



City of Ashland, Oregon
**Annual Comprehensive
Financial Report**
For the year ended June 30, 2023

CITY OF ASHLAND

STATE OF OREGON



Annual Comprehensive Financial Report

For the year ended June 30, 2023

Prepared by the Finance Department

Cover Photo "Ashland Winter Dusk" by Jesse Smith

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INTRODUCTORY SECTION



December 19, 2023

Honorable Mayor Tonya Graham,
Ashland City Council, and
Citizens of the City of Ashland

I am pleased to provide the Annual Comprehensive Financial Report of the City of Ashland for the fiscal year ended June 30, 2023. This report is published annually as the official annual comprehensive financial report and complies with State statutes requiring 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.

As management for the City, we are responsible for both the accuracy of the data, and the completeness and fairness of the presentation, including all related disclosures. The City operates under a system of accounting internal controls that are concerned with the safeguarding of assets and the reliability of financial records. The definition of accounting control assumes reasonable, but not absolute, assurance that the objectives expressed in it will be accomplished by the system. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits expected to be derived.

This report includes the independent auditor's opinion with respect to the City's financial statements. Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Ashland's MD&A can be found immediately following the independent auditor's report.

PROFILE OF THE GOVERNMENT

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. It is a home-rule city and has all powers necessary or convenient for the conduct of its municipal affairs, including the power to levy a property tax on both real and personal property located within its boundaries. The City also has the power, by state statute, to extend its corporate limits by annexation within the state designated urban growth boundary, which is done periodically when deemed appropriate by the City Council.

Ashland operates under the Council-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, Municipal Judge, and the five-member Parks Commission, which also serves as the Recreation Commission.



The City Manager is charged with general oversight of all operational and management functions, except for those under the Parks Commission and Recreation Commission. The City Manager is responsible for the appointment or dismissal of department heads (Fire Chief, Police Chief, Public Works Director, Community Development Director, Finance Director, Electric Director and Information Technology Director, Human Resources 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. Assisting City Council are nine standing advisory boards and commissions and various ad hoc committees, which include relevant City staff. Together, citizens and staff make a valuable contribution to the City of Ashland by working together on shared goals and vision.

The City provides a full range of services including police protection, fire protection, building inspection, planning services, economic development, social services, senior program, emergency medical services, electric, internet access, water, streets, storm drain, wastewater treatment, airport, cemetery, band, and parks and recreation activities. The City prepares a biennial budget on the modified accrual basis in accordance with the State law and statutes.

LOCAL ECONOMY

Originally named Ashland Mills, Ashland has evolved from its logging roots to a city of vibrant tourism. Arts & culture play a significant role in the City with the many restaurants, galleries and retail stores that serve thousands of visitors who attend plays each year at the Oregon Shakespeare Festival and other key events throughout the year. Ashland has also become a destination for outdoor adventurers with the diverse mountain bike trails, back country roads for cycling, plenty of hiking trails and the Mt. Ashland Ski Resort a short drive away. The area has also grown popular among wine enthusiasts with many local wineries and tasting rooms for travelers and locals to enjoy.

Ashland is also the home of Southern Oregon University, a public university with over 5,000 students and is the largest employer in the City. The combination of a robust cultural center and college town has made Ashland a destination for tourists but also those who choose to settle here for its great schools and community core. The City's current 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.

In fiscal year ending June 30, 2023, Ashland steadily moved out of the pandemic with financial resiliency due to earlier budgetary restraint. As with other cities across the country, however, it was not without its struggles, with regard to staffing issues and supply-chain/inflationary pressures, which drove up costs and pushed the timing of projects into the next biennium. The City also wrestles with, and works to balance, the continued risk of

wildfires due to climate impacts on the environment and therefore Ashland's economy.

Coming out of the pandemic, Ashland is still experiencing decreased levels of revenue in Food & Beverage Tax, Transient Lodging Tax, and Building and Planning Fees. However, it has seen steady increases in Property Tax, Electric User Tax, Franchise Fees and Ambulance Revenue. Overall, these main revenue components have increased by 6.6% when compared to pre-pandemic times, reflecting the durability of Ashland's economy to weather downturns. The City continues to review and evaluate ways to ensure Ashland's long-term fiscal health and continuity through its economic development initiatives, facilities optimization planning, efficiencies in service delivery, and effective, consistent security through police and fire.

LONG-TERM FINANCIAL PLANNING

The City of Ashland actively engages in financial planning through an annual six-year forecast process, its biennial budgetary process, and the creation of master plans for infrastructure improvements and expansions to roadways, water, sewer, stormwater, and parks.

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

MAJOR INITIATIVES

In addition to infrastructure, the City continues to make significant investments in the quality of Ashland livability through affordable housing, conservation initiatives, efforts to address houseless issues, and economic development and diversification.

During the fiscal year, major initiatives included the following:

- Building, completing, and opening in October 2022, an authentic Japanese Garden in Lithia Park.
- Securing grants in 2023 to obtain a building used for temporary emergency shelter for persons experiencing houselessness and severe weather shelter.
- Acquiring an electric substation which provides immediate annual cost savings, helps meet Climate and Energy goals of carbon reductions, and is strategically and centrally located, therefore expandable, allowing the City to increase capacity as needed.
- Initiated capital projects city-wide to improve our streets and neighborhood pathways.

- Was approved for a pass-through loan by the United States Department of Agriculture's Rural Energy Savings Program to offer the On-Bill Financing program to Ashland residents that will provide affordable loans to building owners for approved energy efficiency and renewable energy improvements.
- In fiscal year 2024, it is anticipated that the City will begin work on the Water System Resiliency Improvement Project which replaces a water treatment plant at the end of its life.

AWARDS AND ACKNOWLEDGMENTS

The City of Ashland has been a long-time recipient of The Government Finance Officers Association of the United States and Canada (GFOA) award for Achievement for Excellence in Financial Reporting and received the award for the thirty-fifth time for the fiscal year ended June 30, 2022. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City believes that the current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements.

In addition, the City received the GFOA Award for Distinguished Budget Presentation for its biennial 2021-2023 budget. To qualify for the 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.

Finally, it is a year-long, day-to-day, effort to ensure proper accounting and internal controls meet the standards set forth in the compilation of this report. The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the dedicated efforts of the Finance Department's staff, and the cooperation of all City departments. I would also like to thank the Mayor and the City Council for their continued support in planning and conducting the financial operations of the City in a prudent, committed, and responsible manner.

Respectfully submitted,

Sabrina Cotta

Sabrina Cotta
Acting City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ashland
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Introductory Section

City of Ashland City Officials as of June 30, 2023

Elected Officials

		<u>Term Expires December 31,</u>
Tonya Graham	Mayor	2024
Dylan Bloom	Council Member	2024
Jeff Dahle	Council Member	2024
Gina DuQuenne	Council Member	2024
Eric Hansen	Council Member	2026
Paula Hyatt	Council Member	2024
Bob Kaplan	Council Member	2026
Melissa Huhtala	City Recorder	2026
Pamela B. Turner	Municipal Judge	2026

Appointed Officials

Joseph Lessard	City Manager
Douglas McGearry	Interim City Attorney

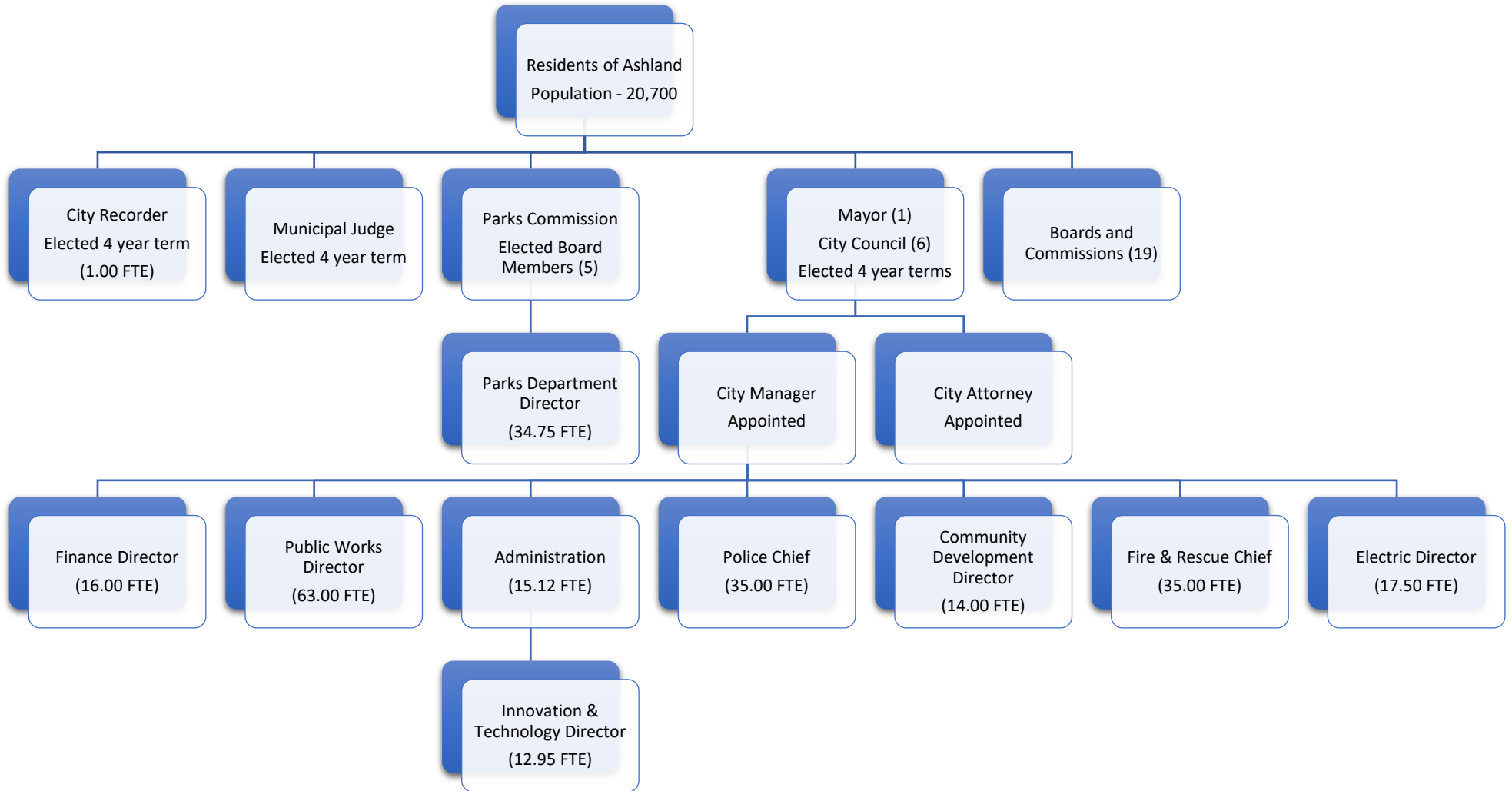
Leadership Team

Mariane Berry	Finance Director
Michael Black	Parks & Recreation Director
Sabrina Cotta	Deputy City Manager
Scott Fleury	Public Works Director
Brandon Goldman	Community Development Director
Tom McBartlett	Electric Utilities Director
Tighe O'Meara	Police Chief
Ralph Sartain	Fire Chief
Molly Taylor	Interim Human Resources Director
Jason Wegner	Innovation & Technology Director

City Address
City of Ashland
20 East Main Street
Ashland, Oregon 97520

City of Ashland Organizational Chart

2021-2023 Biennium – 244.32 FTEs



Introductory Section

**CITY OF
ASHLAND**



FINANCIAL SECTION

Report of Independent Auditors

To the Mayor and City Council
City of Ashland, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of change in other post-employment benefits, liability and related ratios – medical benefits, schedule of proportionate share of net OPEB (asset) liability and schedule of contributions, schedule of proportionate share of net pension liability and schedule of contributions, and budgetary comparisons be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis, schedule of change in other post-employment benefits, liability and related ratios – medical benefits, schedule of proportionate share of net OPEB (asset) liability and schedule of contributions, and schedule of proportionate share of net pension liability and schedule of contributions in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary comparison information described above is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

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

Other Information

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

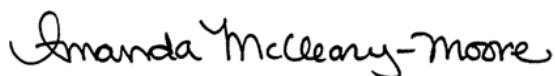
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 19, 2023, on our consideration of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Amanda McCleary-Moore, Partner
For Moss Adams
Medford, Oregon
December 19, 2023

CITY OF ASHLAND, OREGON Management Discussion and Analysis For the year ended June 30, 2023

The Management Discussion and Analysis section of the City of Ashland's Annual Comprehensive Financial Report (ACFR) provides an overview of the City's financial activities for the year ending June 30, 2023. The purpose is to highlight significant financial issues, major financial activities and resulting changes in the financial position and economic factors affecting the City. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the letter of transmittal, the City's financial statements and the accompanying notes following the financial information.

Financial Highlights

- 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 \$165 million (net position). Of this amount, \$115.1 million is invested in capital assets, such as streets, land, and buildings. The remainder is primarily cash and investments, consisting of \$12.7 million that is non-expendable or restricted by legislation, capital projects, debt service, or donor intent.
- The City of Ashland's total net position increased by \$15.9 million over the prior year. The net position from Governmental Activities increased by \$7.7 million while net position from Business-Type Activities increased by \$8.1 million.
- At the close of fiscal year 2023, the City's governmental funds ending fund balances totaled \$35 million, an increase of \$4.9 million, or 16.1%, from the prior fiscal year of 2022. The ending fund balance includes \$2.3 million in grant revenue for capital projects to address housing insecurity and to fund the Briscoe School Rehabilitation.
- Government-wide outstanding debt was \$23.3 million at year end.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's Basic Financial Statements, which are comprised of three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements and 3) Notes to the Financial Statements. Other Supplementary Information, intended to furnish additional detail to support the Basic Financial Statements, is also provided in the ACFR at the end of the report.

Government-wide Financial Statements

The government-wide financial statements are designed to give the reader a picture of the financial condition and activities of the City as a whole. This broad overview is similar to the financial reporting of private-sector businesses. The government-wide financial statements have separate columns for governmental activities and business-type activities. Governmental activities of the City include general government, public safety, highway and streets and parks and recreation. The City's business-type activities are limited to water, wastewater, storm water, electric, and telecommunications. Governmental activities are primarily supported by taxes, charges for services, and grants, while business-type activities are self-supporting through user

fees and charges.

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

The **Statement of Activities** presents information designed to show how the City's net position changed during the year. The statement distinguishes revenue generated by specific functions from revenue provided by taxes and other sources not related to a specific function. The revenue generated by the specific functions (charges for services, grants, and contributions) is compared to the expenses for those functions to show the degree to which each function supports itself or relies on taxes and other general funding sources for support. All activity in this statement is reported on the accrual basis of accounting, requiring that revenues are reported when they are earned and expenses are reported when they are incurred, regardless of when cash is received or disbursed. Items such as (but not limited to) uncollected taxes, unpaid vendor invoices for goods or services received during the year and earned but unused vacation leave are included in the Statement of Activities as revenue and expenses even though no cash has changed hands.

The Government-wide Financial Statements can be found immediately following this section (the Management's Discussion and Analysis) of the ACFR.

Fund Financial Statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts used to account for specific activities or meet certain objectives. Funds are often set up in accordance with special regulations, restrictions, or limitations. The City of Ashland, like other state and local governments, uses fund accounting to ensure and show compliance with finance-related legal requirements. The ACFR includes Fund Financial Statements in addition to the Government-wide Financial Statements. While the Government-wide Statements present the City's finances based on the type of activity, general government versus business-type, the Fund Financial Statements are presented by fund type such as the General Fund, special revenue funds, and proprietary funds. The City's funds are divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions as are reported as governmental activities in the Government-wide Financial Statements. These reports use a different "basis of accounting" than that used in Government-wide Financial Statements. The Governmental Fund Statements focus on near-term revenues/financial resources and expenditures while the Government-wide Financial Statements include both near-term and long-term revenues/financial resources and expenses. The information in the Governmental Fund Statements can be used to evaluate the City's near-term financing requirements and immediate fiscal health.

Comparing the Governmental Fund Statements with the Government-wide Statements can help the reader better understand the long-term impact of the City's current year financing decisions. To assist in this comparison, reconciliations between the governmental fund statements and the Government-wide Financial Statements are included with the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances.

The City of Ashland maintains thirteen individual governmental funds. The City has two major governmental funds – the General Fund and the Street Fund – presented separately in the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The budgetary Parks General Fund, Reserve Fund, and Parks Equipment Fund are rolled into the General Fund for reporting purposes. The remaining eight governmental funds are combined in this statement into a single column labeled Other Governmental Funds. Individual fund data for each of the other governmental funds can be found in combining statements later in this report.

The City maintains budgetary control over its operating funds through the adoption of a biennial budget. Budgets are adopted at the fund level for all funds in accordance with state law. All budgetary comparison schedules are included following the other governmental funds' combining statements in this report.

Proprietary funds are used by governments to account for their business-type activities. Business-type activities provide specific goods or services to a group of customers that are paid for by fees charged to those customers. There is a direct relationship between the fees paid and the services received.

The City of Ashland has two types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to account for goods and services provided to the community. Internal service funds are used to account for goods and services provided internally to various City departments. The same basis of accounting is used for proprietary funds in both the Government-wide Statements and the individual fund statements.

Enterprise funds of the City are used to report the same functions presented as business-type activities in the Government-wide Statements with the fund statements providing more detail than is reported in the Government-wide Statements. The enterprise fund statements provide separate information for the City's water, wastewater, stormwater, electric and telecommunications utilities.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and self-insurance program. Internal service fund activities are predominantly governmental and have been included in the Governmental Activities' columns of the Government-wide Statement of Net Position and Statement of Activities.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is important for a full understanding of the data in the government-wide and fund financial statements. The Notes are located immediately following the Basic Financial Statements.

Other Information

In addition to the Basic Financial Statements and accompanying notes, this report also presents certain **Required Supplementary Information** concerning the City’s progress in funding its obligation to provide pension benefits and other post-employment benefits. Required Supplementary Information may be found immediately following the Notes to the Financial Statements.

Combining Statements for other governmental funds and internal service funds are presented immediately following the Required Supplementary Information.

Government-wide Financial Analysis

Statement of Net Position

The Statement of Net Position can serve as a useful indicator of the City’s financial position. The City of Ashland’s total net position as of June 30, 2023, was \$165 million, which represents a \$15.9 million, or 10.6%, increase over fiscal year 2022. Following is a condensed version of the Government-wide Statement of Net Position (expressed in thousands of dollars):

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2023-2022
	2023	2022	2023	2022	2023	2022	
Current and other assets	\$ 44,742	\$ 38,913	\$ 47,043	\$ 39,500	\$ 91,785	\$ 78,413	17.1%
Pension asset	535	684	0	0	535	684	-21.8%
Capital assets, net of accumulated depreciation	67,712	67,030	70,895	64,617	138,607	131,648	5.3%
Total assets	<u>112,989</u>	<u>106,627</u>	<u>117,938</u>	<u>104,118</u>	<u>230,927</u>	<u>210,745</u>	9.6%
Total deferred outflows of resources	9,679	11,405	2,515	3,410	12,195	14,815	-17.7%
Current liabilities	5,299	4,634	3,938	2,910	9,237	7,544	22.4%
Long-term liabilities	32,242	29,594	24,210	18,100	56,452	47,694	18.4%
Total liabilities	<u>37,541</u>	<u>34,228</u>	<u>28,148</u>	<u>21,011</u>	<u>65,689</u>	<u>55,238</u>	18.9%
Total deferred inflows of resources	9,995	16,394	2,400	4,743	12,395	21,137	
Net Position:							
Net investment in capital assets	61,877	59,567	53,273	52,511	115,150	112,078	2.7%
Nonexpendable	947	931	0	0	947	931	1.8%
Restricted	8,663	4,337	3,096	3,391	11,759	7,728	52.2%
Unrestricted surplus (deficit)	3,645	2,576	33,536	25,872	37,181	28,447	30.7%
Total net position	<u>\$ 75,132</u>	<u>\$ 67,411</u>	<u>\$ 89,905</u>	<u>\$ 81,774</u>	<u>\$ 165,038</u>	<u>\$ 149,185</u>	10.6%

The largest component of the City’s total net position (\$115.2 million, or 69.8%) is net investment in capital assets (i.e., land, buildings, machinery, equipment, vehicles, and infrastructure less any related outstanding debt that was used to acquire those assets). The City uses these capital assets to provide a variety of services to the community.

Accordingly, these assets are not available for future spending. Although investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The non-expendable and restricted component of the City’s total net position (\$12.7 million, or 7.7%) represents resources that are subject to external restrictions on how they may be used. It mostly encompasses resources that are restricted for capital projects (\$8.7 million). The remaining total net position balance of \$37.2 million, or 22.5%, is unrestricted and may be used to meet the City’s ongoing obligations to the community and creditors.

Changes in Net Position

The Changes in Net Position table on the following page illustrates the increase or decrease in the City’s net position resulting from operating activities. Overall, the City’s net position increased by \$15.9 million, or 10.6%, over the prior year.

