.91%
Deluca Ronald L Trustee	Housing	25,179,760	0.83%
Deluca Revocable Trust ET AL	Housing	20,333,990	0.67%
Ashlander Ashland LLC	Housing	18,256,760	0.60%
Avista Corp	Utility	16,113,000	0.53%
Ashland Community Hopsital	Hospital	15,531,490	0.51%
Deluca Ronald L Trustee ET AL	Housing	15,061,440	0.50%
Ashland Shopping Center LLC	Retail	14,177,540	0.47%
Ashland Hills Hotel LLC	Motel	11,845,570	0.39%
Bard's Inn Limimited Partnership	Motel	1,145,110	0.04%
All other		2,875,691,023	94.57%
Total		\$ 3,040,952,775	100.00%

Taxpayers	Type of Business	2012 Assessed Valuation	Percentage of Total Assessed Valuation
Ronald L. Deluca	Housing	\$ 10,110,540	0.47%
Qwest Corporation	Utility	8,533,700	0.40%
Ashland Community Hospital	Hospital	8,250,970	0.39%
Avista Corp.	Utility	8,051,400	0.38%
Pacific Financial, Inc.	Financial	6,408,900	0.30%
Beverly Rydborm	Retail	5,321,930	0.25%
Skylark Assisted Living	Assisted Care	5,231,090	0.25%
Windmill Inns of America, Inc	Motels	5,139,360	0.24%
Bard's Inn	Motels	5,007,650	0.24%
Summit Investment	Retail	4,938,750	0.23%
All other		2,061,664,857	96.85%
Total		\$ 2,128,659,147	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
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
2012	9,759	1,251	2,627	1,436	1,911	427	N/A	N/A	N/A	202	17,613

(1) Derived from city-owned electric utility operations

(2) Tax enacted July 1, 1993

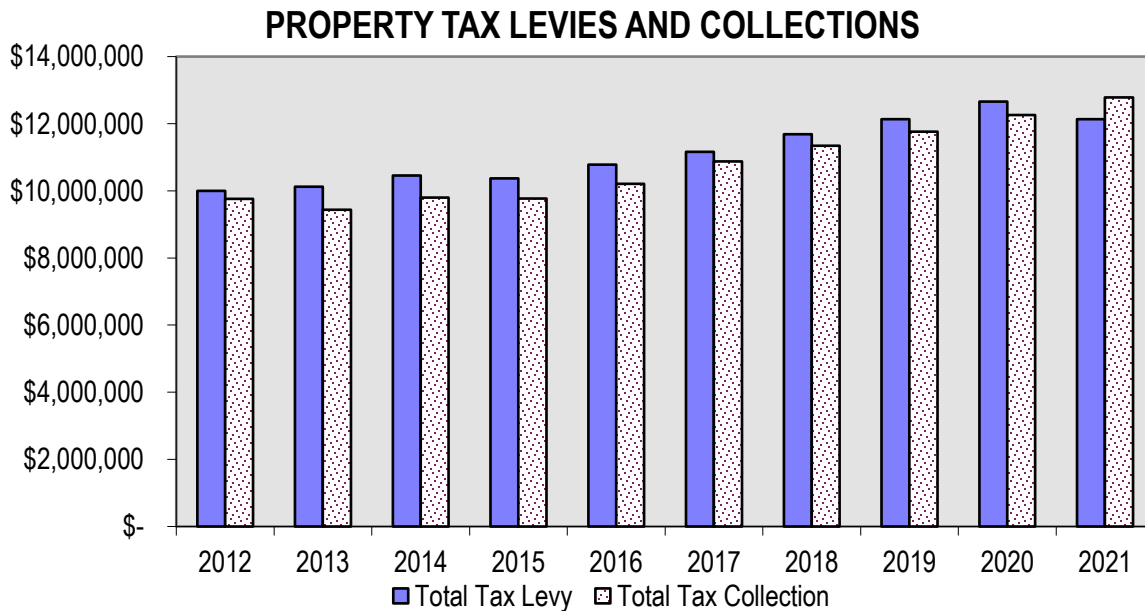
**CITY OF ASHLAND, OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
Last ten years - Unaudited**

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
2021	\$ 12,133,433	\$ 12,082,698	99.58%	\$ 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%
2012	9,997,229	9,322,678	93.25%	436,198	9,758,876	97.62%	755,098	8%

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

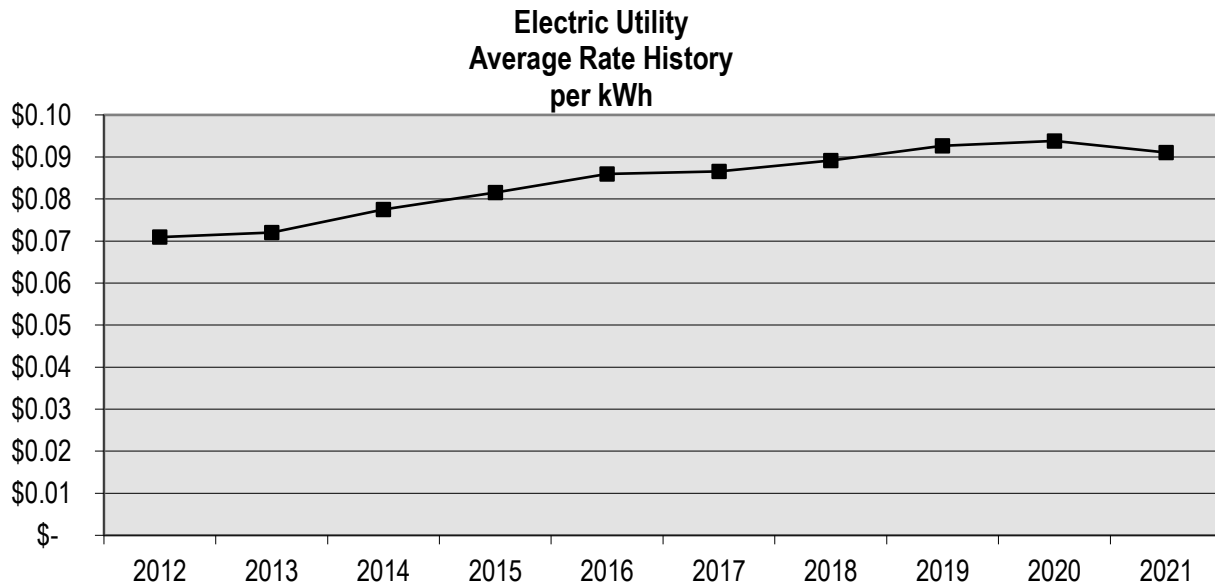
(2) Includes adjustments, rounding and discounts

(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**

	2021	2020	2019	2018	2017
Electric:					
Commercial	46,709,991	51,506,423	52,595,231	56,199,380	54,212,204
Governmental	18,491,383	20,121,422	25,722,896	20,663,724	16,881,982
Municipal	9,165,402	15,074,710	10,801,152	7,642,747	6,489,407
Residential	93,206,359	83,083,258	88,361,322	89,213,217	89,500,760
Electric usage total	167,573,135	169,785,813	177,480,601	173,719,068	167,084,353
Total electric revenue	\$ 15,264,002	\$ 15,928,428	\$ 16,440,849	\$ 15,486,694	\$ 14,465,963
Average consumption rate per kWh	\$ 0.091	\$ 0.094	\$ 0.093	\$ 0.089	\$ 0.087
BPA surcharge revenue	NA	NA	NA	NA	NA
Average surcharge per consumed kWh (1)	NA	NA	NA	NA	NA



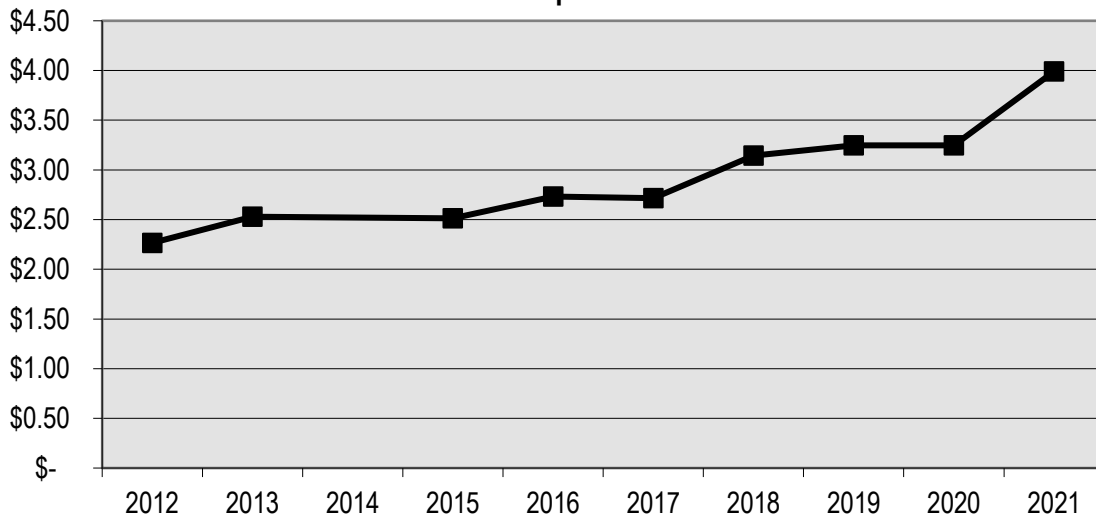
(1) Council implemented the surcharge due to increasing costs and changes in the wholesale power industry in FY 2002