A breakdown of increase in net position by governmental and business-type activities follows along with graphs that illustrate revenues by source and compare program expenses to program revenues on the next several pages.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2023-2022
	2023	2022	2023	2022	2023	2022	
Program revenues:							
Charges for services	\$ 19,723	\$ 20,900	\$ 37,167	\$ 36,361	\$ 56,890	\$ 57,261	-0.6%
Operating grants and contributions	5,348	6,750	39	50	5,386	6,800	-20.8%
Capital grants and contributions	291	373	0	0	291	373	-22.0%
General revenues:							
Property taxes	13,312	13,034	0	0	13,312	13,034	2.1%
Other taxes	10,847	9,466	0	0	10,847	9,466	14.6%
Interest	725	131	675	143	1,399	274	410.0%
Other	0	0	316	67	316	67	370.3%
Total revenues	50,245	50,655	38,196	36,621	88,441	87,276	1.3%
Program expenses:							
General government	11,793	11,211			11,793	11,211	5.2%
Public safety	17,330	15,415			17,330	15,415	12.4%
Highways and streets	5,531	4,753			5,531	4,753	16.4%
Parks and Recreation	7,855	7,278			7,855	7,278	7.9%
Interest on long-term debt	64	100			64	100	-36.2%
Water			6,125	6,695	6,125	6,695	-8.5%
Wastewater			6,095	6,185	6,095	6,185	-1.5%
Stormwater			563	755	563	755	-25.5%
Electric			15,167	16,055	15,167	16,055	-5.5%
Telecommunications			2,065	2,279	2,065	2,279	-9.4%
Total expenses	42,574	38,757	30,014	31,970	72,588	70,727	2.6%
Increase (decrease) in net position							
before transfers and disposals	7,671	11,898	8,182	4,651	15,853	16,549	-4.2%
Interfund transfer	50	50	-50	-50	0	0	N/A
Increase (decrease) in net position	7,721	11,948	8,132	4,601	15,853	16,549	-4.2%
Transfer							
Net position - Beginning	67,411	55,463	81,774	77,172	149,185	132,635	12.5%
Net position - Ending	\$ 75,132	\$ 67,411	\$ 89,905	\$ 81,774	\$ 165,038	\$ 149,185	10.6%

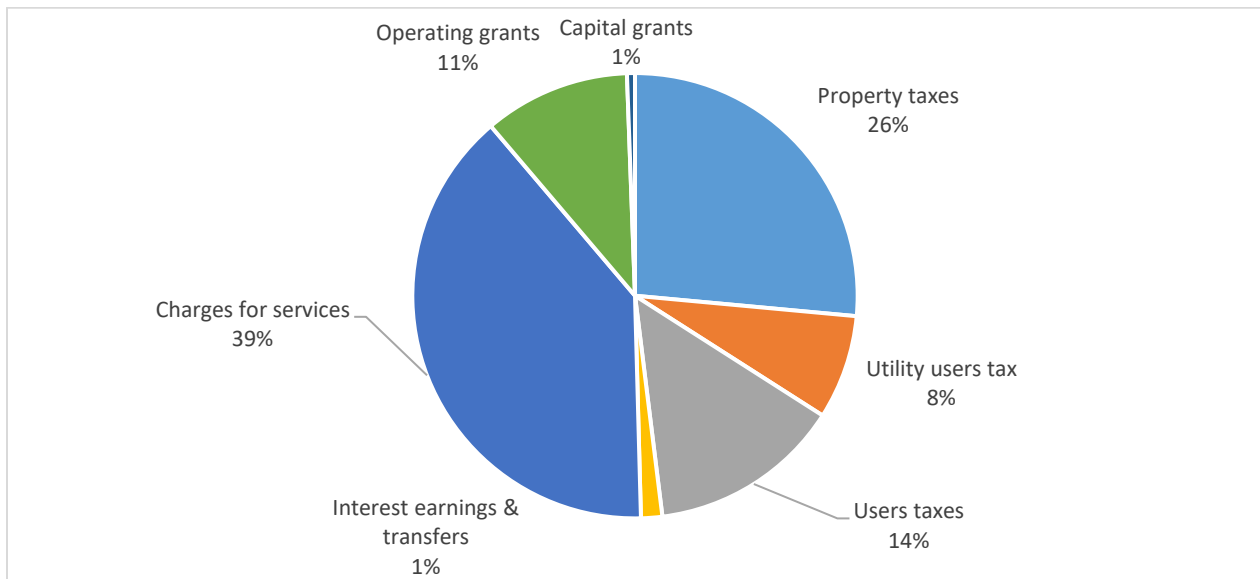
Governmental Activities

The net position for governmental activities increased by \$7.7 million, or 11.5%, in fiscal year 2023. Key changes from the prior year are as follows:

- Total assets and deferred outflows from governmental activities increased by \$4.6 million, or 3.9%.
 - Cash and investments increased by \$9.3 million, or 26.9%.
 - Total receivables decreased by \$2.3 million, or 27.7%, primarily from grant receivables, which decreased by \$2.6 million.
 - Deferred outflows from pensions and Other Pension Employee Benefits (OPEB) decreased by \$1.7 million, or 15.1%. See notes IV B & C in the Notes to the Financial Statements for additional information.
- Total liabilities and deferred inflows from governmental activities decreased by \$3.1 million, or 6.1%.
 - The City's pension liability increased by \$4.6 million, or 24.6%. See Note IV C in the Notes to the Financial Statements for additional information.
 - Long-term debt decreased by \$1.7 million, or 30.1%.
 - Deferred inflows from pensions decreased by \$6.5 million, or 42.1%. See Note IV C in the Notes to the Financial Statements for additional information.
- Total revenues decreased by approximately \$410,000, or 0.8%.
 - Total tax revenue increased by \$1.7 million, or 7.4%. Property tax revenue increased by \$278,000, or 2.1%, and tax revenue from other taxes increased by \$1.4 million, or 14.6% primarily from an increase in Transient Lodging Tax (\$943,000, or 20.5%) and Food and Beverage Tax (\$216,000, or 7.9%).
 - Interest revenue increased by \$593,000, or 451.7%, as rates remained high throughout fiscal year 2023.
 - Program revenues decreased by \$2.7 million, or 9.5%, due to a \$1.2 million, or 5.6%, decrease in charges for services and a \$1.5 million, or 20.8% decrease in operating and capital grants and contributions. The City saw a decrease in its development-related revenue as well as a decrease in non-capital grants.
- Total expenses increased by \$3.8 million, or 9.8% primarily due to a \$733,000, or 6.5%, increase in expenses for general government, a \$1.9 million, or 12.4%, increase in public safety expenses, a \$778,000, or 16.4%, increase in expenses for highways and streets and a \$577,000, or 7.9% increase in expenses for parks and recreation.

Charts showing revenues by source and comparing program revenues and expenditures for governmental activities are shown on the following page.

Revenues by Source – Governmental Activities



Program Expense vs Program Revenue – Governmental Activities



Business-type Activities

Business-type activities which relate to the City’s utilities, had an increase in net position of \$8.1 million, or 9.9%, over the prior year, primarily due to operating income of \$12.6 million and the internal service activities allocation of \$1.4 million, offset by infrastructure improvements and connection charges of \$5.8 million and a \$50,000 net transfer to governmental funds.

The net position of the **Water Fund** increased by \$2.7 million, or 9.3% over the prior fiscal year, primarily due to net operating income. Water Fund receivables increased by \$784,000 due to a request for a loan drawdown at year end. Water rates did not change during the year.

The increase in the net position of the **Wastewater Fund** was a nominal 1.4% in fiscal year 2023.

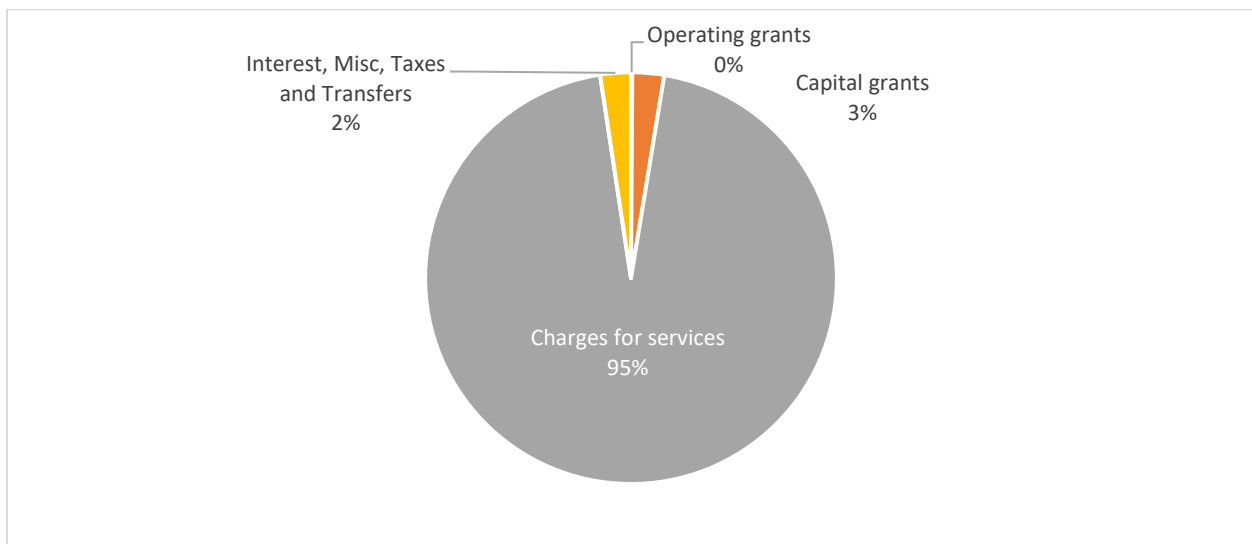
Wastewater receivables increased by \$1.7 million due to a request for a loan drawdown at year end. Wastewater rates did not change during the year.

The increase in the net position of the **Stormwater Fund** was just under \$260,000, or 13.5%, during fiscal year 2023 primarily due to net operating income. Stormwater rates did not change during the year.

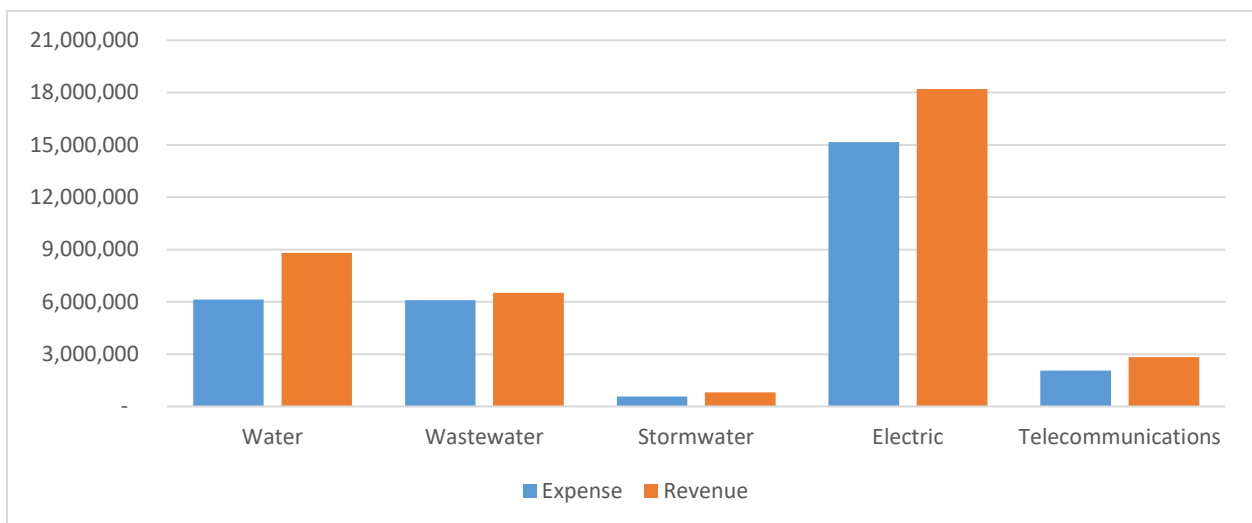
The net position of the **Electric Fund** increased by \$2.6 million, or 28.5%, primarily due to net operating income. Electric rates did not change during the year.

The net position of the **Telecommunication Fund** increased by just over \$680,000, or 32.1%, primarily due to net operating income. Telecommunication rates did not change during the year.

Revenues by Source – Business-Type Activities



Program Expense vs Program Revenue – Business-Type Activities



Financial Analysis of the Government's Funds

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

Governmental Funds

The purpose of the City's governmental funds is to report on near-term inflows, outflows, and balances of spendable resources. This information helps determine the City's future financial requirements. Fund balance is a good indicator of the City's resources available at year end.

At the end of the current year, the City's combined ending governmental fund balance was \$35 million, which represents an increase of \$4.9 million, or 16.1%, from the prior year. Of the total ending fund balance, over \$9 million is nonexpendable or restricted and subject to an external legal constraint as follows:

- \$947,000 is held for the City's Cemetery Trust Fund
- \$2.3 million is grant revenue that is restricted in use.
- \$37,000 is from asset seizures and is restricted for drug use intervention.
- \$992,000 is from lodging tax and is restricted to promote tourism.
- \$399,000 is restricted for airport activities.
- \$1 million is restricted for payment of debt.
- \$3.3 million is from system development charges and is restricted in use for capital improvements.
- \$22,000 is from donations restricted by donor intent.

The committed fund balance contains amounts that can be used for specific purposes determined by formal action of the City Council. Of the total ending fund balance, \$7.5 million is committed to street, park, housing, capital projects, public art and parking.

The unassigned balance of \$18.5 million in the General Fund consists of amounts not otherwise classified such as revenue stabilization, cost of living adjustment, and working capital. Technically, these funds are unrestricted, which means they are available for spending at the City's discretion. A significant portion of the unassigned balance is budgeted to fund one-time costs, carryovers, and contingencies.

Major Governmental Funds

The **General Fund** is the primary operating fund of the City, through with all receipts and payments of ordinary City operations are processed unless they are required to be accounted for in another fund. At the end of fiscal year 2023, the fund balance of the General Fund (including the Parks General, Parks Equipment and Parks Reserve funds) was \$21.3 million, which represents an increase over the prior year of \$2.4 million, or 12.6%.

General Fund revenues increased nominally during fiscal year 2023 primarily due to the net effect of the following:

- Tax revenue decreased slightly, by \$74,000, or 0.3%. The City collects franchise fees from its utilities to help pay for general operating costs, which are reported as tax revenue. In fiscal year 2022, 100% of franchise fees were receipted in the General Fund. In fiscal

year 2023, the City recorded 20% of franchise fees collected into the Street Fund to be used for maintenance. This decreased franchise fees reported in the General Fund by \$473,000, or 12.8%.

- Permitting revenue is cyclical and varies from year to year. In fiscal year 2023 the City received \$471,000, or 30.6%, less in permitting related revenue than it did the prior year.
- The General Fund received \$159,000, or 23.8%, more in revenue from the state and \$247,000, or 8.3%, more in total grant revenue.
- Short-term interest rates remained high in fiscal year 2023, increasing interest income reported in the General Fund by \$384,000, or 457.8%, over the prior year.
- Excluding Parks and Reserve fund transfers, the funds that are rolled into the General Fund and should not be reported on the Governmental-wide Statements, fiscal year 2023 transfers in were lower due a transfer of \$3.1 million from the Central Services Fund as it was consolidated into the General Fund in fiscal year 2022.

General Fund expenditures, excluding funds transfers to funds rolled up within the General Fund, increased by \$1.1 million, or 3.1%, primarily due to the net effect of the following:

- Despite a 4% cost of living adjustment (COLA) increase for most union groups, and a 3% COLA increase for Police, salary and wages cost in the General Fund increased by only \$79,000, or 0.6%, primarily due to vacant positions.
- Costs for materials and services increased by \$551,000, or 4.9%.
- Costs for equipment purchases increased by \$726,000, or 650.9%, primarily due to the purchase of a fire truck.
- In fiscal year 2023, the City created the Tourism Fund to better track the restricted portion of its Transient Occupation Tax (TOT). The restricted portion remaining in the General Fund, \$775,000, was transferred to the new fund in fiscal year 2023.

The **Street Fund** accounts for financial resources to be used for street-related operations and capital projects. At the end of fiscal year 2023, the fund balance of the Street Fund was \$4.8 million, a decrease of \$740,000, or 13.4%, over the prior year.

Street Fund revenues were \$1.6 million, or 26.6%, lower than the prior year primarily due to the net effect of the following:

- The City of Ashland collects a 5% tax from the sale of prepared food and nonalcoholic beverages. In fiscal year 2022, the City recorded 2% of this tax into the General Fund to be used for City operations, 25% into the Parks CIP Fund for the acquisition, development, and maintenance of open space, and 73% into the Street Fund for street maintenance. In fiscal year 2023, the percentage allocated to the Street Fund was moved to the Parks CIP Fund. In addition, in fiscal year 2023 the City started reporting 20% of its franchise fee revenue to the Street Fund, rather than 100% in the General Fund. The net effect of these two changes was a decrease of \$1.3 million, or 61.8%, in tax revenue.
- \$400,000 less in grant revenue was received.
- \$92,900 (440.1%) more in interest revenue was received.

Street Fund expenditures were \$794,000, or 18.1%, higher than the prior year primarily due to the net effect of the following:

- An increase in street capital improvement projects of \$264,000, or 34.3%, such as the N. Mountain Ave/I-5 Overpass to E Main Street Overlay.
- An increase in materials for street improvement projects of \$435,000, or 167.1%.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the City's proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City of Ashland budgets on a biennial basis. The final adopted budget for the 2021-2023 biennium includes the following significant amendments to the originally adopted budget for the General Fund:

Fiscal Year 2022

- \$862,000 in Fire Department related grant revenue was added as well as corresponding expenditures.
- \$1.55 million in tax revenue was moved from other funds.
- General Fund transfers out were increased by \$3,515,000, transferring funds to the Parks General Fund, the Reserve Fund, and the Housing Fund.

Fiscal Year 2023

- \$705,000 in Fire Department related grant revenue was added as well as corresponding expenses.
- \$1.3 million in grant revenue for Briscoe School improvements was added as well as corresponding expenses.
- \$700,000 in expenses were added for a new fire engine.

For the 2021-2023 biennium, actual General Fund expenses and revenues (excluding transfers) varied from the final amended budget as follows:

- Total revenues were \$165,000, or 0.2%, less than budgeted. Intergovernmental and fines and forfeiture revenues were \$1.7 million lower than anticipated, but tax, charges for services, interest and miscellaneous revenue exceeded expectations by \$1.5 million.
- Total expenditures in fiscal year 2023 were under budget by \$10.2 million primarily due projects moved to the following biennium and staffing vacancies across most General Fund departments.

Capital Assets

The City of Ashland's investment in capital assets for its governmental and business-type activities at the end of fiscal year 2023 amounted to \$138.6 million (net of accumulated depreciation and amortization), which represents an increase of \$7 million, or 5.3%, over the prior

year. Investment in capital assets includes land, art and construction in progress, which are not subject to depreciation. The other capital assets: leases, buildings and building improvements, improvements other than buildings, machinery and equipment, and infrastructure, are subject to depreciation and amortization.

Governmental capital assets (net of accumulated depreciation and amortization) totaled \$67.7 million at the end of fiscal year 2023, which represents an increase of \$681,000, or 1.0%, over the prior year. Business-type capital assets (net of accumulated depreciation and amortization) totaled \$70.9 million at the end of fiscal year 2023, which represents an increase of \$6.3 million, or 9.7%, over the prior year. In addition to the effects of depreciation, these increases are the result of land acquisitions, improvements to buildings, contributed capital, and construction in progress. More information on the City’s Capital Assets can be found in Note III C. Capital Assets in the Notes to the Financial Statements.

City of Ashland's Capital Assets
(net of depreciation and amortization)
(in thousands dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2023-2022
	2023	2022	2023	2022	2023	2022	
Lease assets	\$ 114	\$ 61	\$ 8	\$ 2	\$ 121	\$ 63	91.6%
Land	15,489	15,338	3,107	3,107	18,596	18,445	0.8%
Buildings and improvements	4,106	45,952	15,260	22,100	19,366	68,051	-71.5%
Equipment	46,243	24,478	22,100	1,445	68,343	25,924	163.6%
Infrastructure	26,067	63,296	2,835	99,435	28,903	162,731	-82.2%
Construction in progress	63,296	2,487	99,448	8,012	162,743	10,499	1450.1%
Totals at historical cost	155,315	151,612	142,757	134,101	298,072	285,714	4.3%
Total accumulated depreciation and amortization	87,603	84,582	71,862	69,484	159,465	154,066	3.5%
Net capital assets	\$ 67,712	\$ 67,030	\$ 70,895	\$ 64,617	\$ 138,607	\$ 131,648	5.3%

Long-term Debt

At the end of fiscal year 2023, the City of Ashland had total outstanding bonds of \$22 million, which consists of \$5.6 million in general obligation bonds and \$16.4 million in revenue bonds. In addition, the City had \$1.3 million in notes payable, which constitute direct borrowings.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2023-2022
	2023	2022	2023	2022	2023	2022	
GO bonds payable	\$ 4,405	\$ 5,835	\$ 1,195	\$ 1,605	\$ 5,600	\$ 7,440	-24.73%
Revenue bonds	0	0	16,419	10,499	16,419	10,499	56.39%
Notes payable	1,316	1,567	0	0	1,316	1,567	-16.02%
Total bonds and notes	\$ 5,721	\$ 7,402	\$ 17,614	\$ 12,104	\$ 23,335	\$ 19,506	19.63%

The City incurred \$6.2 million in new debt during the year, drawing down loan proceeds in the Water and Wastewater Funds for the City’s Water Treatment Plant, the Wastewater Riparian Restoration Project, and the Wastewater Outfall Relocation Project. See Note III E. Long-term Debt in the Notes to the Financial Statement for additional information on the City’s debt.

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 fiscal year 2023 real market value, the maximum general obligation debt authorized is \$14,616,921. The amount of outstanding City debt subject to this limitation is \$5,600,000 (under 3% of the maximum debt limitation).

Economic Factors and Next Year’s Budget and Rates

As the U.S. economy contends with factors such as labor shortages and wage pressure, cost of living increases, supply chain issues, rising inflation, fluctuating interest rates and fears of recession, the preparation of the 2023-2025 biennial budget was challenging. Ashland, like many cities in the country, continues to face challenges in maintaining its workforce and sustaining the high quality of services its residents have come to expect. The City has renewed its focus on attracting and retaining talented and dedicated employees with the goal of becoming the preferred employer in Southern Oregon and was mindful of this as it negotiated agreements with four of its five labor associations in fiscal year 2023.

The City saw 15% - 20% increases in the costs of materials and services during the 2021-2023 biennium and has budgeted a 6.6% increase in departmental operating expenditures. The City will need to be careful managing its resources to stay within budgeted levels.

The City also faces significant deferred maintenance needs in its facilities, the Ashland Fiber Network, and information technology. These needs must be addressed to increase operational efficiency and minimize long-term costs to the City. The 2023-2025 budget contains funding strategies to address some of these issues, while the City continues to look for additional

opportunities.

State shared revenues, as well as gas, liquor, cigarette, and highway tax, recovered to pre-pandemic levels during the 2021-2023 biennium. The City's lodging tax has also rebounded, and the City continues to receive consistent revenues from charges for City services. For the 2023-2025 Biennial Budget, property tax, the City's largest source of General Fund revenue, remains unchanged at \$4.2865 per \$1,000 of assessed value. Citywide, operating revenues are budgeted to increase by three percent, except for charges for services, which are budgeted to increase by five percent, recognizing additional revenue is needed to maintain service levels.

The City of Ashland's 2023-2025 Biennial Budget was adopted with \$385,186,270 in total appropriations, which includes \$50,838,150 in ending balance and reserved for future expenditures.

Financial Contact

This financial report is designed to provide a general overview of the City of Ashland's finances for readers with an interest in the City's finances. Questions concerning any of the information provided in this report, or requests for additional information, may be addressed to the City's Finance Department 20 East Main, Ashland, Oregon, 97520 or (541) 488-5300.