	2021	2020	2019	2018	2017
Demand:					
Commercial	134,219	137,519	138,373	157,991	152,791
Governmental/Municipal	60,424	86,822	87,101	67,663	67,095
Demand usage total	194,643	224,341	225,474	225,654	219,886
Total demand revenue	\$ 776,560	\$ 728,631	\$ 731,766	\$ 709,540	\$ 597,188
Average demand rate per kWh	\$ 3.990	\$ 3.248	\$ 3.245	\$ 3.144	\$ 2.716

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

2016	2015	2014	2013	2012
55,434,978	57,241,622	57,351,533	58,984,152	55,628,874
17,084,620	18,894,191	19,552,546	19,934,831	20,136,246
7,607,560	6,439,200	6,410,372	5,978,193	6,164,885
86,749,323	85,448,299	91,309,827	89,637,162	91,550,691
166,876,481	168,023,312	174,624,278	174,534,338	173,480,696
\$ 14,338,555	\$ 13,700,057	\$ 13,536,923	\$ 12,575,449	\$ 12,305,176
\$ 0.086	\$ 0.082	\$ 0.078	\$ 0.072	\$ 0.071
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA

**Electric Utility
Average demand rate
per kWh**



2016	2015	2014	2013	2012
159,344	209,020	158,829	175,675	164,566
67,850	66,037	67,481	67,388	71,111
227,194	275,057	226,310	243,063	235,677
\$ 620,772	\$ 691,225	\$ 519,458	\$ 614,862	\$ 533,947
\$ 2.732	\$ 2.513	\$ 2.295	\$ 2.530	\$ 2.266

**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
2021	21,105	0.69%	\$ 3,040,952,775	\$ 7,240,000	\$ 987,974
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
2012	21,460	6.79%	2,128,659,147	35,728,075	976,265

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.

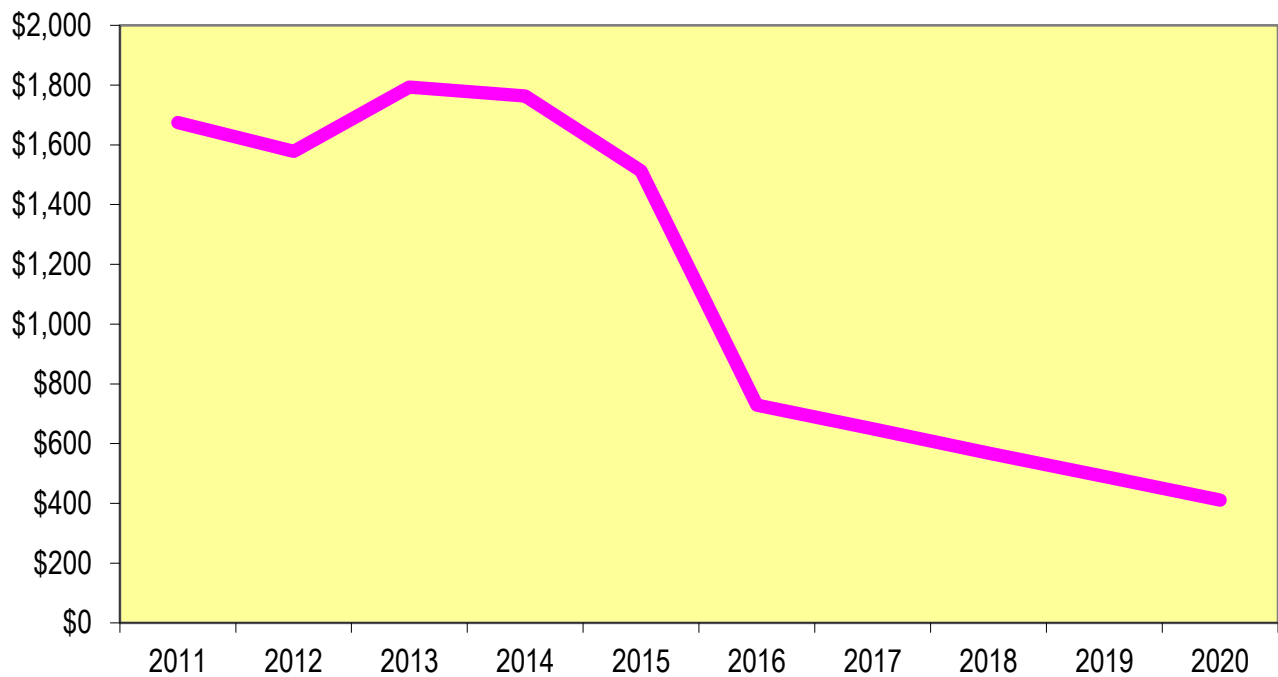
(4) Includes general obligation debt paid from Hospital Enterprise Fund operations, Utility Services Revenue, fund operations, and special assessment payments from benefited property owners.

(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)**

<u>Enterprise Fund Monies Available</u>	<u>Debt Payable for Enterprise Revenues (4)</u>	<u>Net General Obligation Bonded Debt (5)</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
-	\$ 12,168,821	18,420,847	0.61%	\$ 872.82
875,490	15,938,873	22,647,701	0.80%	1,080.52
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
875,490	16,821,156	33,876,320	1.59%	1,578.58

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

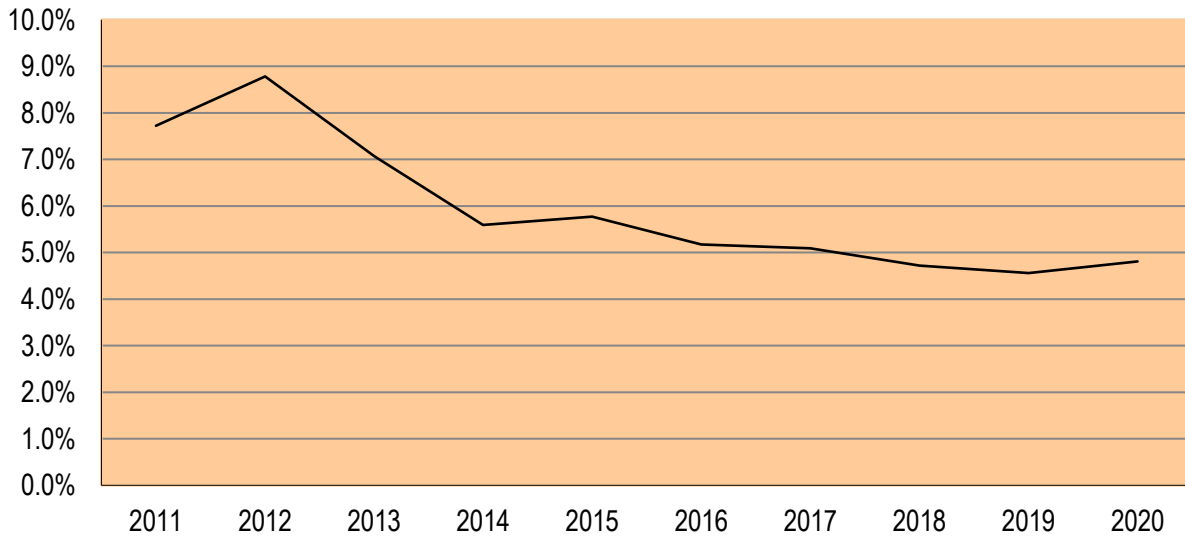


CITY OF ASHLAND, OREGON
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
Last ten years - Unaudited

Fiscal Year Ended June 30,	Principal	Interest	Total Debt Service (1)	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
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	1,902,924	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%
2012	1,105,000	916,434	2,021,434	23,012,672	8.8%

(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	
2021	\$ 9,473,981	\$ 6,568,759	\$ 10,850,466	\$ 13,755,688	786,862	138,382	\$ 925,244	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	617,046	4.97
2015	6,604,339	4,256,299	-	2,348,040	899,952	147,300	1,047,251	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
2012	5,745,624	3,597,970	-	2,147,654	580,742	127,436	708,178	3.03

- (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**

Governmental Activities			Notes and Contracts		
Fiscal Year Ended June 30,	General Obligation Bonds	Percent of Assessed Value	Promissory Notes	OECD (1) Loans	Per Capita (2)
2021	\$ 7,240,000	0.24%	\$ 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

Business - Type Activities					
Fiscal Year Ended June 30,	General Obligation Bonds	Percent of Assessed Value	Revenue Bonds and Notes	DEQ (3) Loan	Per Capita (2)
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

Total Outstanding Debt			
Fiscal Year Ended June 30,	Total Outstanding Debt	Personal Income (4)	Debt as a Percentage of Personal Income
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) OECD - 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

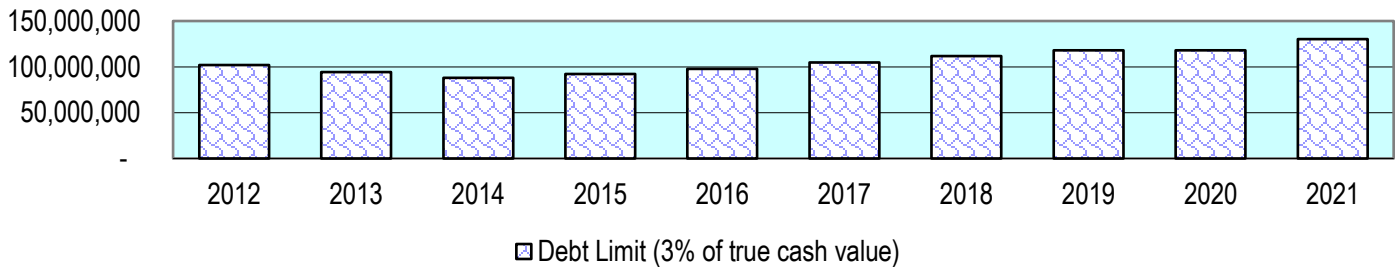
(3) DEQ - Oregon Department of Environmental Quality