BASIC FINANCIAL STATEMENTS

Basic Financial Statements

CITY OF ASHLAND, OREGON STATEMENT OF NET POSITION June 30, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents and investments	\$ 43,753,548	\$ 31,459,097	\$ 75,212,645
Receivables (net of allowance for uncollectible)	5,978,216	7,123,987	13,102,203
Lease receivable	175,324	-	175,324
Prepays items	729	-	729
Inventories	27,510	1,793,402	1,820,912
Internal balances	(6,601,681)	6,601,681	-
Restricted assets:			
Cash and cash equivalents	943,439	-	943,439
Total current assets	44,277,085	46,978,167	91,255,252
Noncurrent assets:			
Net OPEB RHIA assets	535,342	-	535,342
Receivables (net of allowance for uncollectible)	118,362	64,998	183,360
Lease receivables	346,093	-	346,093
Capital assets:			
Land	15,489,067	3,106,925	18,595,992
Construction in progress	4,105,881	15,260,350	19,366,231
Lease assets	113,648	7,850	121,498
Buildings	46,242,942	22,099,664	68,342,606
Machinery and equipment	26,067,456	2,835,059	28,902,515
Infrastructure	63,295,651	99,447,535	162,743,186
Accumulated depreciation and amortization	(87,602,962)	(71,862,368)	(159,465,330)
Total noncurrent assets	68,711,480	70,960,013	139,671,494
Total assets	112,988,566	117,938,180	230,926,746
Deferred Outflows of Resources:			
Deferred outflows - Pension	8,734,709	2,151,851	10,886,560
Deferred outflows - OPEB	944,684	363,508	1,308,192
Total deferred outflows	9,679,393	2,515,359	12,194,752

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

Basic Financial Statements

CITY OF ASHLAND, OREGON STATEMENT OF NET POSITION, CONTINUED June 30, 2023

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Liabilities:			
Current liabilities:			
Accounts payable and other	3,035,056	3,070,802	6,105,858
Claims and judgments	95,788	-	95,788
Bonds and notes	1,723,000	552,355	2,275,355
Accrued interest payable	34,687	198,005	232,692
Compensated absences	410,329	116,962	527,290
Total current liabilities	5,298,860	3,938,124	9,236,983
Noncurrent liabilities:			
Compensated absences	1,230,986	350,885	1,581,871
Proportional share of net pension liability	23,515,431	5,793,176	29,308,607
Transitional liability	425,748	-	425,748
Lease liability	113,648	7,850	121,498
Total OPEB liability	2,798,017	996,202	3,794,219
Claims and judgments	160,093	-	160,093
Bonds and notes	3,998,000	17,061,884	21,059,884
Total noncurrent liabilities	32,241,923	24,209,997	56,451,920
Total liabilities	37,540,783	28,148,121	65,688,904
Deferred Inflows of Resources:			
Deferred inflows - leases	521,417	-	521,417
Deferred inflows - pension	8,894,097	2,194,395	11,088,492
Deferred inflows - OPEB	579,424	205,756	785,180
Total deferred inflows	9,994,938	2,400,151	12,395,089
Net Position:			
Net investment in capital assets	61,877,035	53,272,926	115,149,961
Non-expendable:			
Perpetual care	946,762	-	946,762
Prepaid and Inventories	729	-	729
Restricted for:			
Grant restrictions - General Government	2,336,619	-	2,336,619
RHIA asset	535,342	-	535,342
Asset forfeiture	36,755	-	36,755
Transient occupancy tax - tourism	992,082	-	992,082
Airport	398,996	-	398,996
System development	3,298,599	3,096,420	6,395,019
Debt service	1,041,895	-	1,041,895
Donor restrictions	22,235	-	22,235
Unrestricted (deficit)	3,645,189	33,535,922	37,181,111
Total net position	\$ 75,132,237	\$ 89,905,268	\$ 165,037,505

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

Basic Financial Statements

CITY OF ASHLAND, OREGON STATEMENT OF ACTIVITIES For the Year Ended June 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 11,793,416	\$ 13,864,123	\$ 2,636,055	\$ -	\$ 4,706,762	\$ -	\$ 4,706,762	
Public safety	17,330,391	3,293,663	867,441	-	(13,169,287)	-	(13,169,287)	
Highways and streets	5,531,089	1,872,282	1,686,912	-	(1,971,895)	-	(1,971,895)	
Parks and recreation	7,855,419	693,290	157,180	291,258	(6,713,691)	-	(6,713,691)	
Interest on long-term debt	63,687	-	-	-	(63,687)	-	(63,687)	
Total governmental activities	42,574,002	19,723,358	5,347,588	291,258	(17,211,798)	-	(17,211,798)	
Business-type Activities:								
Water	6,124,844	8,806,470	26,250	-	-	2,707,876	2,707,876	
Wastewater	6,094,777	6,522,527	-	-	-	427,750	427,750	
Stormwater	563,138	815,699	-	-	-	252,561	252,561	
Electric	15,166,781	18,204,624	12,618	-	-	3,050,461	3,050,461	
Telecommunications	2,064,955	2,817,540	-	-	-	752,585	752,585	
Total business-type activities	30,014,494	37,166,860	38,868	-	-	7,191,234	7,191,234	
Total primary government	72,588,496	56,890,218	5,386,456	291,258	(17,211,798)	7,191,234	(10,020,564)	
General Revenues:								
					13,311,802	-	13,311,802	
					3,811,011	-	3,811,011	
					7,035,726	-	7,035,726	
					724,687	674,549	1,399,236	
					-	315,765	315,765	
					50,000	(50,000)	-	
					<u>24,933,226</u>	<u>940,314</u>	<u>25,873,540</u>	
					7,721,428	8,131,548	15,852,976	
					67,410,809	81,773,720	149,184,529	
					Net position - ending	\$ 75,132,237	\$ 89,905,268	\$ 165,037,505

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

Basic Financial Statements

CITY OF ASHLAND, OREGON BALANCE SHEET GOVERNMENTAL FUNDS June 30, 2023

	General	Street	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and cash equivalents and investments	\$ 20,704,984	\$ 4,897,345	\$ 7,226,665	\$ 32,828,994
Receivables (net of allowance for uncollectible)	4,639,571	421,191	995,753	6,056,515
Lease receivables			521,417	521,417
Prepays items	729	-	-	729
Cash - restricted	-	-	943,439	943,439
Total assets	\$ 25,345,284	\$ 5,318,536	\$ 9,687,273	\$ 40,351,093
Liabilities:				
Accounts payable	2,112,794	516,533	85,802	2,715,129
Total liabilities	2,112,794	516,533	85,802	2,715,129
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	437,237	-	24,113	461,350
Unavailable revenue - special assessments & other	1,516,430	5,618	106,501	1,628,549
Unavailable revenue - leases	-	-	521,417	521,417
Total deferred inflows of resources	1,953,667	5,618	652,031	2,611,316
Fund Balances:				
Nonexpendable:				
Perpetual care	-	-	946,762	946,762
Prepaid items	729	-	-	729
Restricted for:				
Grant restrictions - general government	2,300,000		36,619	2,336,619
Asset forfeiture	36,755	-	-	36,755
Transient occupancy tax - tourism	-	-	992,082	992,082
Airport			398,996	398,996
System development charges	-	2,978,031	320,568	3,298,599
Debt commitment	-	-	1,041,895	1,041,895
Donor restrictions	22,235			22,235
Committed for:				
General activities	448,452	-	-	448,452
Housing activities	-	-	240,123	240,123
Street activities	-	1,818,354	-	1,818,354
Parks activities	-	-	3,973,973	3,973,973
Capital projects funds	-	-	998,424	998,424
Unassigned	18,470,651	-	-	18,470,651
Total fund balances	21,278,823	4,796,385	8,949,440	35,024,648
Total liabilities, deferred inflows and fund balances	\$ 25,345,284	\$ 5,318,536	\$ 9,687,273	\$ 40,351,093

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

Basic Financial Statements

CITY OF ASHLAND, OREGON RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS TO STATEMENT OF NET POSITION June 30, 2023

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

Fund balances	\$ 35,024,648
<p>The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the City as a whole.</p>	
Net capital assets	63,280,077
Lease assets	113,648
<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	(5,721,000)
Lease liability	(113,648)
Accrued interest on liabilities	(34,687)
<p>The net pension assets (liability), and deferred inflows and outflows related to the Net Pension Liability is the difference between the total pension liability and the assets set aside to pay benefits earned to the past and current employees and beneficiaries.</p>	
	(23,586,153)
<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>	
	(1,838,235)
<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	(1,608,641)
<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	461,350
Unavailable - special assessments and all others	1,628,547
<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>7,526,330</u>
Total net position	<u>\$ 75,132,236</u>

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

Basic Financial Statements

CITY OF ASHLAND, OREGON STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Year Ended June 30, 2023

	General Fund	Street Fund	Other Governmental Funds	Total Government
Revenues:				
Taxes	\$ 23,302,862	\$ 788,818	\$ 3,989,508	\$ 28,081,188
Fees, licenses and permits	1,068,226	-	-	1,068,226
Intergovernmental	4,041,869	1,686,912	444,054	6,172,835
Charges for services	9,664,409	1,677,955	1,682,261	13,024,626
System development charges	-	165,629	35,690	201,318
Assessments	-	1,455	-	1,455
Fines and forfeitures	220,916	-	-	220,916
Interest on investments	456,615	114,013	154,058	724,686
Miscellaneous	214,022	9,221	9,422	232,665
Total revenues	<u>38,968,919</u>	<u>4,444,003</u>	<u>6,314,994</u>	<u>49,727,916</u>
Expenditures:				
General government	10,793,419	-	258,003	11,051,422
Public safety	17,487,898	-	-	17,487,898
Highways and streets	-	4,220,006	-	4,220,006
Parks and recreation	6,748,561	-	886,158	7,634,719
Debt service	-	79,162	1,757,747	1,836,909
Capital outlay	846,210	884,391	961,677	2,692,278
Total expenditures	<u>35,876,088</u>	<u>5,183,559</u>	<u>3,863,585</u>	<u>44,923,232</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>3,092,831</u>	<u>(739,556)</u>	<u>2,451,408</u>	<u>4,804,684</u>
Other financing sources (uses)				
Transfers In	70,826	-	1,074,570	1,145,396
Transfers Out	(775,974)	-	(319,422)	(1,095,396)
Total other financing sources (uses)	<u>(705,148)</u>	<u>-</u>	<u>755,148</u>	<u>50,000</u>
Net change in fund balance	2,387,683	(739,556)	3,206,556	4,854,684
Fund balance, July 1, 2022	<u>18,891,140</u>	<u>5,535,941</u>	<u>5,742,884</u>	<u>30,169,965</u>
Fund balance, June 30, 2023	<u>\$ 21,278,823</u>	<u>\$ 4,796,385</u>	<u>\$ 8,949,440</u>	<u>\$ 35,024,648</u>

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

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, 2023

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

Changes in net fund balance	\$	4,854,684
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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 and amortization expense.

Capital contribution		291,258
Capital outlay expenditures capitalized		2,692,278
Depreciation expense		(2,797,593)

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.		(199,780)
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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.		211,796
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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		1,681,000
Compensated absences		(198,686)
Accrued interest		13,059

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

Property taxes		40,985
Special assessments		(1,178)
Other		189,913
Transient Lodging Tax		(3,468)

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		947,160
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Change in net position	<u>\$</u>	<u>7,721,428</u>
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The accompanying notes are an integral part of the basic financial statements.

Basic Financial Statements

CITY OF ASHLAND, OREGON STATEMENT OF NET POSITION PROPRIETARY FUNDS June 30, 2023

	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 and cash equivalents and investments	\$ 13,665,743	\$ 6,449,398	\$ 1,941,070	\$ 6,640,759	\$ 2,762,127	\$ 31,459,097	\$ 10,924,553
Interest and accounts receivable, net	2,184,211	3,054,795	131,719	1,239,417	513,845	7,123,987	33,823
Notes and contracts receivable	-	-	-	64,998	-	64,998	6,244
Inventories	756,698	4,237	-	1,032,467	-	1,793,402	27,510
Total current assets	16,606,652	9,508,430	2,072,789	8,977,641	3,275,972	40,441,484	10,992,130
Noncurrent assets:							
Capital assets, not being depreciated or amortized:							
Land	956,587	2,150,338	-	-	-	3,106,925	-
Construction in process	7,867,456	7,376,866	16,028	-	-	15,260,350	-
Capital assets, being depreciated or amortized:							
Lease assets	-	-	-	7,850	-	7,850	-
Capital assets	42,477,952	52,928,386	1,521,867	17,642,257	9,811,796	124,382,258	17,090,095
Accumulated depreciation and amortization	(23,186,948)	(27,759,238)	(1,034,946)	(10,399,533)	(9,481,704)	(71,862,369)	(12,772,136)
Capital assets, net	28,115,047	34,696,352	502,949	7,250,574	330,092	70,895,014	4,317,959
Total assets	44,721,699	44,204,782	2,575,738	16,228,215	3,606,064	111,336,498	15,310,089
Deferred Outflows of Resources:							
Deferred outflows - pension	507,515	426,872	81,694	911,844	223,926	2,151,851	194,589
Deferred outflows - OPEB	87,479	110,579	32,831	106,570	26,049	363,508	20,890
Total deferred outflows of resources	594,994	537,451	114,525	1,018,414	249,975	2,515,359	215,479
LIABILITIES, DEFERRED INFLOWS AND NET POSITION							
Current liabilities:							
Accounts payable	335,280	781,260	26,410	1,400,219	93,121	2,636,290	312,238
Accrued salaries and payroll taxes	50,803	20,167	4,260	41,002	7,137	123,369	7,687
Accrued interest payable	191,765	5,932	308	-	-	198,005	-
Other liabilities	-	-	-	311,140	-	311,140	-
Compensated absences	30,859	27,317	598	51,656	6,532	116,962	8,169
Revenue bonds payable, Current	216,501	110,854	-	-	-	327,355	-
General obligation bonds payable, Current	175,000	40,000	10,000	-	-	225,000	-
Total current liabilities	1,000,208	985,530	41,576	1,804,017	106,790	3,938,121	328,094
Noncurrent liabilities:							
Compensated absences	92,576	81,950	1,793	154,969	19,596	350,885	24,506
Lease liabilities	-	-	-	7,850	-	7,850	-
Net OPEB Liabilities	241,262	317,225	101,280	266,862	69,573	996,202	54,698
Proportionate Share of Net Pension Liability	1,366,323	1,149,217	219,934	2,454,853	602,849	5,793,176	523,869
Accrued claims	-	-	-	-	-	-	255,881
Revenue bonds payable, net	9,183,380	6,908,504	-	-	-	16,091,884	-
General obligation bonds payable, net	750,000	175,000	45,000	-	-	970,000	-
Total noncurrent liabilities	11,633,541	8,631,896	368,007	2,884,535	692,018	24,209,997	858,954
Total liabilities	12,633,748	9,617,426	409,583	4,688,552	798,808	28,148,118	1,187,048
Deferred Inflows of Resources:							
Deferred inflows - pension	517,549	435,311	83,309	929,873	228,353	2,194,395	198,436
Deferred inflows - OPEB	49,368	61,226	17,495	62,748	14,919	205,756	12,070
Total deferred inflows of resources	566,917	496,537	100,804	992,621	243,272	2,400,151	210,506
Net Position:							
Net Position:							
Net Investment in capital assets	17,790,166	27,461,994	447,949	7,242,724	330,092	53,272,925	4,317,959
Restricted for system development	861,082	2,235,338	-	-	-	3,096,420	-
Unrestricted	13,464,780	4,930,938	1,731,927	4,322,732	2,483,867	26,934,243	9,810,055
Total net position	\$ 32,116,028	\$ 34,628,270	\$ 2,179,876	\$ 11,565,456	\$ 2,813,959	\$ 83,303,588	\$ 14,128,014
Total net position						\$ 83,303,588	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						6,601,680	
Net position of business-type activities						<u>\$ 89,905,268</u>	

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

Basic Financial Statements

CITY OF ASHLAND, OREGON STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS For the year ended June 30, 2023

	Business - Type activities - Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele- communications Fund		
Operating Revenues:							
Charges for services	\$ 8,806,470	\$ 6,522,527	\$ 815,699	\$ 18,204,624	\$ 2,817,541	\$ 37,166,861	\$ 9,191,039
Miscellaneous	1,289	957	-	313,519	-	315,765	304,719
Total operating revenues	8,807,759	6,523,484	815,699	18,518,143	2,817,541	37,482,626	9,495,758
Operating Expenses:							
Cost of sales and services	5,383,547	4,951,133	542,792	15,760,937	2,136,640	28,775,050	6,481,247
Depreciation and amortization	707,763	1,241,203	53,022	323,057	53,193	2,378,238	855,836
Total operating expenses	6,091,310	6,192,336	595,814	16,083,994	2,189,833	31,153,288	7,337,083
Operating income (loss)	2,716,449	331,148	219,885	2,434,149	627,708	6,329,338	2,158,675
Non-operating Income (Expenses):							
Intergovernmental	26,250	-	-	12,618	-	38,868	-
Interest income	304,255	156,722	41,088	116,165	56,319	674,549	209,091
Interest expense	(258,226)	(22,285)	(1,301)	-	-	(281,811)	-
Total non-operating income (expenses)	72,279	134,438	39,787	128,783	56,319	431,606	209,091
Transfers							
Transfer Out	(50,000)	-	-	-	-	(50,000)	-
Total transfers	(50,000)	-	-	-	-	(50,000)	-
Change in net position	2,738,728	465,585	259,672	2,562,932	684,027	6,710,943	2,367,766
Total net position - beginning	29,377,300	34,162,685	1,920,204	9,002,524	2,129,932	76,592,645	11,760,248
Total net position - ending	\$ 32,116,028	\$ 34,628,270	\$ 2,179,876	\$ 11,565,456	\$ 2,813,959	\$ 83,303,588	\$ 14,128,014
Change in net position						\$ 6,710,943	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						1,420,605	
Change in net position of business-type activities - Statement of Activities						<u>\$ 8,131,548</u>	

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

Basic Financial Statements

CITY OF ASHLAND, OREGON STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the year ended June 30, 2023

	Business-type Activities - Enterprise Funds					Total	Governmental
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele-communications Fund		Internal Service Funds
Cash flows from operating activities:							
Receipts from customers and users	\$ 7,230,207	\$ 6,364,848	\$ 794,563	\$ 18,191,314	\$ 2,696,890	\$ 35,277,822	\$ 24,123
Receipts from internal users	-	-	-	-	-	-	9,486,114
Payments to suppliers	(2,732,235)	(3,177,794)	(363,675)	(11,993,080)	(1,591,088)	(19,857,872)	(6,032,376)
Payments to employees	(1,895,804)	(1,757,180)	(277,255)	(3,154,742)	(726,040)	(7,811,021)	(689,066)
Net cash from operating activities	2,602,168	1,429,874	153,633	3,043,492	379,762	7,608,929	2,788,795
Cash flows from noncapital financing activities:							
Transfers In (Out)	(50,000)	-	-	-	-	(50,000)	-
Intergovernmental	26,250	-	-	12,618	-	38,868	-
Net cash from noncapital financing activities	(23,750)	-	-	12,618	-	(11,132)	-
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(2,616,872)	(5,030,570)	(11,898)	(965,966)	(19,385)	(8,644,691)	(1,298,748)
Proceeds from issuance of debt	1,340,545	2,404,255	-	-	-	3,744,800	-
Principal paid on bonds, contracts and notes	(571,858)	(149,753)	(10,000)	-	-	(731,611)	-
Interest paid on debt	(258,226)	(22,285)	(1,301)	-	-	(281,811)	-
Net cash from capital and related financing activities	(2,106,411)	(2,798,353)	(23,199)	(965,966)	(19,385)	(5,913,313)	(1,298,748)
Cash flows from investing activities:							
Interest from investments and other income	304,255	156,722	41,088	116,165	56,319	674,551	209,091
Net increase (decrease) in cash and investments	776,262	(1,211,757)	171,522	2,206,309	416,696	2,359,032	1,699,139
Cash and investments, beginning of year	12,889,481	7,661,156	1,769,548	4,434,450	2,345,431	29,100,066	9,225,414
Cash and investments, end of year	\$ 13,665,743	\$ 6,449,399	\$ 1,941,070	\$ 6,640,759	\$ 2,762,127	\$ 31,459,098	\$ 10,924,553
Reconciliation of operating income to net cash provided by operating activities:							
Operating income	\$ 2,716,449	\$ 331,148	\$ 219,885	\$ 2,434,149	\$ 627,708	\$ 6,329,338	\$ 2,158,675
Depreciation and amortization	707,763	1,241,203	53,022	323,057	53,193	2,378,239	855,836
Change in assets and liabilities:							
(Increase) decrease in:							
Receivables	(311,450)	(158,635)	(21,137)	(326,829)	(120,651)	(938,702)	14,482
Net Pension Liability	(669,234)	(383,355)	(167,113)	154,546	(197,658)	(1,262,814)	(358,707)
Total OPEB Liability	20,025	129,917	51,150	15,498	(28,109)	188,481	(33,477)
Inventories	(121,258)	43,240	-	(249,187)	-	(327,205)	(9,011)
Increase (decrease) in:							
Accounts payable and accrued liabilities	248,021	226,088	18,660	653,797	51,070	1,197,636	155,221
Other liabilities	11,852	268	(835)	38,461	(5,791)	43,955	5,776
Net cash from operating activities	\$ 2,602,168	\$ 1,429,874	\$ 153,633	\$ 3,043,492	\$ 379,762	\$ 7,608,929	\$ 2,788,795
Schedule of non-cash capital and related financing activities:							
Unrealized gain (loss) on investments	\$ 89,764	\$ 42,363	\$ 12,750	\$ 43,620	\$ 18,143	206,640	\$ 71,036
Loan proceeds receivable	810,623	1,686,529	-	-	-	2,497,152	-
Net noncash investing, capital and financing activities	\$ 900,387	\$ 1,728,892	\$ 12,750	\$ 43,620	\$ 18,143	\$ 2,703,792	\$ 71,036

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

Notes to the Basic Financial Statements

CITY OF ASHLAND, OREGON Notes to the Basic Financial Statements For the year ended June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Ashland, Oregon (City) is a municipal corporation operating under an amended charter adopted by the voters in 2020. The City Council (Council), composed of the Mayor and six council members, comprises the legislative branch of the government. Individual departments are under the direction of the City Manager, who is appointed by the Council. The accompanying financial statements present the City, an entity for which the City is considered to be financially accountable.

B. Government-wide and Fund Financial Statements

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

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

Notes to the Basic Financial Statements

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 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:

- Special revenue funds account for proceeds of specific revenue sources that are restricted, committed or assigned to expenditure for specific purposes other than debt service or capital expenditure.

Notes to the Basic Financial Statements

- Debt service funds account for financial resources that are restricted, committed, or assigned to expenditures for principal and interest related costs as well as the financial resources being accumulated for future debt service.
- Capital projects funds account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays, except for those financed by proprietary funds. Revenues are derived primarily from property taxes and state gas tax apportionments which are designated for the construction of specific projects.
- Internal Service Funds account for insurance and fleet management services primarily provided to other departments or agencies of the City. The costs of the services provided are recovered by the charges to the department and/or outside agency receiving the service.

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. Franchise fees would be charged to any such operation under local ordinance, so 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 2023 include \$717,012 from the Water Fund, \$526,345 from the Wastewater Fund, and \$1,863,095 from 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, enterprise funds 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 Cash Equivalents 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.

Notes to the Basic Financial Statements

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.

City investments 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 balance of restricted assets reported in the Statement of Net Position is as follows:

	General Government
Restricted Cash:	
Cemetery Trust Fund	<u>\$ 943,439</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 net of an allowance for uncollectible accounts. 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 receive a three percent (3%) discount. Property taxes 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

Inventories are reported at moving average cost. Inventories are recorded as expenditures when consumed rather than when purchased.

5. Prepaid items and Advances

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

Notes to the Basic Financial Statements

6. Capital Assets

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

Donated assets, donated works of art and similar items, and capital assets received in a service concession arrangement will be reported at acquisition value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

The City of Ashland amended its capitalization policy to meet Governmental Accounting Standards Board Statement (GASBS) No. 51 requirements. GASBS 51 relates to recognizing intangible assets such 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

7. 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.