(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**

	2021	2020	2019	2018	2017
True Cash Value	\$ 4,466,314,678	\$ 4,346,499,745	\$ 3,937,719,581	\$ 3,937,719,581	\$ 3,722,306,182
Legal Debt Margin					
Debt limit (3% of true cash value)	133,989,440	130,394,992	118,131,587	118,131,587	111,669,185
Net Bonded Debt:					
Gross bonded debt	7,240,000	8,615,000	12,516,000	14,351,936	14,499,821
Less amounts exempted:					
Water	-	-	-	-	-
Special assessment	-	-	-	-	-
Re-funding	-	-	-	-	-
Water re-funding	-	-	-	-	-
Total debt applicable to margin	7,240,000	8,615,000	12,516,000	14,351,936	14,499,821
Legal Debt Margin	\$ 126,749,440	\$ 121,779,992	\$ 105,615,587	\$ 103,779,652	\$ 97,169,364

**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)

2016	2015	2014	2013	2012
\$ 3,493,732,448	\$ 3,258,618,439	\$ 3,072,079,759	\$ 2,931,862,235	\$ 3,145,655,451
104,811,973	97,758,553	92,162,393	87,955,867	94,369,664
16,131,707	16,325,000	34,295,413	36,630,395	31,584,014
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(250,000)	(375,000)	(370,000)
16,131,707	16,325,000	34,045,413	36,255,395	31,214,014
\$ 88,680,267	\$ 81,433,553	\$ 58,116,980	\$ 51,700,472	\$ 63,155,650

**CITY OF ASHLAND, OREGON
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2021 - Unaudited**

True cash value	\$	4,466,314,678	
3% of true cash value		0.03	
			\$ 133,989,440
NET BONDED DEBT:			
Gross bonded debt		7,240,000	
Less amounts exempted:			
Water			
Water re-funding		-	
Total debt applicable to margin			7,240,000
LEGAL DEBT MARGIN			\$ 126,749,440

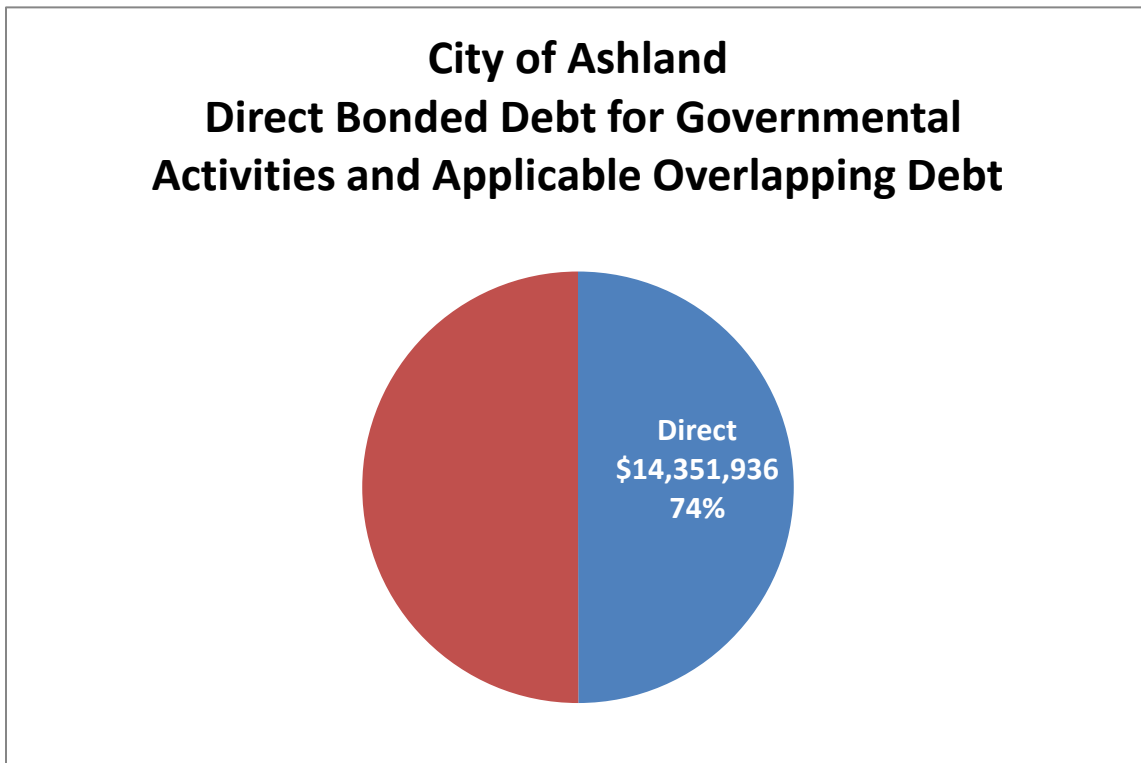
ORS 287.004 provides a debt limit of three percent of the true cash value of all taxable property within the Municipality's boundaries. According to ORS 287.004, the three percent limitation does not apply to bonds issued for water, sanitary or storm sewers, sewage disposal plants, hospitals, power or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

**CITY OF ASHLAND, OREGON
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
June 30, 2021 - Unaudited**

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct:			
City of Ashland - Governmental Activities only	\$ 9,057,000	100.00%	\$ 9,057,000
Overlapping:			
Jackson County	3,123,815	13.64%	426,088
School District #5	83,645,499	80.30%	67,167,336
Rogue Community College	1,644,481	10.12%	166,421
Rogue Community College (Jackson Cty Bond)	1,119,311	13.64%	152,674
Jackson County Housing Authority	337,884	13.64%	46,087
Rogue Valley Transit District	48,411	17.91%	8,670
	<u>\$ 9,105,411</u>		<u>\$ 9,065,670</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>2021</u>		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	632	55%
Oregon Shakespeare Festival*	Not Available	Not Available
Ashland Public Schools	Not Available	Not Available
Asante Ashland Community Hospital	282	24%
City of Ashland**	245.32	21%
Subtotal	1,159.32	Not Available
Estimated Total City Employment	Not Available	Not Available

<u>2012</u>		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	776	8.62%
Oregon Shakespeare Festival	500	5.56%
Ashland Public Schools	350	3.89%
Asante Ashland Community Hospital	380	4.22%
City of Ashland**	250.00	2.78%
Subtotal	2,256.00	25.07%
Estimated Total City Employment	9,000	

** Excludes Ashland Parks Commission

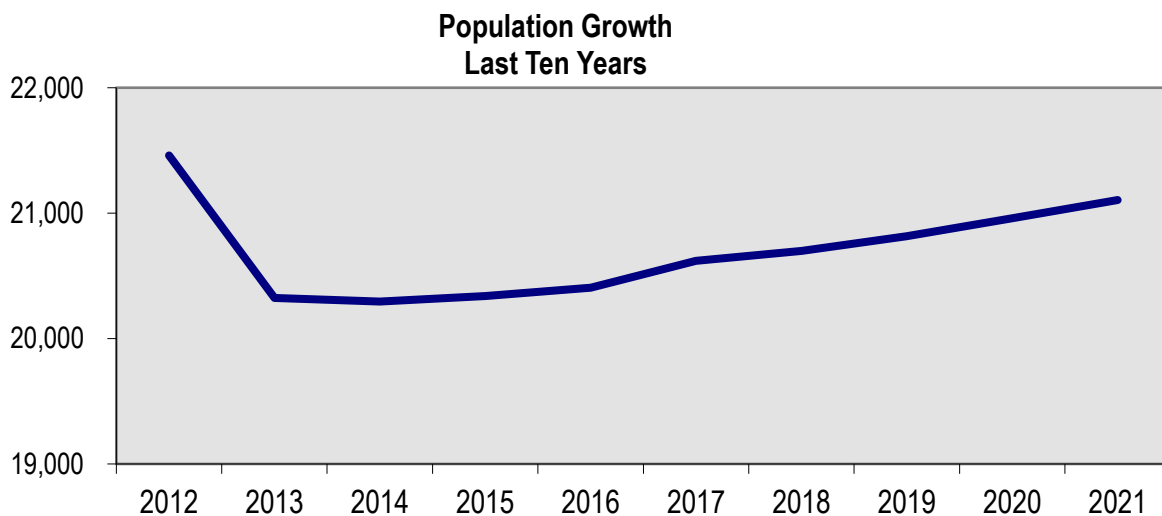
Source: Employer Listed

**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)
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%
2012	21,460	6.79%	28,363	608,663	2,720	11.3%