8. 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

Notes to the Basic Financial Statements

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.

9. 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 updated and approved in May 2023. 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.

10. Deferred Outflows/Inflow of Resources

In addition to assets, the statement of financial position will sometimes report a separate section

Notes to the Basic Financial Statements

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

11. 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.

12. Leases

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

As a lessee, the City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future *payments* on the contract exceed \$25,000. The City uses a

Notes to the Basic Financial Statements

discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the City's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

13. Accounting and Reporting Changes

Adoption of New Accounting Pronouncement and Standards

The City implemented GASB No. GASB 96 Subscription-Based Information Technology Arrangements as of July 1, 2022. The City evaluated its subscription-based contracts to determine whether they met the reporting requirements of the new standard. There was no impact to the City's fiscal year 2023 financial reporting.

New Special Revenue Fund

The City collects a Transient Occupancy Tax, pursuant to Ashland Municipal Code 4.24, a portion of which is restricted in use to promote tourism. In fiscal year 2023, the City added a new special revenue fund, the Tourism Fund, to track the restricted revenues and uses of this tax. The restricted portion had previously been reported in the General Fund, so the remaining balance was transferred to the Tourism Fund.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

- In fiscal year 2022, Council approved seven resolutions that amended the budget: Resolution 2022-01, 2022-02, 2022-03, 2022-07, 2022-10, 2022-17 & 2022-17A.
- In fiscal year 2023, Council approved eight resolutions that amended the budget: Resolution 2022-17A, 2022-12, 2022-25, 2022-28, 2022-34, 2023-05, 2023-18, and 2023-20.

Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2023.

Deficit fund equity

Generally accepted accounting principles and Oregon state law requires fund disclosure of deficit fund balance/total net position. On June 30, 2023, no funds reported a deficit net position in the GAAP basis financial statements.

Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

	Total Primary Government
Petty cash	\$ 3,944
Deposits with financial institutions	3,896,020
Imprest Cash	120,000
Investments	72,136,120
	<u>\$ 76,156,084</u>
Governmental - unrestricted	\$ 75,212,645
Governmental - restricted:	
Cemetery Trust Fund	943,439
	<u>\$ 76,156,084</u>

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 City Council allow the City 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.

Notes to the Basic Financial Statements

Cash and Investments Note

As of June 30, 2023, the fair value measurement at the measurement date, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>
U.S. Treasury Bill	\$ 17,112,467
State Treasurer's Investment Pool	55,023,653
	<u>\$ 72,136,120</u>

The City's US Treasury Bill security matures in November 2023. The Oregon Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. The LGIP is not rated by a national rating service. Additional information about the OSTF can be obtained at www.oregon.gov/treasury. The weighted-average maturity of LGIP is less than one year. The fair value of the City's position in the pool is the same as the value of the pool shares.

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.

The City limits investment maturities as follows:

Under 30 days	10% minimum
Under 90 days	25% minimum
Under 270 days	50% minimum
Under 1 year	75% minimum
Under 18 months	80% minimum
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.

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. As noted above, the LGIP 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.

Notes to the Basic Financial Statements

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. As of June 30, 2023, 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.

Per City policy, 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 & 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 City's individual major funds and non-major, internal service in aggregate, including the applicable allowances for uncollectable accounts, are as follows:

	Total Governmental Activities	Total Business-Type Activities	Accounts, Net
Current Receivable			
Property Tax	\$ 495,800	\$ -	\$ 495,800
Business Licenses	62,685	-	62,685
Ambulance Billing	1,034,211	-	1,034,211
Utility Receivables	1,251,453	4,295,413	5,546,866
Grant Receivables	560,061	2,777,555	3,337,616
Misc. Receivables	1,788,943	51,019	1,839,962
Hotel/Motel Receivables	785,063	-	785,063
Total current	<u>5,978,216</u>	<u>7,123,987</u>	<u>13,102,203</u>
Long-Term Receivable			
Rehabilitation Loans	54,452	-	54,452
Special Assessments	5,618	-	5,618
Conservation Loans	-	64,998	64,998
Notes Receivable	6,244	-	6,244
SDC receivable	52,049	-	52,049
Total long-term	<u>118,362</u>	<u>64,998</u>	<u>183,360</u>
Total	<u>\$ 6,096,578</u>	<u>\$ 7,188,985</u>	<u>\$ 13,285,563</u>

Notes to the Basic Financial Statements

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:

<u>Governmental Activities:</u>	<u>General Fund</u>	<u>Street Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Property Taxes	\$ 437,237	\$ -	\$ 24,113	\$ 461,350
Leases	-	-	521,417	521,417
Deferred Rehab and SDC's	-	-	106,501	106,501
Special Assessments	-	5,618	-	5,618
Business Licenses	162,608	-	-	162,608
Transient Lodging Tax	785,006	-	-	785,006
Ambulance Services	568,816	-	-	568,816
Total Unearned Revenue	<u>\$ 1,953,667</u>	<u>\$ 5,618</u>	<u>\$ 652,031</u>	<u>\$ 2,611,316</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	<u>Balance June 30, 2022</u>	<u>Additions and Reclasses</u>	<u>Retirements and Reclasses</u>	<u>Balance June 30, 2023</u>
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 15,338,439	\$ 150,628	\$ -	\$ 15,489,067
Construction in progress	2,487,089	1,618,792	-	4,105,881
Total capital assets, not being depreciated or amortized	<u>17,825,528</u>	<u>1,769,420</u>	<u>-</u>	<u>19,594,948</u>
Lease assets - equipment	61,239	52,409		113,648
Buildings	45,951,684	291,258	-	46,242,942
Infrastructure	63,295,651	-	-	63,295,651
Machinery and equipment	24,478,174	2,221,606	632,324	26,067,456
Total capital assets, being depreciated and amortized	<u>133,786,748</u>	<u>2,565,273</u>	<u>632,324</u>	<u>135,719,697</u>
Less accumulated amortization and depreciation for:				
Buildings	(21,793,708)	(1,194,110)	-	(22,987,818)
Infrastructure	(43,824,796)	(1,236,026)	-	(45,060,822)
Machinery and equipment	(18,963,352)	(1,223,293)	(632,324)	(19,554,322)
Total accumulated depreciation and amortization	<u>(84,581,856)</u>	<u>(3,653,430)</u>	<u>(632,324)</u>	<u>(87,602,962)</u>
Total capital assets being depreciated and amortized, net	49,204,892	(1,088,157)	-	48,116,735
Governmental activities capital assets, net	<u>\$ 67,030,420</u>	<u>\$ 681,264</u>	<u>\$ -</u>	<u>\$ 67,711,683</u>

Notes to the Basic Financial Statements

	Balance June 30, 2022	Additions and Reclasses	Retirements and Reclasses	Balance June 30, 2023
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 3,106,925	\$ -	\$ -	\$ 3,106,925
Construction in progress	8,011,833	7,260,741	12,225	15,260,349
Total capital assets, not being depreciated	11,118,758	7,260,741	12,225	18,367,274
Lease assets - equipment				
Buildings	2,171	5,679	-	7,850
Infrastructure	22,099,664	-	-	22,099,664
Machinery and equipment	99,435,310	12,225	-	99,447,535
Total capital assets, being depreciated	1,445,491	1,389,568	-	2,835,059
Total capital assets, being depreciated	122,982,636	1,407,472	-	124,390,108
Less accumulated depreciation:				
Buildings	(9,480,753)	(436,148)	-	(9,916,901)
Infrastructure	(56,774,470)	(1,867,829)	-	(58,642,299)
Machinery and equipment	(3,229,029)	(74,261)	(122)	(3,303,167)
Total accumulated depreciation	(69,484,252)	(2,378,238)	(122)	(71,862,368)
Total capital assets being depreciated, net	53,498,384	(970,766)	122	52,527,740
Business-type activities capital assets, net	\$ 64,617,142	\$ 6,289,975	\$ 12,347	\$ 70,895,015

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

General government	1,080,820
Public safety	180,770
Highways and streets	1,356,314
Parks and Rec	1,035,526
Total	<u>\$ 3,653,430</u>

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

Water Fund	\$ 707,763
Wastewater Fund	1,241,203
Stormwater Fund	53,022
Electric Fund	323,057
Telecommunication Fund	53,193
Total	<u>\$ 2,378,238</u>

Construction Commitments

The City has active construction projects as of June 30, 2023. The projects include construction of various infrastructure improvements and additions to the City's parks, transportation, storm water, water, wastewater, and telecommunications systems. The City had approximately \$8.6 million remaining in construction contract commitments under construction contracts as of June 30, 2023.

Notes to the Basic Financial Statements

D. Interfund Receivable, Payable and Transfers

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.

Interfund transfer activity in fiscal year 2023 was as follows:

Transfer From	Transfer to Governmental Funds		
	General Fund	Nonmajor Governmental	Total
Governmental Funds:			
General Fund	\$ -	\$ 775,974	\$ 775,974
Nonmajor Funds	20,826	298,596	319,422
Business-type Activities:			
Water Fund	50,000		50,000
Total	\$ 70,826	\$ 1,074,570	\$ 1,145,396

Budgeted transfers from the General Fund to the Parks General Fund have been eliminated, since these funds are rolled together for the Statement of Revenues, Expenditures and Changes in Fund Balances.

E. Long-term Debt

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

The City 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 with 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 funded by building lease payments.
- Briscoe 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 funded with food and beverage tax.

Promissory notes outstanding at year end are as follows:

Purpose	Activity	Original Amount	Interest Rates	Amount Outstanding
Upgrade to Garfield Water Park	Government	\$ 870,000	2.12%	\$ 236,000
Purchase of Briscoe School Building	Government	\$ 1,540,000	0.00%	880,000
Purchase of Briscoe School Yard	Government	\$ 500,000	0.00%	200,000
				<u>\$ 1,316,000</u>

Notes to the Basic Financial Statements

Promissory note debt service requirement to maturity is as follows:

Year ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 253,000	\$ 4,516
2025	255,000	2,533
2026	208,000	509
2027	160,000	-
2028	110,000	-
2029-2032	330,000	-
	<u>\$ 1,316,000</u>	<u>\$ 7,558</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 general obligation debt was issued in fiscal year 2023.

The following schedule shows the debt service requirements for GO bonds as of June 30, 2023:

Purpose	Activity	Original Amount	Interest Rates	Amount Outstanding
2011 Fire station	Government activities	\$ 2,960,000	2.0-4.00%	\$ 1,390,000
2013 AFN Debt	Government activities	\$ 11,675,000	2-2.8%	2,455,000
2013 GO Bonds New Construction	Government activities	\$ 1,520,000	2-2.5%	560,000
2013 GO Bonds New Construction	Business-type activities	\$ 3,245,000	2-2.5%	1,195,000
				<u>\$ 5,600,000</u>

Government Activities:

- The residents of Ashland authorized by vote in May 2011 \$2,960,000 in debt for the construction of Fire Station #2. This debt is being paid by property tax.
- In 2013, a new issue for AFN Debt as full faith and credit bonds was a result of refinancing a previous debt for AFN. The previous debt was at 5.33% to 2.80% interest. This debt is paid by rates.
- In 2013 a new debt of \$ 4,765,000 as full faith and credit bonds was issued for 15 years; this debt was split between Governmental and Business-type activities. The Street Fund & Parks operations received \$1,520,000 of the total. This debt is paid by user fees and food and beverage tax.

Business-Type Activities:

- In 2013, a new debt of \$ 4,765,000 as Full Faith and credit bonds was issued for 15 years, this debt was split between Governmental and Business-type activities. The Water, Wastewater and Stormwater funds received \$3,245,000 for construction projects. This debt is paid by user fees.

Notes to the Basic Financial Statements

Future maturities of GO bond principal and interest as of June 30, 2023, are as follows:

Year Ending June 30,	2011 GO Bonds Fire Station #2		2013 AFN Debt		2013 GO Bonds New Construction	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 150,000	\$ 50,038	\$ 1,210,000	\$ 50,741	\$ 330,000	\$ 36,325
2025	160,000	45,538	1,245,000	17,430	340,000	29,413
2026	165,000	40,338	-	-	350,000	21,863
2027	160,000	34,975	-	-	360,000	13,650
2028	165,000	29,375	-	-	375,000	4,688
2029-2033	590,000	47,800	-	-	-	-
	<u>\$ 1,390,000</u>	<u>\$ 248,064</u>	<u>\$ 2,455,000</u>	<u>\$ 68,171</u>	<u>\$ 1,755,000</u>	<u>\$ 105,939</u>

Total GO Bond Principal and Interest:

Year Ending June 30,	Total	
	Principal	Interest
2024	\$ 1,690,000	\$ 137,104
2025	1,745,000	92,381
2026	515,000	62,201
2027	520,000	48,625
2028	540,000	34,063
2029-2033	590,000	47,800
	<u>\$ 5,600,000</u>	<u>\$ 422,174</u>

3. Revenue Bonds

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

Loan Agreement	Activity	Original Amount	Interest Rates	Amount Outstanding
IFA S14005 - Water	Business-type activities	3,515,200	1.00%	\$ 3,152,894
DEQ R11751 - Wastewater	Business-type activities	1,645,280	1.00%	1,159,899
Medford Water Commission	Business-type activities	2,358,076	3.42%	1,546,227
IFA S16021 - Water	Business-type activities		1.00%	4,700,759
DEQ R11754 - Wastewater	Business-type activities		1.00%	1,348,380
DEQ R11755 - Wastewater	Business-type activities		1.00%	4,511,079
				<u>\$ 16,419,238</u>

- The IFA #S14005 loan was for three projects: Talent/Ashland/Phoenix Water Intertie System (TAP), the Terrace St Pump Station and the Park Estates Pump Station. This loan received \$950,000 in principal forgiveness. Water revenue is pledged for debt payments.
- The DEQ #R11751 loan was for the Wastewater Treatment Membrane System upgrade in the amount of \$1,645,280. Wastewater revenue is pledged for debt payments.
- The Medford Water Commission loan was for the City's portion of receiving services for TAP. This debt is being paid by revenue from system development charges.
- The IFA #S16021 is for the City's new Water Treatment Plant, which is still in the design phase. \$2,151,168 was drawdown in fiscal year 2023. This loan has \$975,101 in principal forgiveness, which will be recognized when the design portion of

Notes to the Basic Financial Statements

the project is closed. The outstanding balance as of June 30, 2023, is \$4,700,759. No loan payments will be made until the project is complete.

- Loan DEQ #R11754 is for the Wastewater Riparian Restoration project. This loan is for a total of \$2,429,000. To date, \$1,348,380 has been received as a drawdown. No loan payments will be made until the project is complete.
- Loan DEQ #R11755 is for the Wastewater Outfall Relocation project. This loan was increased in fiscal year 2023 to \$4,800,000. To date, \$4,511,079 has been received as a drawdown. No loan payments will be made until the project is complete.

For the three loans that are not currently being paid, the City of Ashland has signed agreements in the amount of \$14,329,759 as of June 30, 2023. Of that amount, the City drew down a total of \$6,241,963 in fiscal year 2023.

Loan Name	Activity	Signed	Balance		Balance
		Agreements	June 30, 2022	Drawdowns	June 30, 2023
<i>IFA S16021 - Water</i>	<i>Business-type activities</i>	\$ 4,700,759	\$ 2,549,591	\$ 2,151,168	\$ 4,700,759
<i>DEQ R11754 - Wastewater</i>	<i>Business-type activities</i>	2,429,000	855,305	493,075	1,348,380
<i>DEQ R11755 - Wastewater</i>	<i>Business-type activities</i>	4,800,000	913,360	3,597,719	4,511,079
		<u>\$ 11,929,759</u>	<u>\$ 4,318,256</u>	<u>\$ 6,241,963</u>	<u>\$ 10,560,219</u>

Estimated revenue bond debt service requirements to maturity are as follows:

Year Ending June 30,	Principal		Interest	
2024	\$ 327,355	\$ 248,299		
2025	861,381	228,634		
2026	867,551	215,607		
2027	873,879	201,515		
2028	880,373	187,702		
2029-2033	4,505,387	360,768		
2034-2038	3,467,351	173,569		
2039-2043	3,259,972	101,590		
2044-2048	1,179,549	36,243		
2049-2053	196,441	1,964		
	<u>\$ 16,419,238</u>	<u>\$ 1,755,890</u>		

Moody's Investors Services assigned an "Aa3" rating to both the Tax-Exempt Bonds and the Taxable Bonds. The tables on the following page show activities for both Governmental and Business-type as they relate to long-term liabilities.

Notes to the Basic Financial Statements

4. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions and Adjustments	Reductions	Ending Balance	Due within One Year
Governmental Activities:					
Bonds payable:					
General obligation	\$ 5,835,000	\$ -	\$ 1,430,000	\$ 4,405,000	\$ 1,470,000
Total bonds payable	5,835,000	-	1,430,000	4,405,000	1,470,000
Notes and contracts	1,567,000	-	251,000	1,316,000	253,000
Claims and judgements	160,093	95,788	-	255,881	95,788
Government Activities:					
Long-term liabilities	<u>\$ 7,562,093</u>	<u>\$ 95,788</u>	<u>\$ 1,681,000</u>	<u>\$ 5,976,881</u>	<u>\$ 1,818,788</u>
Business-type Activities:					
Bonds Payable:					
General obligation	\$ 1,605,000	\$ -	\$ 410,000	\$ 1,195,000	\$ 225,000
Revenue	10,498,765	6,241,963	321,489	16,419,238	327,355
Total bonds payable	12,103,765	6,241,963	731,489	17,614,238	552,355
Business-type Activities:					
Long-term liabilities	<u>\$ 12,103,765</u>	<u>\$ 6,241,963</u>	<u>\$ 731,489</u>	<u>\$ 17,614,238</u>	<u>\$ 552,355</u>

The "Due within One Year" balance is net of premiums and discounts.

F. Compensated Absences

Internal service funds predominantly serve governmental funds. Accordingly, long-term liabilities for these funds are included as part of the totals for governmental activities. At year end, internal service funds had a \$32,675 compensated absences liability.

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within a Year
Governmental Activities:	\$ 1,433,001	\$ 208,314	\$ -	\$ 1,641,315	\$ 410,329
Business-type Activities:	414,199	54,068	420	467,847	116,962
Total compensated absences payable	<u>\$ 1,847,200</u>	<u>\$ 262,381</u>	<u>\$ 420</u>	<u>\$ 2,109,161</u>	<u>\$ 527,290</u>

Notes to the Basic Financial Statements

IV. OTHER INFORMATION

A. Risk Management

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

The City purchases re-insurance above defined loss levels in each program. Premiums are paid into the internal service Insurance Services 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, 2023, 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 coverage in each of the last three fiscal years. Workers' compensation claims are carried and reviewed from the date of self-insurance, July 1, 1989. An excess insurance policy covers individual claims in excess of \$300,000. Changes in the balances of claims liability during the past two years are as follows:

Year Ended June 30	Balance Beginning of Year	Current-Year Claims and Changes Estimates	Claim Payments	Balance at End of Year
2023	\$ 160,093	\$ 95,788	\$ -	\$ 255,881
2022	160,093	62,429	62,429	160,093

Notes to the Basic Financial Statements

B. Other Post Employment Benefits

The City's collective Other Post Employment Benefit (OPEB) related assets, deferred outflows of resources, liabilities, deferred inflows of resources, and expenses for the year ended June 30, 2023, for all OPEB plans are as follows:

	City Plan	PERS RHIA	Total
Net OPEB asset	\$ -	535,342	\$ 535,342
Subtotal of deferred outflows of Resources	\$ 1,229,970	78,223	\$ 1,308,193
Total OPEB liability	\$ 3,794,219	-	\$ 3,794,219
Subtotal of deferred inflows	\$ 655,425	116,453	\$ 771,878
OPEB expense (income)	\$ 361,919	(60,207)	\$ 301,712

City Health Insurance Subsidy

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

Plan Description - The City operates a single-employer retiree benefit plan that provides post-employment health, dental, vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through 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 with 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 – Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The assumptions used reflect the Bond Buyer 20-Year General Obligation Bond Index. The discount rate in effect for the June 30, 2023, reporting date is 3.54%. In future years, the medical and vision cost trend assumes increases ranging from 7.75% to 6.75%, and the dental cost trend assumes a 4.00%

Notes to the Basic Financial Statements

increase. 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 total Net OPEB Liability/(Asset):

Total OPEB Liability/(Assets) June 30, 2022	\$	4,045,104
<u>Changes:</u>		
Service Cost		173,799
Interest on total OPEB liability		88,504
Changes to benefit term		-
Differences between expected and actual experience		-
Changes of economic/demographic gains		170,483
Changes of assumptions or other input		(439,339)
Benefit Payments		(244,333)
Net change for the year		<u>(250,885)</u>
Total OPEB Liability/(Assets), June 30, 2023	<u>\$</u>	<u>3,794,219</u>

As of June 30, 2023, the City reported deferred inflows and outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 737,565	\$ -
Changes in assumptions	150,906	(655,425)
Subtotal - Amortized Deferrals (below)	<u>888,471</u>	<u>(655,425)</u>
City Contributions subsequent to measurement date	<u>341,499</u>	<u>-</u>
Net Deferred outflow (inflow) of resources	<u>\$ 1,229,970</u>	<u>\$ (655,425)</u>

Contributions subsequent to the measurement date will be used to reduce the total OPEB liability on June 30, 2024.

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>
2024	\$ 99,616
2025	100,853
2026	102,136
2027	28,433
2028	(10,367)
Thereafter	<u>(87,625)</u>
Total	<u>\$ 233,046</u>

Notes to the Basic Financial Statements

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

	1% Decrease 2.54%	Discounted Rate 3.54%	1% Increase 4.54%
City's Total OPEB Liability	\$ 4,148,792	\$ 3,794,218	\$ 3,482,726

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

	Healthcare Cost Trend Rates (3.25%)	Healthcare Cost Trend Rates (4.25%)	Healthcare Cost Trend Rates (5.25%)
City's proportionate share of the Total OPEB Liability	\$ 3,579,716	\$ 3,794,218	\$ 4,043,960

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

Notes to the Basic Financial Statements

a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.05 of annual covered OPERS payroll and nothing for OPSRP payroll under a contractual requirement in effect until June 30, 2023. 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 costs 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 contribution to RHIA for the year ended June 30, 2023, was \$2,778, which equaled the required contributions each year.

As of June 30, 2023, the City reported deferred inflows and outflows of resources related to RHIA from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ -	\$ (14,507)
Changes in assumptions	4,192	(17,845)
Net difference between projected and actual earnings on OPEB plan investments	-	(40,827)
Net changes in proportionate share	<u>74,031</u>	<u>(43,274)</u>
Net Deferred outflow (inflow) of resources	<u>\$ 78,223</u>	<u>\$ (116,453)</u>

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>
2024	\$ (25,364)
2025	(177)
2026	(25,764)
2027	<u>13,075</u>
Total	<u>\$ (38,230)</u>

Notes to the Basic Financial Statements

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

	Decrease (5.9%)	Rate (6.9%)	Increase (7.9%)
City's proportionate share of the net OPEB liability (asset)	\$ (482,494)	\$ (535,342)	\$ (580,645)

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

Notes to the Basic Financial Statements

- 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.

Notes to the Basic Financial Statements

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019, actuarial valuation, which became effective July 1, 2021. The State of Oregon and certain schools, community colleges, and political subdivisions have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023, were \$4,522,246, excluding amounts to fund employer specific liabilities. In addition, approximately \$1,152,999 in employee contributions were paid or picked up by the City in fiscal 2023.

As of June 30, 2023, the City reported a net pension liability of \$29,308,607 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. 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, 2022, the City's proportion was 0.19 percent. Pension expense for the year ended June 30, 2023, was \$3,102,438.

The rates in effect for the year ended June 30, 2023, were:

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 1,422,696	\$ (182,774)
Changes in assumptions	4,598,679	(42,014)
Net difference between projected and actual earnings on pension plan investments	-	(5,239,812)
Net changes in proportionate share	326,423	(2,779,280)
Difference between the City contributions and proportionate share of contributions	<u>23,858</u>	<u>(2,857,914)</u>
Subtotal - Amortized Deferrals (below)	6,371,656	(11,101,794)
City Contributions subsequent to measurement date	<u>4,514,904</u>	<u>-</u>
Net Deferred outflow (inflow) of resources	<u>\$ 10,886,560</u>	<u>\$ (11,101,794)</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, 2024.

Notes to the Basic Financial Statements

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
2024	\$ (792,924)
2025	(1,612,652)
2026	(3,330,775)
2027	1,443,937
2028	(437,723)
Total	<u>\$ (4,730,138)</u>

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

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	2.40%
Investment rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
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: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active Member: Pub-2010 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: Pub-2010 Disabled Retirees, sex-distinct, generation with Unisex, Social Security Data Scale.</p>

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

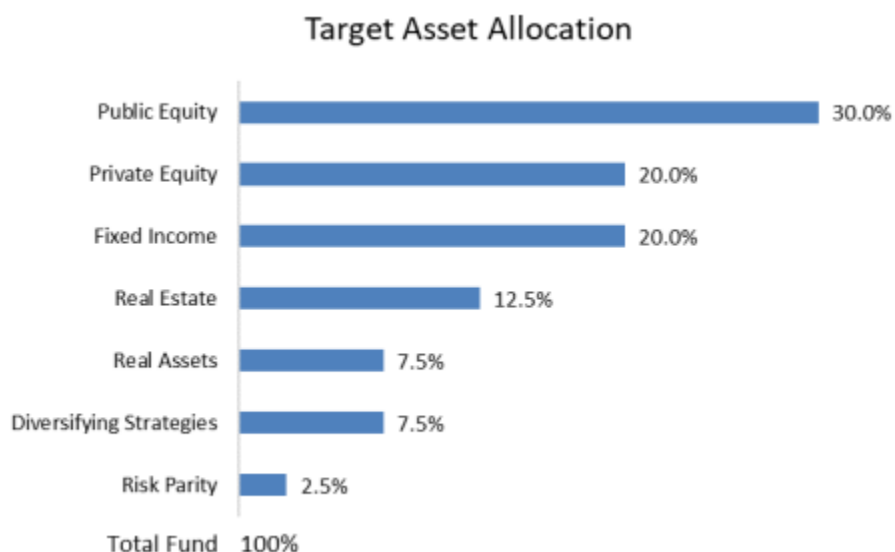
Notes to the Basic Financial Statements

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.

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 a 2020 Experience Study.



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 on the following page 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.

Notes to the Basic Financial Statements

Long-term Expected Rate of Return

Long-Term Expected Rate of Return ¹

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

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

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

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

Discount Rate – The discount rate used to measure the total pension liability was 6.9 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	Decrease (5.9%)	Rate (6.9%)	Increase (7.9%)
City's proportionate share of the net pension liability	\$ 51,976,280	\$ 29,308,607	\$ 10,336,812

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

Notes to the Basic Financial Statements

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 IAP accounts for the year ended June 30, 2023

E. 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

Notes to the Basic Financial Statements

the City's revenue on a monthly basis. They keep 25% of the monthly revenue and receive 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.

F. Tax Abatements

As of June 30, 2023, 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 make a substantial new capital investment, a waiver of 100% of the amount of real property taxes attributable to the new investment for a five-year period after completion. Land, 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, 2023, City of Ashland abated property taxes under this program were \$9,528.

G. 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.

H. Leases

The City is a lessor for the noncancellable lease of office and building space with lease terms through 2047. For the year ending June 30, 2023, the City recognized \$189,179 in lease revenue in released from Deferred Inflows of Resources related to the office lease on the Statement of Changes in Net Position. The City recognized interest revenue of \$0 for the year ending June 30, 2023. No inflows of resources were recognized in the year related to termination penalties or residual value guarantees during the fiscal year. The balance of the lease receivable was \$521,417 as of June 30, 2023.

The City is a lessee for the noncancellable lease of office equipment with lease terms through 2028. There are no residual value guarantees included in the measurement of City's lease liability nor the amount recognized as an expense for the year ended June 30, 2023. The City does not have any commitments that were incurred at the commencement of the leases. The City is subject to variable equipment usage payments that are expensed when incurred. \$39,932 was recognized as variable lease payments as lease expense on the Statement of Changes of Net Position. No termination penalties were incurred during the fiscal year. The balance of the City's lease liability was \$121,498 as of June 30, 2023.

Notes to the Basic Financial Statements

I. Subsequent Events

Loans

USDA Rural Energy Savings Plan Pass-thru Loan

Since fiscal year end, the City has signed a letter of agreement for \$10 million Rural Energy Savings Plan pass-thru loan with the United States Department of Agriculture (USDA). With this loan, City electric customers can borrow up to \$15k to update their electric infrastructure, such as converting from a gas to electric water heater. Customers would be charged their loan payment on their monthly utility bill, which would be remitted to the USDA by the City.

REQUIRED SUPPLEMENTARY INFORMATION

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, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability based on measurement date at June 30	\$ 4,045,104	\$ 4,051,051	\$ 3,914,647	\$ 3,840,270	\$ 2,928,939	\$ 3,065,279
<u>Changes for the year:</u>						
Service cost	173,799	168,578	150,117	133,242	151,823	161,964
Interest	88,504	90,131	137,290	147,300	105,593	88,807
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-	-
Changes of economic/demographic gains	170,483	-	23,288	-	1,471,245	-
Changes of assumptions or other input	(439,339)	19,464	112,559	131,690	(552,532)	(163,128)
Benefit payments	(244,333)	(284,120)	(286,850)	(337,855)	(264,798)	(223,681)
Net change for the year	(250,886)	(5,947)	136,404	74,377	911,331	(136,038)
Total OPEB liability at June 30	\$ 3,794,218	\$ 4,045,104	\$ 4,051,051	\$ 3,914,647	\$ 3,840,270	\$ 2,929,241
Fiduciary net position as a percentage of the total single employer OPEB liability	0%	0%	0%	0%	0%	0%
Covered employee payroll for this specific plan	\$ 19,418,399	\$ 18,453,012	\$ 17,013,505	\$ 19,757,586	\$ 19,642,352	\$ 18,161,024
Single employer total OPEB plan as a percentage of covered employee payroll for this specific plan	19.5%	21.9%	23.8%	19.8%	19.6%	16.1%

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

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION For the year ended June 30, 2023

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
2023	0.1914%	\$ (535,342)	\$ 18,453,012	(2.9) %	60.9 %
2022	0.2048%	(684,250)	17,013,505	(4.0)	66.3
2021	0.2105%	(231,380)	17,460,741	(1.3)	68.8
2020	0.2046%	(280,916)	17,561,324	(1.6)	80.2

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
2023	\$ 2,778	\$ 2,778	\$ -	\$ 19,418,399	0.014 %
2022	3,554	3,554	-	18,453,012	0.019 %
2021	4,100	4,100	-	17,013,505	0.024
2020	4,400	4,400	-	17,460,741	0.025

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.

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION For the year ended June 30, 2023

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
2023	0.1914%	\$ (29,308,607)	\$ 18,453,012	(158.8) %	60.9 %
2022	0.2048%	(24,510,198)	17,013,505	(144.1)	66.3
2021	0.2105%	(46,512,316)	17,460,741	(266.4)	68.8
2020	0.2046%	(36,414,527)	17,561,324	(207.4)	80.2
2019	0.2046%	(30,987,200)	16,232,406	(190.9)	80.6
2018	0.2157%	(29,084,032)	15,950,222	(182.3)	83.1
2017	0.2157%	(34,849,280)	15,571,834	(223.8)	80.5
2016	0.2590%	(14,910,215)	14,948,474	(99.7)	91.9
2015	0.2424%	(5,498,618)	17,016,281	(32.3)	103.6
2014	0.2424%	(12,379,260)	16,753,124	(73.9)	92.0

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

SCHEDULE OF CONTRIBUTIONS

Year Ended	Statutorily required	Contributions in relation to the statutorily required	Contribution deficiency	Covered Payroll	Contributions as a percent of covered
2023	\$ 4,522,246	\$ 4,522,246	\$ -	\$ 19,418,399	23.3 %
2022	4,468,191	4,468,191	-	18,453,012	24.2
2021	4,472,240	4,472,240	-	17,013,505	26.3
2020	4,157,228	4,157,228	-	17,460,741	23.8
2019	3,396,359	3,396,359	-	17,561,324	19.3
2018	3,162,190	3,162,190	-	16,232,406	19.5
2017	2,774,267	2,774,267	-	15,950,222	17.4
2016	2,805,936	2,805,936	-	15,571,834	18.0
2015	2,389,586	2,389,586	-	14,948,474	16.0
2014	2,604,925	2,604,925	-	17,016,281	15.3

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

Required Supplementary Information

City of Ashland, Oregon General Fund Schedule of Revenues and Expenditures - Budget and Actual For the year ended June 30, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Taxes	\$ 44,829,620	\$ 46,379,620	\$ 23,377,035	\$ 23,302,862	\$ 46,679,897	\$ 300,277
Fees, licenses and permits	2,614,500	2,614,500	1,539,283	1,068,226	2,607,509	(6,991)
Intergovernmental	5,645,709	8,543,517	3,532,527	3,994,688	7,527,215	(1,016,302)
Charges for services	17,411,998	17,524,920	9,242,365	9,021,354	18,263,719	738,799
Fines and forfeitures	1,089,000	1,089,000	171,689	220,916	392,605	(696,395)
Interest on investments	76,000	76,000	73,243	362,725	435,968	359,968
Miscellaneous	115,300	115,300	71,660	199,077	270,737	155,437
Total revenues	71,782,127	76,342,857	38,007,802	38,169,848	76,177,650	(165,207)
Expenditures:						
Administration:						
Mayor and Council	443,316	443,316	200,011	133,123	333,134	110,182
City Managers Office	3,242,688	2,674,425	1,435,621	1,153,601	2,589,222	85,203
City Attorney	1,054,072	1,054,072	376,989	351,786	728,775	325,297
Municipal Court	1,186,598	1,186,598	438,582	414,831	853,413	333,185
Human Resources	1,101,142	1,101,142	437,819	394,048	831,867	269,275
Total for Administration	7,027,816	6,459,553	2,889,022	2,447,389	5,336,411	1,123,142
IT - Information System Division	2,855,015	2,970,265	1,083,371	1,315,699	2,399,070	571,195
Finance Department	5,778,297	5,562,097	2,538,221	2,504,582	5,042,803	519,294
City Recorder's Office	348,375	427,575	198,328	227,266	425,594	1,981
Police Department	15,944,395	15,748,109	7,078,771	6,865,534	13,944,305	1,803,804
Fire and Rescue Department	20,570,265	22,737,281	9,330,436	10,952,799	20,283,235	2,454,046
Public Works Department	7,011,637	8,169,437	2,867,081	2,986,759	5,853,840	2,315,597
Community Development Department	4,249,536	4,411,536	2,012,425	1,804,429	3,816,854	594,682
Contingency	2,215,847	865,586	-	-	-	865,586
Total expenditures	66,001,183	67,351,439	27,997,655	29,104,457	57,102,112	10,249,327
Excess (deficiency) of revenues over (under) expenditures	5,780,944	8,991,418	10,010,147	9,065,391	19,075,538	10,084,120
Other financing sources (uses):						
Transfers in	230,000	230,000	3,142,085	70,826	3,212,911	2,982,911
Transfers out	(9,100,936)	(13,591,410)	(9,068,428)	(4,322,970)	(13,391,398)	200,012
Total other financing sources (uses)	(8,870,936)	(13,361,410)	(5,926,343)	(4,252,144)	(10,178,487)	3,182,923
Net change in fund balance	(3,089,992)	(4,369,992)	4,083,804	4,813,247	8,897,051	13,267,043
Fund balance, beginning	18,818,995	21,118,995	9,481,987	13,565,791	9,481,987	(11,637,008)
Fund balance, ending	\$ 15,729,003	\$ 16,749,003	\$ 13,565,791	\$ 18,379,038	\$ 18,379,038	\$ 1,630,035
Reconciliation to GAAP fund balance :						
Parks fund balance:				1,105,573		
Reserve fund balance:				1,794,212		
				<u>\$ 21,278,823</u>		

Required Supplementary Information

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET FUND
For the year ended June 30, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Taxes	\$ 2,137,899	\$ 2,137,899	\$ 2,065,803	\$ 788,818	\$ 2,854,621	\$ 716,722
Intergovernmental	3,088,500	3,488,500	2,103,177	1,686,912	3,790,089	301,589
Charges for services	3,408,600	3,408,600	1,677,612	1,677,955	3,355,568	(53,032)
System development charges (SDC)	200,000	200,000	165,625	165,629	331,253	131,253
Assessments	12,000	12,000	2,171	1,455	3,626	(8,374)
Interest on investments	23,400	23,400	21,110	114,013	135,123	111,723
Miscellaneous	30,000	30,000	17,808	9,221	27,029	(2,971)
Total revenues	8,900,399	9,300,399	6,053,306	4,444,003	10,497,309	1,196,910
Expenditures:						
Highways and streets:						
Operations and maintenance	15,184,026	15,584,026	4,306,879	5,104,397	9,411,276	6,172,751
Transportation SDCs	568,037	568,037	2,364	-	2,364	565,673
Total highways and streets	15,752,063	16,152,063	4,309,243	5,104,397	9,413,640	6,738,424
Debt Service:						
Operations and maintenance debt	163,526	163,526	80,563	79,162	159,725	3,802
Total debt	163,526	163,526	80,563	79,162	159,725	3,802
Contingency	294,896	294,896	-	-	-	294,896
Total expenditures	16,210,485	16,610,485	4,389,805	5,183,559	9,573,364	7,037,121
Excess (deficiency) of revenues over (under) expenditures	(7,310,086)	(7,310,086)	1,663,501	(739,556)	923,945	8,234,031
Other financing sources (uses):						
Bond proceeds	6,396,000	6,396,000	-	-	-	(6,396,000)
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	6,396,000	6,396,000	-	-	-	(6,396,000)
Net change in fund balance	(914,086)	(914,086)	1,663,501	(739,556)	923,945	1,838,031
Fund balance, beginning	1,302,970	1,302,970	3,872,440	5,535,941	3,872,440	2,569,470
Fund balance, ending	\$ 388,884	\$ 388,884	\$ 5,535,941	\$ 4,796,385	\$ 4,796,385	\$ 4,407,501

Required Supplementary Information

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Changes to Actuarial Assumptions – OPEB (Single Employer Plan). The fiscal year 2023 OPEB liability was determined by an actuarial valuation as of the July 1, 2022, valuation date, calculated based on the following discount rate and actuarial assumptions, and was then projected forward to the measurement date: Inflation - 2.40%, salary increases - 3.40%, discount rate - 3.54%. Withdrawal, retirement, and mortality rates were based on the December 31, 2021, Oregon PERS valuation. Election rates assumed that 100% of active members that are eligible for explicit benefits were assumed to receive those benefits and 45% of all other eligible employees. 60% of male members and 35% of female members will elect spouse coverage. The lapse rate was 5%. The actuarial cost method assumes the entry age is normal.

Changes to actuarial assumptions – OPEB (PERS). The Retirement Health Insurance Account (RHIA) asset was determined by an actuarial valuation as of the December 31, 2020, date projected forward to the measurement date of June 30, 2022. The discount rate used was 6.90%, the inflation rate was 2.40%, and projected salary increases were 3.40%. All assumptions, methods and plan provisions used in the calculations are described in the Oregon PERS system wide GASB 75 reporting summary dated January 20, 2023, which can be found at <https://www.oregon.gov/pers/emp/Documents/GASB/2022/GASB-75-RHIA-2022.pdf>. Additional information on the actuarial assumptions is included in the 2020 Experience Study report, published July 20, 2021.

Actuarial assumptions – Pension Liability (PERS). The total pension liability was determined by an actuarial valuation as of the December 31, 2020, date projected forward to the measurement date of June 30, 2022. The discount rate used was 6.90%, the inflation rate was 2.40%, and projected salary increases were 3.40%. All assumptions, methods and plan provisions used in the calculation are described in the Oregon PERS system wide GASB 68 reporting summary dated January 30, 2023, which can be found at <https://www.oregon.gov/pers/emp/Documents/GASB/2022/GASB-68-Audit-Report.pdf>. Additional information on the actuarial assumptions is included in the 2020 Experience Study report, published July 20, 2021.

See the Notes to the Financial Statements for other key assumptions and changes.

SUPPLEMENTARY INFORMATION

**Combining Individual Fund Statements and
Other Financial Schedules**

Supplementary Information

CITY OF ASHLAND, OREGON COMBINING BALANCE SHEET All NON-MAJOR FUNDS June 30, 2023

	Governmental Fund Types							Permanent Fund Type Cemetery Trust Fund	Total Other Governmental
	Housing Fund	Tourism Fund	CDBG Fund	Airport Fund	Capital Improvements Fund	Parks Capital Improvements Fund	Debt Service Fund		
Assets									
Cash and cash equivalents	\$ 255,820	\$ 884,223	\$ 3,615	\$ 332,812	\$ 1,321,006	\$ 3,388,627	\$ 1,040,562	\$ -	\$ 7,226,665
Receivables (net of allowance for uncollectible)	59,252	111,282	48,398	95,045	64,742	588,267	25,445	3,323	995,754
Lease receivable	-	-	-	191,614	329,803	-	-	-	521,417
Cash - restricted	-	-	-	-	-	-	-	943,439	943,439
Total assets	\$ 315,071	\$ 995,505	\$ 52,013	\$ 619,471	\$ 1,715,551	\$ 3,976,894	\$ 1,066,007	\$ 946,762	\$ 9,687,274
Liabilities, Deferred Inflows and Fund Balances									
Accounts payable	20,496	3,423	15,394	28,861	14,707	2,921	-	-	85,802
Total liabilities	\$ 20,496	\$ 3,423	\$ 15,394	\$ 28,861	\$ 14,707	\$ 2,921	\$ -	\$ -	\$ 85,802
Deferred Inflows of Resources:									
Unavailable revenue - property taxes	-	-	-	-	-	-	24,113	-	24,113
Unavailable revenue - special assessments	54,452	-	-	-	52,049	-	-	-	106,501
Unavailable revenue - lease receivable	-	-	-	191,614	329,803	-	-	-	521,417
	<u>54,452</u>	<u>-</u>	<u>-</u>	<u>191,614</u>	<u>381,852</u>	<u>-</u>	<u>24,113</u>	<u>-</u>	<u>652,031</u>
Fund Balances:									
Non Spendable:									
Perpetual care	-	-	-	-	-	-	-	946,762	946,762
Restricted for:									
CDBG restriction	-	-	36,619	-	-	-	-	-	36,619
Systems development charges	-	-	-	-	320,568	-	-	-	320,568
Airport	-	-	-	398,996	-	-	-	-	398,996
Tourism	-	992,082	-	-	-	-	-	-	992,082
Debt service	-	-	-	-	-	-	1,041,895	-	1,041,895
Committed for:									
Housing Fund	240,123	-	-	-	-	-	-	-	240,123
Parks activities	-	-	-	-	-	3,973,973	-	-	3,973,973
Capital projects funds	-	-	-	-	998,424	-	-	-	998,424
Total fund balances	240,123	992,082	36,619	398,996	1,318,992	3,973,973	1,041,895	946,762	8,949,441
Total liabilities, deferred inflows and fund balances	\$ 315,071	\$ 995,505	\$ 52,013	\$ 619,471	\$ 1,715,551	\$ 3,976,894	\$ 1,066,007	\$ 946,762	\$ 9,687,274

Supplementary Information

CITY OF ASHLAND, OREGON COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ALL NON-MAJOR FUNDS For the year ended June 30, 2023

	Governmental Fund Types							Permanent Fund Type Cemetery Nonexpendable Trust Fund	Total Other Governmental
	Housing Fund	Tourism Fund	CDBG Fund	Airport Fund	Capital Improvements Fund	Parks Capital Improvements Fund	Debt Service Fund		
Revenues:									
Taxes	\$ -	\$ 870,482	\$ -	\$ -	\$ -	\$ 2,905,207	\$ 213,819	\$ -	\$ 3,989,508
Intergovernmental	-	-	256,256	77,798	-	110,000	-	-	444,054
Charges for services	-	-	-	198,047	207,475	-	1,261,373	15,366	1,682,261
System development charges	-	-	-	-	35,690	-	-	-	35,690
Interest on investments	10,631	17,267	-	6,740	27,519	55,025	16,050	20,826	154,058
Miscellaneous	4,800	-	-	4,622	-	-	-	-	9,422
Total revenues	15,431	887,749	256,256	287,207	270,684	3,070,232	1,491,243	36,192	6,314,994
Expenditures:									
General government	55,969	671,141	256,256	186,382	49,932	886,158	-	-	2,105,838
Debt service	-	-	-	-	-	-	1,757,747	-	1,757,747
Total expenditures	55,969	671,141	256,256	186,382	49,932	886,158	1,757,747	-	3,863,585
Excess (deficiency) of revenues over (under) expenditures	(40,538)	216,608	-	100,825	220,752	2,184,074	(266,504)	36,192	2,451,409
Other financing sources (uses):									
Transfers in	-	775,474	-	-	-	-	298,596	500	1,074,570
Transfers out	-	-	-	-	(110,000)	(188,596)	-	(20,826)	(319,422)
Total other financing sources (uses)	-	775,474	-	-	(110,000)	(188,596)	298,596	(20,326)	755,148
Net change in fund balance	(40,538)	992,082	-	100,825	110,752	1,995,478	32,092	15,866	3,206,557
Fund balance, beginning	280,661	-	36,619	298,171	1,208,240	1,978,495	1,009,803	930,895	5,742,884
Fund balance, ending	\$ 240,123	\$ 992,082	\$ 36,619	\$ 398,996	\$ 1,318,992	\$ 3,973,973	\$ 1,041,895	\$ 946,761	\$ 8,949,441