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, 2021

Company	Coverage	Policy Period	Annual Aggregate/Each Occurrence	Premium
City County Insurance Services	General Liability			\$305,047
	Commercial General Liability	07/01/2020-07/01/2021	\$15,000,000 / \$5,000,000	Included above
	Public Officials Liability	07/01/2020-07/01/2021	\$15,000,000 / \$5,000,000	Included above
	Employment Practices	07/01/2020-07/01/2021	\$15,000,000 / \$5,000,000	Included above
	Automobile Liability			\$48,811
	Scheduled Autos	07/01/2020-07/01/2021	None / \$5,000,000	Included above
	Hired Autos/Non Owned	07/01/2020-07/01/2021	None / \$5,000,000	Included above
	Uninsured Motorist	07/01/2020-07/01/2021	None / \$5,000,000	Included above
	Auto Physical Damage			\$27,035
	Scheduled Autos	07/01/2020-07/01/2021	Per Filed Value	Included above
	Rented or Leased	07/01/2020-07/01/2021	Per Filed Value	Included above
	Newly Acquired Autos	07/01/2020-07/01/2021	Per Filed Value	Included above
	Property			\$115,270
	Buildings	07/01/2020-07/01/2021	Per Filed Value	Included above
	Mobile Equipment	07/01/2020-07/01/2021	Per Filed Value	Included above
	Boiler and Machinery	07/01/2019-07/01/2020	Replacement Cost of Machinery & Equipment not covered elsewhere	Included above
	Excess Crime	07/01/2020-07/01/2021	Per Loss / \$750,000	\$2,281
	Excess Earthquake	07/01/2020-07/01/2021	Each Occur. \$5,000,000	\$27,000
	Excess Flood	07/01/2020-07/01/2021	Each Occur. \$5,000,000	\$4,500
	Travelers Casualty Ins Co of Amer	Excess Cyber Liability	01/01/2020-07/01/2021	\$450,000 / \$450,000
ACE Group	Airport Liability	07/01/2020-07/01/2021	\$4,000,000 / \$4,000,000	\$2,448
Wright National Flood Ins. Co.	Flood	07/01/2020-07/01/2021	\$100,000	\$1,665
Safety National Casualty Corp.	Workers' Compensation Self-Insured Bond	07/01/2020-07/01/2021	\$400,000	\$6,000
Midwest Employers Casualty Co	Excess Workers' Compensation	07/01/2020-07/01/2021	Statutory / \$1,000,000	\$76,102
Philadelphia Indemnity Ins Co	Volunteer Accident Ins	07/01/2020-07/01/2021	\$100,000 max medical expense	\$1,601
ACE Group	Underground Storage Tank	07/01/2020-07/01/2021	\$2,000,000 / \$1,000,000	\$1,361

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

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Administration	3.60	3.60	4.00	4.00	3.00	3.00	4.00	4.00	4.00	5.00
Human Resources	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Legal	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Information Technology	8.40	8.40	9.00	9.00	8.75	8.75	8.80	8.80	8.80	8.80
Finance	16.75	16.75	16.75	16.75	16.75	16.75	16.25	16.25	16.25	16.25
Municipal Court	3.57	3.57	4.07	4.07	4.15	4.15	4.15	4.15	4.15	3.15
City Recorder/Treasurer	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Police	39.50	39.50	40.00	40.00	36.75	36.75	36.75	36.75	36.30	35.30
Fire	37.00	37.00	37.40	37.40	37.60	37.60	34.75	34.75	34.75	33.75
Streets	8.53	8.53	8.35	8.35	10.70	10.70	10.70	10.70	10.95	9.90
Water	15.00	15.00	14.00	14.00	15.00	15.00	14.50	14.50	14.50	14.50
Wastewater	13.88	13.88	13.65	13.65	11.30	11.30	11.30	11.30	11.30	10.30
Public Works Administration	8.50	8.50	8.50	8.50	7.00	7.00	7.00	7.00	7.00	6.00
Engineering	7.60	7.60	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.00
Facilities Maintenance / Cemetery	4.25	4.25	5.50	5.50	5.50	5.50	4.00	4.00	4.50	4.50
Fleet Maintenance	6.25	6.25	5.00	5.00	4.00	4.00	4.80	4.80	4.80	4.80
Planning	10.90	10.90	10.90	10.90	9.00	9.00	9.00	9.00	9.00	8.90
Building	4.10	4.10	4.10	4.10	4.00	4.00	4.00	4.00	4.00	3.70
Electric	17.50	17.50	17.00	17.00	17.00	17.00	17.25	17.25	17.25	17.75
Telecommunication	5.50	5.50	5.50	5.50	5.75	5.75	5.70	5.70	5.70	6.70
Conservation	3.00	3.00	5.00	5.00	4.00	4.00	3.50	3.50	3.50	3.00
Subtotal	219.82	219.82	221.72	221.72	214.25	214.25	210.45	210.45	210.75	205.30
Parks	39.75	39.75	37.25	37.25	48.00	48.00	43.80	43.80	43.80	43.80
Total	259.57	259.57	258.97	258.97	262.25	262.25	254.25	254.25	254.55	249.10