Supplementary Information

CITY OF ASHLAND, OREGON SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL HOUSING FUND For the year ended June 30, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Taxes	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	300,000	335,950	-	335,950	35,950
Interest on investments	2,000	2,000	857	10,631	11,488	9,488
Miscellaneous	-	-	-	4,800	4,800	4,800
Total revenues	202,000	302,000	336,807	15,431	352,238	50,238
Expenditures:						
General government:						
Materials and services	50,079	450,079	290,973	55,969	346,942	103,137
Capital outlay	-	100,000	93,427	-	93,427	6,573
Total expenditures	50,079	550,079	384,400	55,969	440,369	109,710
Other financing sources (uses):						
Transfers in	-	400,000	200,000	-	200,000	200,000
Total other financing sources (uses)	-	400,000	200,000	-	200,000	200,000
Net change in fund balance	151,921	151,921	152,407	(40,538)	111,869	(40,052)
Fund balance, beginning	48,079	48,079	128,254	280,661	128,254	80,175
Fund balance, ending	\$ 200,000	\$ 200,000	\$ 280,661	\$ 240,123	\$ 240,123	\$ 40,123

Supplementary Information

CITY OF ASHLAND, OREGON SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL TOURISM FUND For the year ended June 30, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Taxes	\$ -	\$ 100,000	\$ -	\$ 870,482	\$ 870,482	\$ 770,482
Interest on investments	-	-	-	17,267	17,267	17,267
Total revenues	-	100,000	-	887,749	887,749	787,749
Expenditures:						
General government:						
Personnel services		80,000	-	59,478	59,478	20,522
Materials and services	-	629,663	-	611,663	611,663	18,000
Contingency	-	165,811	-	-	-	165,811
Total expenditures	-	875,474	-	671,141	671,141	204,333
Other financing sources (uses):						
Transfers In	-	775,474	-	775,474	775,474	-
Total other financing sources (uses)	-	775,474	-	775,474	775,474	-
Net change in fund balance	-	-	-	992,082	992,082	992,082
Fund balance, beginning	-	-	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ 992,082	\$ 992,082	\$ 992,082

Supplementary Information

**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, 2023**

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ 533,290	\$ 810,601	\$ 502,037	\$ 256,256	\$ 758,293	\$ (52,308)
Total revenues	533,290	810,601	502,037	256,256	758,293	(52,308)
Expenditures:						
General government:						
Personal services	71,804	127,265	49,597	37,179	86,776	40,489
Material and services	498,106	719,956	452,441	219,077	671,518	48,438
Total general government	569,910	847,221	502,038	256,256	758,294	88,927
Total expenditures	569,910	847,221	502,038	256,256	758,294	88,927
Net change in fund balance	(36,620)	(36,620)	(1)	-	(1)	36,619
Fund balance, beginning	36,620	36,620	36,620	36,619	36,620	-
Fund balance, ending	\$ -	\$ -	\$ 36,619	\$ 36,619	\$ 36,619	\$ 36,619

Supplementary Information

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

For the year ended June 30, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Intergovernmental	\$ 2,861,000	\$ 2,861,000	\$ 283,609	\$ 77,798	\$ 361,407	\$ (2,499,593)
Charges for services	326,000	326,000	169,862	198,047	367,909	41,909
Interest on investments	6,000	6,000	1,178	6,740	7,918	1,918
Miscellaneous	-	-	-	4,622	4,622	4,622
Total revenues	3,193,000	3,193,000	454,649	287,207	741,856	(2,451,144)
Expenditures:						
General government:						
Materials and services	183,398	183,398	91,627	72,919	164,546	18,852
Capital outlay	3,001,000	3,001,000	328,977	113,463	442,440	2,558,560
Contingency	5,502	5,502	-	-	-	5,502
Total expenditures	3,189,900	3,189,900	420,604	186,382	606,986	2,582,914
Net change in fund balance	3,100	3,100	34,045	100,825	134,870	131,770
Fund balance, beginning	186,753	186,753	264,126	298,171	264,126	77,373
Fund balance, ending	\$ 189,853	\$ 189,853	\$ 298,171	\$ 398,996	\$ 398,996	\$ 209,143

Supplementary Information

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, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Charges for services	\$ 340,000	\$ 340,000	\$ 200,868	\$ 207,475	\$ 408,343	\$ 68,343
System development charges	140,000	140,000	39,779	35,690	75,469	(64,531)
Interest on investments	17,400	17,400	5,661	27,519	33,180	15,780
Miscellaneous	-	-	1,024	-	1,024	1,024
Total revenues	497,400	497,400	247,332	270,684	518,016	20,616
Expenditures:						
Public Works Department	1,179,249	1,179,249	-	49,932	49,932	1,129,317
Total expenditures	1,179,249	1,179,249	-	49,932	49,932	1,129,317
Excess (Deficiency) of revenues	(681,849)	(681,849)	247,332	220,752	468,084	1,149,933
Other financing sources (uses):						
Transfers Out	(220,000)	(220,000)	(110,000)	(110,000)	(220,000)	-
Total other financing sources (uses):	(220,000)	(220,000)	(110,000)	(110,000)	(220,000)	-
Net change in fund balance	(901,849)	(901,849)	137,332	110,752	248,084	1,149,933
Fund balance, beginning	901,849	901,849	1,070,908	1,208,240	1,070,908	169,059
Fund balance, ending	\$ -	\$ -	\$ 1,208,240	\$ 1,318,992	\$ 1,318,992	\$ 1,318,992

Supplementary Information

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, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Taxes	\$ 562,000	\$ 562,000	\$ 687,139	\$ 2,905,207	\$ 3,592,346	\$ 3,030,346
Intergovernmental	9,389,600	9,391,100	555,714	110,000	665,714	(8,725,386)
Interest on investments	19,400	19,400	8,288	55,025	63,313	43,913
Miscellaneous	100,000	100,000	-	-	-	(100,000)
Total revenues	10,071,000	10,072,500	1,251,141	3,070,232	4,321,373	(5,751,127)
Expenditures:						
General government:						
Material and Services	404,000	405,500	-	4,675	4,675	400,825
Capital outlay	9,834,000	9,834,000	924,784	881,483	1,806,267	8,027,733
Total expenditures	10,238,000	10,239,500	924,784	886,158	1,810,942	8,428,558
Excess (Deficiency) of revenues over (under) expenditures	(167,000)	(167,000)	326,357	2,184,074	2,510,431	2,677,431
Other financing sources (uses):						
Transfers Out	(1,247,768)	(862,768)	(239,172)	(188,596)	(427,768)	435,000
Total other financing sources (uses):	(1,247,768)	(862,768)	(239,172)	(188,596)	(427,768)	435,000
Net change in fund balance	(1,414,768)	(1,029,768)	87,185	1,995,478	2,082,663	3,497,431
Fund balance, beginning	1,701,106	1,701,106	1,891,310	1,978,495	1,891,310	190,204
Fund balance, ending	\$ 286,338	\$ 671,338	\$ 1,978,495	\$ 3,973,973	\$ 3,973,973	\$ 3,302,635

Supplementary Information

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, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Taxes	\$ 423,126	\$ 423,126	\$ 221,656	\$ 213,819	\$ 435,475	\$ 12,349
Charges for services	2,308,600	2,308,600	1,264,116	1,261,373	2,525,489	216,889
Interest on investments	5,800	5,800	3,333	16,050	19,383	13,583
Total revenues	<u>2,737,526</u>	<u>2,737,526</u>	<u>1,489,105</u>	<u>1,491,242</u>	<u>2,980,347</u>	<u>242,821</u>
Expenditures:						
Debt service:						
General Obligation	3,531,971	3,531,971	1,766,448	1,757,747	3,524,195	7,776
Total expenditures	<u>3,531,971</u>	<u>3,531,971</u>	<u>1,766,448</u>	<u>1,757,747</u>	<u>3,524,195</u>	<u>7,776</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(794,445)</u>	<u>(794,445)</u>	<u>(277,343)</u>	<u>(266,505)</u>	<u>(543,848)</u>	<u>250,597</u>
Other financing sources (uses):						
Transfers in	597,768	597,768	299,172	298,596	597,768	-
Total other financing sources (uses):	<u>597,768</u>	<u>597,768</u>	<u>299,172</u>	<u>298,596</u>	<u>597,768</u>	<u>-</u>
Net change in fund balance	<u>(196,677)</u>	<u>(196,677)</u>	<u>21,829</u>	<u>32,091</u>	<u>53,920</u>	<u>250,597</u>
Fund balance, beginning	<u>1,347,873</u>	<u>1,347,873</u>	<u>987,974</u>	<u>1,009,803</u>	<u>987,974</u>	<u>(359,899)</u>
Fund balance, ending	<u>\$ 1,151,196</u>	<u>\$ 1,151,196</u>	<u>\$ 1,009,803</u>	<u>\$ 1,041,894</u>	<u>\$ 1,041,894</u>	<u>\$ (109,302)</u>

Supplementary Information

**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, 2023**

	BN 2021-2023 Biennium Budget Amounts		First Year Actual	Second Year Actual	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final	FY 2021-22	FY 2022-23		
Revenues:						
Charges for services	\$ 38,500	\$ 38,500	\$ 12,896	\$ 15,366	\$ 28,262	\$ (10,238)
Interest on investments	16,400	16,400	4,879	20,826	25,705	9,305
Total revenues	54,900	54,900	17,775	36,192	53,967	(933)
Other financing sources (uses):						
Transfers In	1,000	1,000	500	500	1,000	-
Transfers Out	(130,000)	(130,000)	(4,879)	(20,826)	(25,705)	104,295
Total other financing sources (uses):	(129,000)	(129,000)	(4,379)	(20,326)	(24,705)	104,295
Net change in fund balance	(74,100)	(74,100)	13,396	15,866	29,262	103,362
Fund balance, beginning	909,427	909,427	917,499	930,895	917,499	8,072
Fund balance, ending	\$ 835,327	\$ 835,327	\$ 930,895	\$ 946,761	\$ 946,761	\$ 111,434

Supplementary Information

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARKS AND RECREATION FUND (GENERAL FUND SUB-FUND)
For the year ended June 30, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Taxes	\$ 2,005,942	\$ 942	\$ -	\$ -	\$ -	\$ (942)
Intergovernmental	180,000	297,506	103,157	47,181	150,338	(147,168)
Charges for services	1,803,704	1,803,704	977,065	593,055	1,570,120	(233,584)
Interest on investments	30,000	30,000	10,509	44,080	54,589	24,589
Miscellaneous	50,000	50,000	26,137	14,945	41,082	(8,918)
Total revenues	4,069,646	2,182,152	1,116,868	699,261	1,816,129	(366,023)
Expenditures:						
Parks and recreation:						
Operations and maintenance	9,076,891	8,796,110	4,423,720	4,438,164	8,861,884	(65,774)
Recreation	2,528,235	2,511,321	1,057,591	1,120,225	2,177,816	333,505
Forestry Division	1,333,925	1,263,925	487,312	531,235	1,018,547	245,378
Senior Service Division	796,255	816,456	368,720	321,336	690,056	126,400
Golf course	1,231,020	1,206,020	618,511	360,669	979,180	226,840
Contingency	448,990	448,990	-	2	-	448,990
Total expenditures	15,415,316	15,042,822	6,955,854	6,771,631	13,727,483	1,315,339
Excess (deficiency) of revenues over (under) expenditures	(11,345,670)	(12,860,670)	(5,838,986)	(6,072,370)	(11,911,354)	949,316
Other financing sources (uses):						
Transfers in	9,969,936	11,484,936	7,502,928	3,546,996	11,049,924	(435,012)
Transfers out	-	(300,000)	(300,000)	-	(300,000)	-
Total other financing sources (uses)	9,969,936	11,184,936	7,202,928	3,546,996	10,749,924	(435,012)
Net change in fund balance	(1,375,734)	(1,675,734)	1,363,942	(2,525,374)	(1,161,430)	514,304
Fund balance, beginning	1,483,225	1,783,225	1,793,398	3,157,340	1,793,398	10,173
Fund balance, ending	\$ 107,491	\$ 107,491	\$ 3,157,340	\$ 631,966	\$ 631,968	\$ 524,477
Reconciliation to GAAP fund balance :						
Equipment fund balance:				473,607		
Total GAAP fund balance				<u>\$ 1,105,573</u>		
Parks fund to the General Fund						
				<u>\$ (1,105,573)</u>		
				<u>\$ -</u>		

Supplementary Information

**CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
RESERVE FUND (GENERAL FUND SUB-FUND)
For the year ended June 30, 2023**

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Interest on investments	\$ 800	\$ 800	\$ 210	\$ 39,451	\$ 39,661	\$ 38,861
Total revenues	<u>800</u>	<u>800</u>	<u>210</u>	<u>39,451</u>	<u>39,661</u>	<u>38,861</u>
Excess (deficiency) of revenues over (under) expenditures	800	800	210	39,451	39,661	38,861
Other financing sources (uses):						
Transfer in	-	1,715,000	1,715,000	-	1,715,000	-
Total other financing sources (uses)	<u>-</u>	<u>1,715,000</u>	<u>1,715,000</u>	<u>-</u>	<u>1,715,000</u>	<u>-</u>
Net change in fund balance	800	1,715,800	1,715,210	39,451	1,754,661	1,753,861
Fund balance, beginning	<u>39,656</u>	<u>39,656</u>	<u>39,551</u>	<u>1,754,761</u>	<u>39,551</u>	<u>(105)</u>
Fund balance, ending	<u>\$ 40,456</u>	<u>\$ 1,755,456</u>	<u>\$ 1,754,761</u>	<u>\$ 1,794,212</u>	<u>\$ 1,794,212</u>	<u>\$ 38,756</u>

Reconciliation to GAAP fund balance
Reserve fund to the General Fund

\$ (1,794,212)
\$ -

Supplementary Information

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EQUIPMENT FUND - PARKS (GENERAL FUND SUB-FUND)
For the year ended June 30, 2023

	BN 2019-2021		First Year	Second Year	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts		Actual	Actual		
	Original	Final	FY 2021-22	FY 2022-23		
Revenues:						
Charges for Services	\$ 200,000	\$ 200,000	\$ 100,000	\$ 50,000	\$ 150,000	\$ (50,000)
Interest on Investments	8,000	8,000	2,080	10,359	12,439	4,439
Miscellaneous	20,000	20,000	-	-	-	(20,000)
Total Revenues	228,000	228,000	102,079	60,359	162,438	(65,562)
Expenditures:						
Capital Outlay	150,000	150,000	90,155	-	90,155	59,845
Contingency	120	120	-	-	-	120
Total Expenditures	150,120	150,120	90,155	-	90,155	59,965
Net Change in Fund Balance	77,880	77,880	11,924	60,359	72,283	(5,597)
Fund balance, Beginning	399,467	399,467	401,324	413,248	401,324	1,857
Fund balance, Ending	\$ 477,347	\$ 477,347	\$ 413,248	\$ 473,607	\$ 473,607	\$ (3,740)

Per GASB 54 fund combined with
 General Fund for GAAP reporting:

(473,607)
\$ -

Supplementary Information

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

For the year ended June 30, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual	Second Year Actual	Total Actual for Budget	Variance with Final Budget
	Original	Final	FY 2021-22	FY 2022-23	Period	Over/Under
Revenues:						
Intergovernmental	\$ -	\$ 3,000,000	\$ -	\$ 26,250	\$ 26,250	\$ (2,973,750)
Charges for services	17,519,000	17,519,000	8,467,224	8,630,860	17,098,084	(420,916)
System developments charges	300,000	300,000	204,411	175,610	380,021	80,021
Interest on investments	185,600	185,600	65,754	304,255	370,009	184,409
Miscellaneous	51,000	51,000	4,104	1,289	5,393	(45,607)
Total revenues	18,055,600	21,055,600	8,741,493	9,138,264	17,879,757	(3,175,843)
Expenditures:						
Cost of services:						
Public Works - Water Conservation	568,430	568,430	127,393	111,717	239,110	329,320
Public Works - Water Operations	37,935,828	40,935,828	6,240,513	8,259,179	14,499,692	26,436,136
Public Works - Water Debt	942,580	942,580	467,697	470,533	938,230	4,350
Public Works - Water SDC's	3,376,300	3,376,300	88,608	262,821	351,429	3,024,871
Public Works - Water SDC's Debt	427,806	427,806	213,841	213,905	427,746	60
Contingency	464,844	464,844	-	-	-	464,844
Total expenditures	43,715,788	46,715,788	7,138,052	9,318,155	16,456,207	30,259,582
Excess (deficiency) of revenues over (under) expenditures	(25,660,188)	(25,660,188)	1,603,441	(179,890)	1,423,551	(27,083,739)
Other financing sources (uses):						
Loan proceeds	24,011,700	24,011,700	-	2,151,168	2,151,168	(21,860,532)
Transfer out	(100,000)	(100,000)	(50,000)	(50,000)	(100,000)	-
Total other financing sources (uses)	23,911,700	23,911,700	(50,000)	2,101,168	2,051,168	(21,860,532)
Net change in fund balance	(1,748,488)	(1,748,488)	1,553,441	1,921,278	3,474,719	5,223,207
Fund balance, beginning	11,934,033	11,934,033	12,745,850	14,299,291	12,745,850	811,817
Fund balance, ending	\$ 10,185,545	\$ 10,185,545	\$ 14,299,291	\$ 16,220,569	\$ 16,220,569	\$ 6,035,024

Reconciliation to net position:

Deferred outflow - pension	\$ 507,515
Deferred outflow - OPEB	87,479
Capital assets, net	28,115,047
Compensated absences	(123,434)
OPEB implicit rate liability	(241,262)
Net pension liability	(1,366,323)
Deferred inflow - pension	(517,549)
Deferred inflow- OPEB	(49,368)
Accrued interest	(191,765)
GO bonds payable	(925,000)
Revenue bonds payable	(9,399,881)
Total net position	<u>\$ 32,116,028</u>

Supplementary Information

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

For the year ended June 30, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Taxes	\$ -	\$ -	\$ 38	\$ -	\$ 38	\$ 38
Charges for services	12,080,000	12,080,000	6,297,921	6,390,372	12,688,293	608,293
System developments charges	300,000	300,000	91,772	132,155	223,927	(76,073)
Interest on investments	173,400	173,400	38,811	156,722	195,533	22,133
Miscellaneous	-	-	-	957	957	957
Total revenues	12,553,400	12,553,400	6,428,542	6,680,206	13,108,748	555,348
Expenditures:						
Cost of services:						
Public Works - Wastewater Operations	18,569,418	19,569,418	5,993,687	10,101,922	16,095,609	3,473,809
Public Works - Wastewater Debt	351,048	351,048	174,853	173,507	348,361	2,687
Public Works - Wastewater SDC's	3,417,100	3,417,100	165,385	125,291	290,676	3,126,424
Contingency	367,388	367,388	-	-	-	367,388
Total expenditures	22,704,954	23,704,954	6,333,925	10,400,721	16,734,645	6,970,309
Excess (deficiency) of revenues over (under) expenditures	(10,151,554)	(11,151,554)	94,617	(3,720,515)	(3,625,898)	7,525,656
Other financing sources (uses):						
Loan proceeds	7,421,400	8,421,400	672,428	4,090,784	4,763,212	(3,658,188)
Total other financing sources (uses)	7,421,400	8,421,400	672,428	4,090,784	4,763,212	(3,658,188)
Net change in fund balance	(2,730,154)	(2,730,154)	767,045	370,269	1,137,314	3,867,468
Fund balance, beginning	7,599,786	7,599,786	7,569,687	8,336,732	7,569,687	(30,099)
Fund balance, ending	\$ 4,869,632	\$ 4,869,632	\$ 8,336,732	\$ 8,707,001	\$ 8,707,001	\$ 3,837,369
Reconciliation to net position:						
Deferred outflow - pension				\$ 426,872		
Deferred outflow - OPEB				110,579		
Capital assets, net				34,696,352		
Compensated absences				(109,267)		
OPEB implicit rate liability				(317,225)		
Net pension liability				(1,149,217)		
Deferred inflow - pension				(435,311)		
Deferred inflow- OPEB				(61,226)		
Accrued interest				(5,932)		
GO bonds payable				(215,000)		
Revenue bonds payable				(7,019,358)		
Rounding				2		
Total net position				<u>\$ 34,628,270</u>		

Supplementary Information

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

For the year ended June 30, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Charges for services	\$ 1,574,600.00	\$ 1,574,600.00	\$ 793,847	\$ 800,610	\$ 1,594,457	\$ 19,857
System developments charges	-	-	33,287	15,089	48,376	48,376
Interest on investments	25,300	25,300	8,992	41,088	50,080	24,780
Total revenues	<u>1,599,900</u>	<u>1,599,900</u>	<u>836,126</u>	<u>856,787</u>	<u>1,692,913</u>	<u>93,013</u>
Expenditures:						
Cost of services:						
Public Works - Stormwater Operations	2,407,654	2,407,654	722,578	670,811	1,393,389	1,014,265
Public Works - Stormwater SDC's	23,300	23,300	12,120	-	12,120	11,180
Debt service	607,712	607,712	11,550	11,350	22,900	584,812
Contingency	74,203	74,203	-	-	-	74,203
Total expenditures	<u>3,112,869</u>	<u>3,112,869</u>	<u>746,248</u>	<u>682,161</u>	<u>1,428,409</u>	<u>1,684,460</u>
Net change in fund balance	(1,512,969)	(1,512,969)	89,878	174,626	264,504	1,777,473
Fund balance, beginning	<u>1,757,414</u>	<u>1,757,414</u>	<u>1,777,615</u>	<u>1,867,493</u>	<u>1,777,615</u>	<u>3,535,029</u>
Fund balance, ending	<u>\$ 244,445</u>	<u>\$ 244,445</u>	<u>\$ 1,867,493</u>	<u>\$ 2,042,119</u>	<u>\$ 2,042,119</u>	<u>\$ 1,797,674</u>

Reconciliation to net position:

Deferred outflow - pension	\$ 81,694
Deferred outflow - OPEB	32,831
Capital assets, net	502,949
Compensated absences	(2,391)
OPEB implicit rate liability	(101,280)
Net pension liability	(219,934)
Deferred inflow - pension	(83,309)
Deferred inflow - OPEB	(17,495)
Accrued interest	(308)
GO bonds payable	(55,000)
Total net position	<u>\$ 2,179,876</u>