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

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Police											
Physical arrests, juvenile and adult	1,068	1,448	2,056	2,439	2,083	2,042	2,591	2,509	2,868	2,670	2,343
Traffic violations	1,001	1,737	2,830	2,849	2,155	2,065	2,969	3,461	3,061	2,679	2,868
Fire											
Fire alarm responses	223	1,119	1,024	994	1,004	819	462	398	390	379	291
Emergency medical responses	3,337	2,779	2,776	2,873	2,900	2,718	3,144	3,098	2,927	3,105	2,694
Non-emergency public service responses	415	364	355	316	274	248	261	155	97	94	79
Fire & Life Safety code enforcements	1,299	600	616	746	486	507	499	404	380	246	215
Total calls for service	4,310	4,262	4,155	4,183	4,178	4,063	3,867	3,533	3,414	3,577	3,327
Total ambulance patient transports	2,341	1,967	2,016	2,069	1,972	1,942	1,895	1,600	1,523	1,635	1,611
Water											
Service connections	9,453	9,342	9,239	8,841	9,155	7,689	8,738	8,870	9,038	9,071	8,678
Daily average consumption in millions of gallons	2.80	3.00	3.00	3.00	2.70	4.10	3.00	2.90	2.70	2.70	4.61
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	8.00
Sewer											
Service connections	8,787	8,551	8,426	8,440	8,394	8,414	8,308	8,295	8,181	7,850	8,181
Daily average treatment in million of gallons	2.10	2.10	2.10	2.15	2.20	2.20	2.40	2.25	2.20	2.20	2.10
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	3.30	4.00
Electric											
Service connections	13,505	13,249	13,205	12,817	11,864**	12,706	12,678	12,662	11,914	12,148	11,985
Telecommunications											
Cable TV	892	973	1,000	1,125	1,200	1,350	1,306	1,400	1,840	0	0
Cable modem	4,021	4,021	4,002	3,884	3,800	3,833	3,866	3,888	4,005	4,066	4,454
Potential station capacity	140	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	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
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	29	29	30	32	28	28	28	28	28	25
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Firefighters	28	29	30	30	30	26	27	27	27	26
Streets										
Miles of paved streets	94.64	93.84	93.84	93.84	93	93	92	92	92	92
Miles of gravel streets	9.54	9.54	9.54	9.54	10	10	9	9	9	9
Miles of storm sewers	95.27	94.54	94.54	94.54	94	94	93	93	93	93
Water										
Miles of water mains	134.69	133.5	132.9	133	132	132.76	130	130	130	130
Hydrants	1,288	1,281	1,269	1,266	1,263	1,263	1,267	1,266	1,262	1,248
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Sewer										
Miles of sanitary sewers	113.24	113	110	111.7	110	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	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Electric										
Street lights	1,948	1,927	1,888	1,884	1,865	1,865	1,864	1,864	1,858	1,827
Electrical transformers	2,119	2,099	2,087	2,071	2,052	2,049	2,040	2,032	2,025	2,007
Poles	3,605	3,603	3,603	3,601	3,600	3,600	3,602	3,605	3,600	3,506
Substations	3	3	3	3	3	3	3	3	3	3
Telecommunications										
Miles of fiber	60	60	60	60	25	25	25	25	25	25
Miles of coax	119	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	19	19	19	19	16	16
Park acreage	797	797	797	772		831	642	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	11	12	12	12	12	12	12	12	12
Trails (miles)	8	48	48	48	48	41	40	29	29	29
	53*									
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	n/a	n/a	n/a	71	70	78	75	69	69	69
Secondary schools	2	2	2	2	2	2	2	2	2	2
Secondary school instructors	n/a	n/a	n/a	135	101	105	103	91	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 on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon Minimum Audit Standards

To the Mayor and City Council
City of Ashland, Oregon

We have audited the basic financial statements of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2021 and have issued our report thereon dated December 15, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-0000 to 162-10-0330, as set forth below, noncompliance with which could have a direct and material effect on the financial statements:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the biennium budget for biennium period July 1, 2019 to June 30, 2021 and July 1, 2021 to June 30, 2023.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and, regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

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 test disclosed one instance of noncompliance that is required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State for exceeding the LGIP limit pursuant to ORS 294.810.

Internal Control Over Financial Reporting

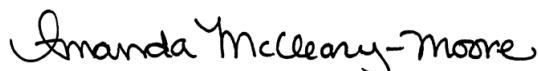
In planning and performing our audit, we considered the City’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control over financial reporting.

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

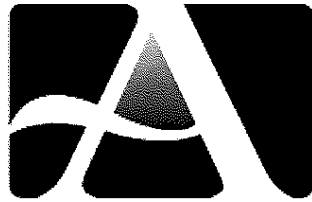
Purpose of this Report

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. This report is an integral part of an audit performed in accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
December 15, 2021

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 the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2021, 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, 2021.

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 may exist that have not been identified.

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.

Mass Adams LLP

Medford, Oregon
December 15, 2021

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