Supplementary Information

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

For the year ended June 30, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual	Second Year Actual	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final	FY 2021-22	FY 2022-23		
Revenues:						
Intergovernmental	\$ 420,000	\$ 420,000	\$ 50,308	\$ 12,618	\$ 62,926	\$ (357,074)
Charges for services	36,554,204	36,554,204	17,692,125	18,204,624	35,896,749	(657,455)
Interest on investments	50,000	50,000	18,608	116,165	134,773	84,773
Miscellaneous	594,000	594,000	63,231	337,472	400,703	(193,297)
Total revenues	37,618,204	37,618,204	17,824,272	18,670,879	36,495,151	(1,123,053)
Expenditures:						
Cost of Services:						
Administration - Conservation	2,486,300	2,486,300	762,029	812,038	1,574,067	912,233
Electric - Operations	34,702,939	34,702,939	15,434,592	15,714,656	31,149,248	3,553,691
Debt service	443,624	443,624	21,850	-	21,850	421,774
Contingency	1,128,985	1,128,985	-	-	-	1,128,985
Total expenditures	38,761,848	38,761,848	16,218,471	16,526,694	32,745,165	6,016,683
Excess (deficiency) of revenues over (under) expenditures	(1,143,644)	(1,143,644)	1,605,801	2,144,185	3,749,986	4,893,630
Other financing sources (uses):						
Loan proceeds	3,000,000	3,000,000	-	-	-	3,000,000
Total other financing sources (uses)	3,000,000	3,000,000	-	-	-	3,000,000
Net change in fund balance	1,856,356	1,856,356	1,605,801	2,144,185	3,749,986	7,893,630
Fund balance, beginning	3,383,408	3,383,408	3,418,148	5,023,949	3,418,148	34,740
Fund balance, ending	\$ 5,239,764	\$ 5,239,764	\$ 5,023,949	\$ 7,168,134	\$ 7,168,134	\$ 1,928,370
Reconciliation to net position:						
Deferred outflow - pension				\$ 911,844		
Deferred outflow - OPEB				106,570		
Capital assets, net				7,242,725		
Compensated absences				(206,626)		
Lease liability				(7,850)		
OPEB implicit rate liability				(266,862)		
Net pension liability				(2,454,853)		
Deferred inflow - pension				(929,873)		
Deferred inflow - OPEB				(62,748)		
Deferred revenue				65,000		
Rounding				(5)		
Total net position				<u>\$ 11,565,456</u>		

Supplementary Information

CITY OF ASHLAND, OREGON SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL TELECOMMUNICATIONS FUND For the year ended June 30, 2023

	BN 2021-2023 Biennium Budget Amounts		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	5,583,603	5,583,603	2,780,392	2,817,541	5,597,933	14,330
Interest on investments	24,660	24,660	10,849	56,319	67,168	42,508
Miscellaneous	-	-	456	-	456	456
Total revenues	<u>5,608,263</u>	<u>5,608,263</u>	<u>2,791,697</u>	<u>2,873,860</u>	<u>5,665,557</u>	<u>57,294</u>
Expenditures:						
Cost of services:						
Personal services	1,831,694	1,831,694	664,149	664,496	1,328,645	503,049
Materials and services	3,329,605	3,329,605	1,554,571	1,669,994	3,224,565	105,040
Capital outlay	125,000	188,750	-	47,565	47,565	141,185
Contingency	149,082	63,750	-	-	-	63,750
Total expenditures	<u>5,435,381</u>	<u>5,413,799</u>	<u>2,218,720</u>	<u>2,382,055</u>	<u>4,600,775</u>	<u>813,024</u>
Net change in fund balance	172,882	194,464	572,977	491,805	1,064,782	870,318
Fund balance, beginning	<u>1,891,624</u>	<u>1,891,624</u>	<u>2,110,935</u>	<u>2,683,912</u>	<u>2,110,935</u>	<u>219,311</u>
Fund balance, ending	<u>\$ 2,064,506</u>	<u>\$ 2,086,088</u>	<u>\$ 2,683,912</u>	<u>\$ 3,175,717</u>	<u>\$ 3,175,717</u>	<u>\$ 1,089,629</u>
Reconciliation to net position:						
Deferred outflow - pension				\$ 223,926		
Deferred outflow - OPEB				26,049		
Capital assets, net				330,093		
Compensated absences				(26,128)		
OPEB implicit rate liability				(69,573)		
Net pension liability				(602,849)		
Deferred inflow - pension				(228,353)		
Deferred inflow - OPEB				(14,919)		
Rounding				(4)		
Total net position				<u>\$ 2,813,959</u>		

Supplementary Information

CITY OF ASHLAND, OREGON COMBINING BALANCE SHEET INTERNAL SERVICE FUNDS For the year ended June 30, 2023

	Insurance Services Fund	Health Benefits Fund	Equipment Fund	Totals
ASSETS				
Current assets:				
Cash and investments	\$ 1,601,496	\$ 2,248,761	\$ 7,074,296	\$ 10,924,553
Interest and accounts receivable, net	24,045	866	8,912	33,823
Notes receivable	6,244	-	-	6,244
Inventories	-	-	27,510	27,510
Total current assets	1,631,785	2,249,627	7,110,718	10,992,130
Non-Current assets:				
Capital assets, not being depreciated or amortized:				
Capital assets, being depreciated or amortized:				
Non-Current capital assets	-	-	17,090,095	17,090,095
Accumulated depreciation	-	-	(12,772,136)	(12,772,136)
Capital assets, net	-	-	4,317,959	4,317,959
Total Assets	1,631,785	2,249,627	11,428,677	15,310,089
Deferred Outflows of Resources:				
Deferred Outflows - Pension	-	-	194,589	194,589
Deferred Outflows - OPEB	-	-	20,890	20,890
Total Deferred Outflows	-	-	215,479	215,479
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
Current liabilities:				
Accounts payable	99,749	24,081	188,408	312,238
Accrued salaries, vacation and payroll taxes	-	-	7,687	7,687
Compensated absences	-	-	8,169	8,169
Total current liabilities	99,749	24,081	204,264	328,094
Long-term liabilities:				
Compensated absences	-	-	24,506	24,506
Total OPEB Liabilities	-	-	54,698	54,698
Proportionate Share of Net Pension Liability	-	-	523,869	523,869
Accrued claims	255,881	-	-	255,881
Total long-term liabilities	255,881	-	603,073	858,954
Total liabilities	355,630	24,081	807,336	1,187,048
Deferred Inflows of Resources				
Deferred Inflows - Pensions	-	-	198,436	198,436
Deferred Inflows - OPEB	-	-	12,070	12,070
Total Deferred Inflows	-	-	210,506	210,506
Net Position				
Net Investment in Capital Assets	-	-	4,317,959	4,317,959
Unrestricted	1,276,155	2,225,546	6,308,354	9,810,055
Total net position	\$ 1,276,155	\$ 2,225,546	\$ 10,626,313	\$ 14,128,014

Supplementary Information

CITY OF ASHLAND, OREGON COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS For the year ended June 30, 2023

	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Totals
Operating revenues:				
Service charges and fees	\$ 1,896,954	\$ 2,857,526	\$ 4,436,559	\$ 9,191,039
Miscellaneous	24,122	-	280,597	304,719
Total revenues	<u>1,921,076</u>	<u>2,857,526</u>	<u>4,717,156</u>	<u>9,495,758</u>
Operating expenses:				
Cost of service	1,672,966	2,668,448	2,139,833	6,481,247
Depreciation	-	-	855,836	855,836
Total operating expenses	<u>1,672,966</u>	<u>2,668,448</u>	<u>2,995,669</u>	<u>7,337,083</u>
Operating income (loss)	<u>248,110</u>	<u>189,078</u>	<u>1,721,487</u>	<u>2,158,675</u>
Nonoperating income (expense):				
Interest income	17,915	47,079	144,097	209,091
Total nonoperating income (expense)	<u>17,915</u>	<u>47,079</u>	<u>144,097</u>	<u>209,091</u>
Change in Net Position	266,025	236,157	1,865,584	2,367,766
Total Net Position - beginning	<u>1,010,130</u>	<u>1,989,389</u>	<u>8,760,729</u>	<u>11,760,248</u>
Total Net Position - ending	<u>\$ 1,276,155</u>	<u>\$ 2,225,546</u>	<u>\$ 10,626,313</u>	<u>\$ 14,128,014</u>

Supplementary Information

CITY OF ASHLAND, OREGON COMBINING INTERNAL SERVICE FUND STATEMENT OF CASH FLOWS For the year ended June 30, 2023

	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 24,122	\$ -	\$ -	\$ 24,123
Receipts from interfund services	1,885,737	2,884,633	4,715,744	9,486,114
Payments to suppliers	(1,533,413)	(2,599,742)	(1,899,221)	(6,032,376)
Payments to employees	-	-	(689,065)	(689,066)
Net cash from operating activities	376,446	284,891	2,127,458	2,788,795
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	-	(1,298,748)	(1,298,748)
Net cash from capital and related financing activities	-	-	(1,298,748)	(1,298,748)
Cash flows from investing activities:				
Interest from investments and other income	17,915	47,079	144,097	209,091
Net increase (decrease) in cash and investments	394,361	331,970	972,808	1,699,139
Cash and investments, beginning of year	1,207,135	1,916,791	6,101,488	9,225,414
Cash and investments, end of year	\$ 1,601,496	\$ 2,248,761	\$ 7,074,296	\$ 10,924,553
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	248,110	189,078	1,721,487	2,158,675
Depreciation and amortization	-	-	855,836	855,836
Change in assets and liabilities:				
(Increase) decrease in:				
Receivables	(11,215)	27,109	(1,412)	14,482
Net Pension Assets, Outflows/Inflows	-	-	(358,707)	(358,707)
OPEB, Outflows/Inflows	-	-	(33,477)	(33,477)
Inventories	-	-	(9,011)	(9,011)
Increase (decrease) in:				
Accounts payable and accrued liabilities	139,551	68,704	(53,034)	155,221
Other liabilities	-	-	5,776	5,776
Net cash from operating activities	\$ 376,446	\$ 284,891	\$ 2,127,458	\$ 2,788,795
Schedule of non-cash capital and related financing activities:				
Unrealized gain (loss) on investments	9,797	14,771	46,468	71,036
Net noncash investing, capital and financing activities	\$ 9,797	\$ 14,771	\$ 46,468	\$ 71,036

Supplementary Information

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, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts					
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	3,805,644	3,805,644	1,840,742	1,896,954	3,737,696	(67,948)
Interest on investments	1,900	1,900	2,305	17,915	20,220	18,320
Miscellaneous	80,000	80,000	19,348	24,122	43,470	(36,530)
Total revenues	3,887,544	3,887,544	1,862,395	1,938,991	3,801,386	(86,158)
Expenditures:						
Cost of services:						
Materials and services	3,085,770	3,085,770	1,202,790	1,577,178	2,779,968	305,802
Contingency	92,573	92,573	-	-	-	92,573
Total expenditures	3,178,343	3,178,343	1,202,790	1,577,178	2,779,968	398,375
Excess (deficiency) of revenues over (under) expenditures	709,201	709,201	659,605	361,813	1,021,418	312,217
Net change in fund balance	709,201	709,201	659,605	361,813	1,021,418	312,217
Fund balance, beginning	173,544	173,544	134,959	794,564	134,959	(38,585)
Fund balance, ending	\$ 882,745	\$ 882,745	\$ 794,564	\$ 1,156,377	\$ 1,156,377	\$ 273,632
Reconciliation to net position:						
Accrued claims and judgments				\$ (255,881)		
Deferred Revenues				375,659		
Total Net Position				<u>\$ 1,276,155</u>		

Supplementary Information

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, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Charges for services	\$ 11,047,137	\$ 11,047,137	\$ 5,751,958	\$ 2,857,526	\$ 8,609,484	\$ (2,437,653)
Interest on investments	20,200	20,200	7,198	47,079	54,277	34,077
Miscellaneous	-	-	3,736	-	3,736	3,736
Total revenues	11,067,337	11,067,337	5,762,892	2,904,605	8,667,497	(2,399,840)
Expenditures:						
Cost of services:						
Materials and services	11,685,180	11,685,180	5,236,858	2,668,448	7,905,306	3,779,874
Contingency	350,556	350,556	-	-	-	350,556
Total expenditures	12,035,736	12,035,736	5,236,858	2,668,448	7,905,306	4,130,430
Net change in fund balance	(968,399)	(968,399)	526,034	236,157	762,191	1,730,590
Fund balance, beginning	1,438,668	1,438,668	1,463,355	1,989,389	1,463,355	24,687
Fund balance, ending	\$ 470,269	\$ 470,269	\$ 1,989,389	\$ 2,225,546	\$ 2,225,546	\$ 1,755,277

Supplementary Information

CITY OF ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
EQUIPMENT FUND
For the year ended June 30, 2023

	BN 2021-2023		First Year Actual FY 2021-22	Second Year Actual FY 2022-23	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Biennium Budget Amounts Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	8,677,842	8,677,842	4,499,869	4,436,559	8,936,428	258,586
Interest on investments	6,000	6,000	26,166	144,097	170,263	164,263
Miscellaneous	204,200	204,200	528	280,597	281,125	76,925
Total revenues	8,888,042	8,888,042	4,526,563	4,861,253	9,387,816	499,774
Expenditures:						
Cost of services:						
Public Works - Maintenance	4,330,663	4,630,663	2,220,055	2,319,469	4,539,524	91,139
Public Works - Purchasing and Acquisition	3,208,800	2,908,800	300,241	1,501,667	1,801,908	1,106,892
Contingency	129,920	129,920	-	-	-	129,920
Total expenditures	7,669,383	7,669,383	2,520,296	3,821,136	6,341,432	1,327,951
Net change in fund balance	1,218,659	1,218,659	2,006,267	1,040,117	3,046,384	1,827,725
Fund balance, beginning	3,615,145	3,615,145	3,868,239	5,874,506	3,868,239	253,094
Fund balance, ending	\$ 4,833,804	\$ 4,833,804	\$ 5,874,506	\$ 6,914,623	\$ 6,914,623	\$ 2,080,819

Reconciliation to Net Position:

Deferred Outflow - Pension	\$ 194,589
Deferred Outflow - OPEB	20,890
Capital assets, net	4,317,959
Accrued compensated absences	(32,674)
OPEB implicit rate liability	(54,698)
Net Pension liability	(523,869)
Deferred Inflow - Pension	(198,436)
Deferred Inflow - OPEB	(12,070)
Rounding	(1)
Total Net Position	\$ 10,626,313

Supplementary Information

CITY OF ASHLAND, OREGON CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS BY SOURCE June 30, 2023

Governmental funds capital assets:	
Lease assets	\$ 113,648
Land	15,390,297
Buildings and improvements	45,924,432
Improvements other than buildings	62,851,246
Machinery and equipment	9,839,047
Construction in progress	4,105,881
Total capital assets	\$ 138,224,550
Investments in governmental funds capital assets by source:	
General and capital projects funds	68,793,905
Special revenue funds	54,865,898
Leased to other agencies	14,564,747
Total investments in governmental funds capital assets	\$ 138,224,550

This schedule represents only the capital asset balances related to governmental funds before accumulated depreciation and amortization. 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*.

Supplementary Information

**CITY OF ASHLAND, OREGON
SCHEDULE OF ASSETS USED
IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY
June 30, 2023**

Function and Activity	Lease Assets	Land	Buildings	Machinery and Equipment	Improvements other than Buildings	Construction in Progress	Total
General government:							
Community development	\$ 10,869	\$ 985,235	\$ 1,120,947	\$ 378,138	\$ -	\$ -	\$ 2,495,189
Public buildings	-	1,971,601	2,064,062	1,649,533	744,668	119,388	6,549,252
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	10,869	5,870,036	14,738,271	4,139,653	6,128,173	119,388	31,006,390
Public safety:							
Police	23,263	80,000	694,565	665,900	1,515,652	-	2,979,379
Fire	23,595	998,400	6,173,371	1,223,199	300,000	-	8,718,565
Total public safety	46,858	1,078,400	6,867,936	1,889,099	1,815,652	-	11,697,945
Highway and streets:							
Public thoroughfares	-	589,276	647,984	871,271	45,774,044	1,316,410	49,198,985
Total highways and streets	-	589,276	647,984	871,271	45,774,044	1,316,410	49,198,985
Airports	-	176,566	1,029,780	15,740	4,173,243	271,584	5,666,913
Culture and recreation	55,921	7,676,019	22,640,460	2,923,284	4,960,134	2,398,500	40,654,318
Total governmental funds capital assets	\$ 113,648	\$ 15,390,297	\$ 45,924,431	\$ 9,839,047	\$ 62,851,246	\$ 4,105,881	\$ 138,224,550

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*.

Supplementary Information

CITY OF ASHLAND, OREGON SCHEDULE OF BOND PRINCIPAL AND BOND INTEREST TRANSACTIONS June 30, 2023

	Original Issue	Bond Principal Transactions			Bond Principal Transactions			Interest Transactions		
		Outstanding June 30, 2022	Issued	Matured	Paid	Outstanding June 30, 2023	Outstanding June 30, 2023	Matured	Paid	Outstanding June 30, 2023
General Obligation Bonds										
**Fire Station #2, issued November 1, 2011 interest at 2.00% to 4.00%	2,960,000	1,535,000	-	145,000	145,000	1,390,000	-	54,388	54,388	-
**Ashland Fiber Network Bonds, (Refinanced 2004) issued March 7, 2013 interest at 2.00% to 2.80%	11,675,000	3,635,000	-	1,180,000	1,180,000	2,455,000	-	81,373	81,373	-
Water debt (Refinanced 2003), issued March 7, 2013 interest at 2.00%	1,580,000	185,000	-	185,000	185,000	-	-	1,850	1,850	-
New Construction for Street, CIP, Water and Wastewater, issued March 7, 2013 interest at 2.00% to 2.50%	4,765,000	2,085,000	-	330,000	330,000	1,755,000	-	42,925	42,925	-
Revenue Bonds										
Water, DEQ loan - S14005 interest at 1.00%	3,515,200	3,256,536	-	103,642	103,642	3,152,894	-	32,565	32,565	-
Wastewater, DEQ Loan - R11751 interest at 1.00%	1,645,280	1,269,652	-	109,753	109,753	1,159,899	-	12,423	12,423	-
Medford Water Commission - Treatment Plant - Issued 3/26/2014 interest at 3.42%	2,620,084	1,654,321	-	108,094	108,094	1,546,227	-	55,661	55,661	-
Water, DEQ loan - S16021 interest at 1.00%	-	2,549,591	2,151,168	-	-	4,700,759	-	-	-	-
Wastewater, DEQ loan - R11754 interest at 1.00%	-	855,305	493,075	-	-	1,348,380	-	-	-	-
Wastewater, DEQ loan - R11755 interest at 1.00%	-	913,360	3,597,719	-	-	4,511,079	-	-	-	-
	<u>\$ 26,140,480</u>	<u>\$ 17,938,765</u>	<u>\$ 6,241,963</u>	<u>\$ 2,161,489</u>	<u>\$ 2,161,489</u>	<u>\$ 22,019,239</u>	<u>\$ -</u>	<u>\$ 281,185</u>	<u>\$ 281,185</u>	<u>\$ -</u>

**STATISTICAL SECTION –
TOTAL REPORTING ENTITY
(UNAUDITED)**

Statistical Information

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.	111 - 124
Revenue Capacity	
These tables contain information that may assist the reader in assessing the viability of the City's revenue sources.	126 - 134
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.	135 - 141
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.	142 - 143
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.	144 - 147

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assets:										
Cash and cash equivalents	\$ 75,212,645	\$ 63,578,414	\$ 52,376,356	\$ 43,564,028	\$ 42,173,319	\$ 39,515,544	\$ 36,235,307	\$ 34,302,519	\$ 30,706,665	\$ 30,294,891
Receivables (net of allowance for uncollectible)	13,285,563	11,850,874	8,138,923	7,594,224	8,253,374	8,135,704	7,314,031	6,875,708	6,952,616	6,965,083
Lease receivable	175,324	329,803	-	-	-	-	-	-	-	-
Prepays items	729	121,300	27,396	1,615	-	-	-	-	-	-
Inventories	1,820,912	1,403,786	1,169,847	1,110,681	1,259,272	1,275,359	1,302,116	1,181,124	1,241,570	1,097,205
Deferred charges	-	-	-	-	-	-	68,734	178,703	288,672	488,135
Restricted assets:										
Cash and cash equivalents	943,439	929,433	916,328	951,447	984,463	967,771	954,262	943,355	855,545	1,149,616
Proportional share of net pension assets									5,498,618	-
RHIA assets	535,342	684,250	-	-	-	-	-	-	-	-
Lease receivable	346,093	199,645	-	-	-	-	-	-	-	-
Capital assets:										
Land	18,595,992	18,445,364	18,445,364	18,445,364	18,445,364	17,445,364	14,733,964	14,373,273	14,373,273	14,346,985
Construction in progress	19,366,231	10,498,925	10,086,940	12,734,933	10,467,215	5,648,364	5,049,759	8,810,424	7,403,156	4,689,277
Lease assets	121,498	63,410	-	-	-	-	-	-	-	-
Buildings and improvements	68,342,606	68,051,348	67,585,137	67,513,222	66,560,431	65,362,359	61,939,633	58,071,284	57,939,461	57,828,552
Machinery and equipment	28,902,515	25,923,664	25,059,700	24,604,426	23,311,261	20,929,013	20,275,179	19,404,748	18,388,604	17,823,317
Infrastructure	162,743,186	162,730,960	160,197,325	153,760,236	149,530,462	148,657,284	146,223,864	140,152,030	139,206,796	137,340,186
Accumulated depreciation	(159,465,330)	(154,066,108)	(148,171,268)	(142,900,367)	(137,184,134)	(131,265,122)	(125,204,692)	(119,389,812)	(113,263,213)	(106,839,820)
Total assets	230,926,746	210,745,068	195,832,048	187,379,809	183,801,027	176,671,640	168,892,157	164,903,356	169,591,763	165,183,427
Deferred Outflows of Resources:										
Deferred outflows - pensions	10,886,560	13,571,204	15,563,496	12,769,178	12,943,236	11,405,216	18,906,964	3,903,782	-	-
Deferred outflows - OPEB	1,308,192	1,243,347	1,546,046	1,514,245	1,629,190	264,798	-	-	-	-
Total deferred outflows	12,194,752	14,814,551	17,109,542	14,283,423	14,572,426	11,670,014	18,906,964	3,903,782	-	-

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Liabilities:										
Current liabilities:										
Accounts payable and other	\$ 6,105,858	\$ 4,517,931	\$ 6,032,985	\$ 6,506,876	\$ 7,403,730	\$ 7,114,423	\$ 6,002,038	\$ 9,384,143	\$ 9,674,563	\$ 9,981,681
Claims and judgment	95,788	50,000	50,000	50,000	-	-	-	-	-	-
Bonds and notes	2,275,355	2,412,489	2,392,483	3,894,192	4,527,757	3,773,933	3,548,507	3,706,477	2,562,893	3,441,773
Accrued interest payable	232,692	101,758	117,871	154,235	218,523	230,728	180,176	204,769	222,149	253,863
Compenstated absences	527,290	461,800	-	-	-	-	-	-	-	-
Noncurrent liabilities:										
Compenstated absences	1,581,871	1,385,400	-	-	-	-	-	-	-	-
Proportional share of net pension liability	29,308,607	24,510,198	46,512,316	36,414,527	31,643,235	29,786,911	34,849,281	14,910,215	-	-
Trasitional liability	425,748	486,668	544,768	603,272	-	-	-	-	-	-
Lease liability	121,498	63,410	-	-	-	-	-	-	-	-
Net OPEB liability	3,794,219	4,045,104	3,866,114	3,564,521	3,840,269	2,929,241	1,857,483	1,751,480	-	-
Medical stipend	-	-	-	-	-	4,037,004	3,934,756	-	-	-
Claims and judgement	160,093	110,093	110,093	110,093	160,093	17,247	17,247	17,247	122,107	-
Bonds and notes	21,059,884	17,093,276	18,833,338	22,724,681	25,098,055	27,563,046	28,725,935	31,644,402	34,633,001	34,142,648
Total liabilities	65,688,904	55,238,127	78,459,968	74,022,397	72,891,662	75,452,533	79,115,423	61,618,733	47,214,713	47,819,965
Deferred Inflows of Resources:										
Deferred inflows - pensions	11,101,794	19,958,970	1,332,496	2,817,239	4,052,489	2,695,736	2,118,535	3,463,962	8,220,518	-
Deferred inflows - OPEB	771,878	648,545	513,698	598,161	610,761	144,694	-	-	-	-
Deferred inflows - Leases	521,417	529,448	-	-	-	-	-	-	-	-
Total deferred inflows	12,395,089	21,136,963	1,846,194	3,415,400	4,663,250	2,840,430	2,118,535	3,463,962	8,220,518	-
Net position:										
Net investment in capital assets	115,149,961	112,141,798	111,977,377	107,538,941	101,504,787	95,440,283	90,743,265	86,071,068	86,852,183	87,604,076
Perpetual care: nonexpendable	946,762	930,895	917,499	954,825	1,035,856	970,304	955,356	895,931	922,667	896,572
Prepaid and Inventories	729	-	1,197,243	-	-	-	-	-	-	-
Restricted for:										
Grant restrictions	2,336,619	36,619	36,620	36,620	36,620	33,804	33,801	33,804	33,797	33,801
RHIA asset	535,342	-	-	-	-	-	-	-	-	-
Asset forfeiture	36,755	35,699	35,497	35,217	34,459	23,972	32,313	25,784	29,678	28,897
TOT tourism	992,082	87,460	262,617	501,558	487,873	425,141	338,658	129,763	99,108	116,131
Airport	398,996	-	-	-	-	-	-	-	-	-
System development	6,395,019	6,558,206	6,466,819	6,019,144	6,348,034	6,089,130	6,194,373	7,086,198	6,760,284	6,710,884
Debt service	1,041,894	1,009,803	987,974	1,037,697	1,955,218	1,027,297	976,090	1,028,912	1,737,051	1,670,185
Donor restrictions	22,235	-	-	-	-	-	-	-	-	-
Library Levy	-	-	-	-	-	-	-	-	56,587	142,497
Unrestricted	37,181,111	28,386,220	10,753,782	8,101,433	9,415,693	6,038,760	7,291,307	8,452,983	17,665,177	20,160,419
Total net position	\$ 165,037,505	\$ 149,186,700	\$ 132,635,428	\$ 124,225,435	\$ 120,818,540	\$ 110,048,691	\$ 106,565,163	\$ 103,724,443	\$ 114,156,532	\$ 117,363,462

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assets:										
Cash and cash equivalents	\$ 43,753,548	\$ 34,478,348	\$ 28,132,872	\$ 19,502,847	\$ 20,041,451	\$ 20,136,422	\$ 21,109,299	\$ 21,839,880	\$ 20,251,175	\$ 19,534,572
Receivables (net of allowance for uncollectible)	6,096,578	8,097,755	3,862,211	4,151,559	4,149,741	4,150,698	3,955,520	3,338,266	4,167,775	3,471,767
Lease Receivable	175,324	329,803	-	-	-	-	-	-	-	-
Prepaid items	729	40,390	17,246	1,615	-	-	-	-	-	-
Inventories	27,510	18,499	37,568	25,004	126,413	53,407	60,258	65,010	187,511	73,094
Internal balances	(6,601,681)	(5,181,075)	(4,035,200)	(3,784,001)	(3,022,208)	(736,580)	(690,424)	(113,519)	(1,945,133)	(1,392,782)
Restricted assets:										
Cash and cash equivalents	943,439	929,433	916,328	951,447	984,463	967,771	954,262	943,355	855,545	1,149,616
Proportional Share of Net Pension Assets	-	-	-	-	-	-	-	-	4,350,234	-
RHIA Assets	535,342	684,250	-	-	-	-	-	-	-	-
Lease Receivable	346,093	199,645	-	-	-	-	-	-	-	-
Capital assets:										
Land	15,489,067	15,338,439	15,338,439	15,338,439	15,338,439	14,338,439	12,827,039	12,466,348	12,466,348	12,466,348
Lease Assets	113,648	61,239	-	-	-	-	-	-	-	-
Construction in progress	4,105,881	2,487,089	3,681,360	6,081,316	2,674,665	2,401,188	3,126,490	1,390,232	1,614,351	1,620,133
Buildings and improvements	46,242,942	45,951,684	45,485,473	45,413,558	44,460,767	43,262,695	39,839,969	35,982,031	35,850,207	35,739,298
Machinery and equipment	26,067,456	24,478,174	23,614,209	23,223,547	21,930,382	19,548,134	18,901,908	18,115,158	17,116,629	16,653,654
Infrastructure	63,295,651	63,295,651	60,950,409	56,350,836	56,295,205	56,217,158	56,008,878	55,745,615	54,917,223	53,668,418
Accumulated depreciation	(87,602,962)	(84,581,856)	(81,078,681)	(78,343,149)	(75,249,062)	(71,921,238)	(69,116,513)	(65,662,055)	(61,946,174)	(58,028,592)
Total assets	112,988,566	106,627,468	96,922,234	88,913,018	87,730,256	88,418,094	86,976,686	84,110,321	87,885,691	84,955,526
Deferred Outflows of Resources:										
Deferred outflows - pensions	8,734,709	10,447,497	12,487,017	10,245,060	10,384,712	9,165,705	14,980,658	3,088,480	-	-
Deferred outflows - OPEB	944,684	957,163	1,179,023	1,178,645	1,270,634	264,798	-	-	-	-
Total deferred outflows	9,679,393	11,404,660	13,666,040	11,423,705	11,655,346	9,430,503	14,980,658	3,088,480	-	-

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Liabilities:										
Current liabilities:										
Accounts payable and other	\$ 3,035,056	\$ 2,496,701	\$ 3,616,270	\$ 4,407,662	\$ 4,369,603	\$ 4,460,514	\$ 4,038,455	\$ 6,921,351	\$ 7,163,036	\$ 7,116,594
Claims and judgments	95,788	50,000	50,000	50,000.00	-	-	\$ -	-	-	-
Bonds and notes	1,723,000	1,681,000	1,655,000	1,623,000	2,311,000	1,835,936	1,682,087	730,000	793,836	1,555,932
Accrued interest payable	34,687	47,747	59,370	69,992	80,400	91,799	109,425	121,564	130,429	155,091
Compensated absences	410,329	358,250	-	-	-	-	-	-	-	-
Noncurrent liabilities:										
Compensated absences	1,230,986	1,074,750	-	-	-	-	-	-	-	-
Proportional share of net pension liability	23,515,431	18,868,645	37,318,104	29,216,371	25,517,913	24,037,793	27,571,024	11,796,223	-	-
Transitional liability	425,748	486,668	544,768	603,272	-	-	-	-	-	-
Lease liability	113,648	61,239	-	-	-	-	-	-	-	-
Total OPEB liability	2,798,017	3,271,531	2,932,972	2,783,899	3,011,185	2,246,442	1,361,013	1,276,128	-	-
Medical stipend	-	-	-	-	-	4,037,004	3,934,756	-	-	-
Claims and judgement	160,093	110,093	110,093	110,093	160,093	17,247	17,247	17,247	122,107	-
Bonds and notes	3,998,000	5,721,000	7,402,000	9,057,000	10,205,000	12,516,000	12,817,735	15,401,707	16,009,707	16,925,776
Total liabilities	37,540,783	34,227,624	53,688,577	47,921,289	45,655,194	49,242,735	51,531,742	36,264,220	24,219,115	25,753,393
Deferred Inflows of Resources:										
Deferred inflows - leases	521,417	529,448	-	-	-	-	-	-	-	-
Deferred inflows - pension	8,894,097	15,364,980	1,069,097	2,260,347	3,251,423	2,215,143	1,754,236	2,740,515	6,503,667	-
Deferred inflows - OPEB	579,424	499,267	367,579	472,642	481,829	144,694	-	-	-	-
Total deferred inflows	9,994,938	16,393,695	1,436,676	2,732,989	3,733,252	2,359,837	1,754,236	2,740,515	6,503,667	-
Net position:										
Net investment in capital assets	61,877,035	59,628,420	58,934,209	57,384,547	52,934,396	49,494,440	47,087,949	41,905,622	43,215,041	43,637,551
Perpetual care: nonexpendable	946,762	930,895	917,499	954,825	1,035,856	970,304	955,356	895,931	922,667	896,572
Prepaid and inventories	729	-	54,814	-	-	-	-	-	-	-
Restricted for:										
RHIA Asset	535,342	684,250	-	-	-	-	-	-	-	-
Grant restrictions	2,336,619	36,619	36,620	36,620	36,620	33,804	33,801	33,804	33,797	33,801
Asset forfeiture	36,755	35,699	35,497	35,217	34,459	23,972	32,313	25,784	29,678	28,897
TOT tourism	992,082	87,461	262,617	501,558	487,873	425,141	338,658	129,763	99,108	116,131
Airport	398,996	-	-	-	-	-	-	-	-	-
Library Levy	-	-	-	-	-	-	-	-	56,587	142,497
System development	3,298,599	3,167,635	2,904,597	2,687,513	2,745,614	2,540,793	2,746,404	3,226,398	3,036,906	2,924,188
Debt service	1,041,894	1,009,803	987,974	1,037,697	1,955,218	1,027,297	976,090	1,028,912	861,561	794,695
Donor restrictions	22,235	-	-	-	-	-	-	-	-	-
Unrestricted	3,645,189	1,830,027	(8,670,806)	(12,955,532)	(9,232,880)	(8,269,726)	(3,499,205)	947,852	8,907,564	10,627,801
Total net position	\$ 75,132,237	\$ 67,410,809	\$ 55,463,021	\$ 49,682,445	\$ 49,997,156	\$ 46,246,025	\$ 48,671,366	\$ 48,194,066	\$ 57,162,909	\$ 59,202,133

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assets:										
Cash and cash equivalents	\$ 31,459,097	\$ 29,100,066	\$ 24,243,484	\$ 24,061,181	\$ 22,131,868	\$ 19,379,122	\$ 15,126,008	\$ 12,462,639	\$ 10,455,490	\$ 10,760,319
Receivables (net of allowance for uncollectible)	7,188,985	3,753,119	4,246,712	3,442,665	4,103,633	3,985,006	3,358,511	3,537,442	2,780,841	3,493,316
Prepaid Expenses	-	80,910	10,150	-	-	-	-	-	-	-
Inventories	1,793,402	1,385,287	1,132,279	1,085,677	1,132,859	1,221,952	1,241,858	1,116,114	1,054,059	1,024,111
Deferred charges	-	-	-	-	-	-	68,734	178,703	288,672	488,135
Internal balances	6,601,681	5,181,075	4,035,200	3,784,001	3,022,208	736,580	690,424	113,519	1,949,133	1,392,782
Restricted assets:										
Proportional Share of Net Pension Assets	-	-	-	-	-	-	-	-	1,148,384	-
Capital assets:										
Land	3,106,925	3,106,925	3,106,925	3,106,925	3,106,925	3,106,925	1,906,925	1,906,925	1,906,925	1,880,637
Construction in progress	15,260,350	8,011,836	6,405,580	6,653,617	7,792,550	3,247,176	1,923,269	7,420,192	5,788,805	3,069,144
Lease Assets	7,850	2,171	-	-	-	-	-	-	-	-
Buildings and improvements	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,089,253	22,089,254	22,089,254
Machinery and equipment	2,835,059	1,445,490	1,445,491	1,380,879	1,380,879	1,380,879	1,373,271	1,289,590	1,271,975	1,169,663
Infrastructure	99,447,535	99,435,309	99,246,916	97,409,400	93,235,257	92,440,126	90,214,986	84,406,415	84,289,573	83,671,768
Accumulated depreciation	(71,862,368)	(69,484,252)	(67,092,587)	(64,557,218)	(61,935,072)	(59,343,884)	(56,088,179)	(53,727,757)	(51,317,039)	(48,811,228)
Total assets	117,938,180	104,117,600	98,879,814	98,466,791	96,070,771	88,253,546	81,915,471	80,793,035	81,706,072	80,227,901
Deferred Outflows of Resources:										
Deferred outflows - pension	2,151,851	3,123,707	3,076,479	2,524,118	2,558,524	2,239,511	3,926,306	815,302	-	-
Deferred outflows - OPEB	363,508	286,184	367,023	335,600	358,556	-	-	-	-	-
Total deferred outflows	2,515,359	3,409,891	3,443,502	2,859,718	2,917,080	2,239,511	3,926,306	815,302	-	-

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Liabilities:										
Current liabilities:										
Accounts payable and other	\$ 3,070,802	\$ 2,435,430	\$ 2,416,715	\$ 2,099,214	\$ 3,034,127	\$ 2,653,909	\$ 1,963,580	\$ 2,938,144	\$ 2,511,527	\$ 2,865,087
Bonds and notes	552,355	731,489	737,483	2,271,192	2,216,757	1,937,997	1,866,420	2,976,477	1,769,057	1,885,841
Accrued interest payable	198,005	54,011	58,501	84,243	138,123	138,929	70,754	83,205	91,720	98,772
Compensated absences	116,962									
Noncurrent liabilities:										
Compensated absences	350,885									
Proportional share of net pension liability	5,793,176	5,641,553	9,194,212	7,198,156	6,125,322	5,749,118	7,278,257	3,113,992	-	-
Lease Liability	7,850									
Total OPEB Liability	996,202	773,573	933,142	780,622	829,084	682,799	496,470	-	-	-
Bonds and notes	17,061,884	11,372,276	11,431,338	13,667,681	14,893,055	15,047,046	15,908,200	16,242,695	18,623,294	17,216,872
Total liabilities	28,148,121	21,008,332	24,771,391	26,101,108	27,236,468	26,209,798	27,583,681	25,354,513	22,995,598	22,066,572
Deferred Inflows of Resources:										
Deferred inflows - pensions GASB 68	2,207,697	4,593,990	263,399	556,892	801,066	480,593	364,299	723,447	1,716,851	-
Deferred inflows - pensions GASB 73	192,454	149,278	146,119	125,519	128,932	-	-	-	-	-
Total deferred inflows	2,400,151	4,743,268	409,518	682,411	929,998	480,593	364,299	723,447	1,716,851	-
Net position:										
Net investment in capital assets	53,272,926	52,513,378	53,043,168	50,154,394	48,570,391	45,945,843	43,655,316	44,165,446	43,637,142	43,966,525
Prepaid and Inventories	-	-	1,142,429	-	-	-	-	-	-	-
Restricted for:										
System development	3,096,420	3,390,571	3,562,222	3,331,631	3,602,420	3,548,337	3,447,969	3,859,800	3,723,378	3,786,696
Debt service	-	-	-	-	-	-	-	-	875,490	875,490
Unrestricted	33,535,922	25,871,942	19,424,588	21,056,965	18,648,573	14,308,486	10,790,512	7,505,131	8,757,613	9,532,618
Total net position	\$ 89,905,268	\$ 81,775,891	\$ 77,172,407	\$ 74,542,990	\$ 70,821,384	\$ 63,802,666	\$ 57,893,797	\$ 55,530,377	\$ 56,993,623	\$ 58,161,329

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Revenues:										
Governmental Activities										
General government:										
Charges for services	\$ 13,864,123	\$ 14,529,258	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169	\$ 910,241	\$ 1,041,323	\$ 1,777,397	\$ 2,022,814
Operating grants and contributions	2,636,055	3,845,575	3,693,619	732,823	262,489	129,380	129,380	162,143	611,864	252,742
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Public safety:										
Charges for services	3,293,663	3,375,819	2,292,505	2,675,547	2,548,153	1,606,504	1,688,843	1,563,986	1,805,092	1,412,785
Operating grants and contributions	867,441	542,165	1,109,305	1,279,769	1,623,913	104,913	582,508	438,074	132,061	180,422
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Highways and streets:										
Charges for services	1,872,282	1,854,909	1,985,360	2,003,993	3,249,260	2,023,624	2,944,784	2,845,870	2,248,027	2,093,705
Operating grants and contributions	1,686,912	1,703,177	1,513,586	1,479,134	1,511,605	-	-	-	25,712	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Parks and Recreation :										
Charges for Services	693,290	1,140,458	827,593	967,035	1,144,135	1,096,063	1,139,709	1,153,455	1,149,154	1,578,123
Operating grants and contributions	157,180	658,871	6,233,884	5,753,946	5,412,257	7,086,738	-	92	320,539	-
Capital grants and contributions	291,258	373,321	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	25,362,204	28,023,553	21,266,793	17,055,348	17,508,476	12,438,391	7,395,465	7,204,943	8,069,846	7,540,591
Business-Type Activities										
Water:										
Charges for services	\$ 8,806,470	\$ 8,671,635	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860	\$ 7,639,625	\$ 6,937,651	\$ 6,163,924	\$ 5,913,633
Operating Grants and Contributions	26,250	-	-	-	-	-	-	14,898	70,473	89,747
Capital grants and contributions	-	-	-	-	-	-	-	277,247	328,414	269,029
Capital system development charges	-	-	-	-	-	-	-	-	-	-
Wastewater:										
Charges for services	6,522,527	6,389,693	6,441,907	6,298,894	6,156,129	6,025,937	5,606,470	5,093,609	4,651,836	4,171,230
Capital system development charges	-	-	-	-	-	-	-	107,655	112,989	80,570
Stormwater:										
Charges for services	815,699	827,134	756,488	744,379	738,913	731,273	-	-	-	-
Electric:										
Charges for services	18,204,624	17,692,125	16,715,771	16,478,238	16,182,698	15,917,213	14,913,883	14,600,751	13,817,822	13,671,443
Operating grants and contributions	12,618	50,308	509,585	222,556	80,914	259,094	126,497	395,149	157,698	178,002
Telecommunications:										
Charges for services	2,817,540	2,780,391	2,651,517	2,508,889	2,379,809	2,252,527	2,094,810	2,010,444	1,960,462	1,929,101
Total Business-Type Program Revenues	37,205,728	36,411,286	36,437,599	34,835,350	34,074,617	33,295,904	30,381,285	29,437,404	27,263,618	26,302,755
Total Program Revenues	62,567,932	64,434,839	57,704,392	51,890,698	51,583,093	45,734,295	37,776,750	36,642,347	35,333,464	33,843,346

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Expenses:										
Governmental Activities										
General government	11,793,416	11,210,672	6,342,601	6,475,196	5,131,091	7,543,912	5,496,540	6,914,541	4,010,499	4,921,674
Public safety	17,330,391	15,415,451	19,734,452	18,926,690	17,929,057	19,412,731	16,623,123	19,474,413	11,271,574	14,677,285
Highways and streets	5,531,089	4,752,682	4,158,101	4,126,947	5,448,730	4,404,007	5,783,911	5,490,894	4,536,755	5,420,004
Parks and Recreation	7,855,419	7,278,265	7,291,708	7,775,649	6,674,183	6,260,320	6,957,300	8,802,091	5,452,550	5,881,480
Interest on long-term debt	63,687	99,825	213,858	447,633	277,965	657,711	262,979	293,944	322,330	435,790
Total Governmental Activities Program Expenses	42,574,002	38,756,895	37,740,720	37,752,115	35,461,026	38,278,681	35,123,853	40,975,883	25,593,708	31,336,233
Business-Type Activities										
Water	6,124,844	6,695,187	7,189,625	7,112,003	5,933,108	6,171,718	6,308,939	7,271,424	7,832,250	6,852,085
Wastewater	6,094,777	6,185,341	6,603,551	6,610,862	6,425,838	6,426,131	6,550,650	6,838,563	5,359,115	7,475,207
Stormwater	563,138	755,433	925,293	921,169	703,372	243,016	-	-	-	-
Electric	15,166,781	16,052,914	16,927,962	16,430,442	14,788,411	15,878,525	15,324,892	16,708,504	13,521,819	15,825,968
Telecommunications	2,064,955	2,279,124	2,228,550	2,239,378	2,018,513	1,837,333	2,158,040	2,557,101	1,945,375	2,240,951
Total Business-Type Program Expenses	30,014,494	31,967,999	33,874,981	33,313,854	29,869,242	30,556,723	30,342,521	33,375,592	28,658,559	32,394,211
Total Program Expenses	72,588,496	70,724,894	71,615,701	71,065,969	65,330,268	68,835,404	65,466,374	74,351,475	54,252,267	63,730,444
Net (Expense) Revenue:										
Governmental Activities	(17,211,798)	(10,733,342)	(16,473,927)	(20,696,767)	(17,952,550)	(25,840,290)	(27,728,388)	(33,770,940)	(17,523,862)	(23,795,642)
Business-Type Activities	7,191,234	4,443,287	2,562,618	1,521,496	4,205,375	2,739,181	38,764	(3,938,188)	(1,394,941)	(6,091,456)
	(10,020,564)	(6,290,055)	(13,911,309)	(19,175,271)	(13,747,175)	(23,101,109)	(27,689,624)	(37,709,128)	(18,918,803)	(29,887,098)
General Revenues:										
Property taxes	13,311,802	13,033,738	12,539,166	12,206,619	11,772,192	11,373,320	10,907,541	10,452,785	10,203,218	10,216,080
Utility users tax	3,811,011	3,720,652	3,532,748	3,446,443	3,378,833	5,179,602	4,871,486	4,763,832	4,607,586	4,572,352
Users taxes	7,035,726	5,745,429	5,709,188	5,976,996	7,287,844	5,479,524	5,708,277	5,603,646	4,628,130	4,676,572
Unrestricted interest earnings	1,399,236	274,362	288,335	781,048	1,341,448	708,809	346,860	187,447	192,577	342,638
Miscellaneous	315,765	67,146	251,865	171,054	736,708	5,241,962	7,615,593	5,919,329	5,854,694	5,600,322
OSF Donated Capital	-	-	-	-	-	-	3,440,453	-	-	-
Transfers:	-	-	-	-	-	-	-	350,000	-	(90,000)
Total general revenues and transfers	25,873,540	22,841,327	22,321,302	22,582,160	24,517,025	27,983,217	32,890,210	27,277,039	25,486,205	25,317,964
Change in net position	15,852,976	16,551,272	8,409,993	3,406,889	10,769,850	4,882,108	5,200,586	(10,432,089)	6,567,402	(4,569,134)
Net position - beginning, restated	149,184,529	132,635,428	124,225,435	120,818,546	110,048,691	105,166,583	101,364,577	114,156,532	107,589,130	121,932,596
Net position - ending	\$ 165,037,505	\$ 149,186,700	\$ 132,635,428	\$ 124,225,435	\$ 120,818,541	\$ 110,048,691	\$ 106,565,163	\$ 103,724,443	\$ 114,156,532	\$ 117,363,462

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Revenues:										
General government:										
Charges for services	\$ 13,864,123	\$ 14,529,258	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169	\$ 910,241	\$ 1,041,323	\$ 1,777,397	\$ 2,022,814
Operating grants and contributions	2,636,055	3,845,575	3,693,619	732,823	262,489	129,380	129,380	162,143	611,864	252,742
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Public safety:										
Charges for services	3,293,663	3,375,819	2,292,505	2,675,547	2,548,153	1,606,504	1,688,843	1,563,986	1,805,092	1,412,785
Operating grants and contributions	867,441	542,165	1,109,305	1,279,769	1,623,913	104,913	58,208	438,074	132,061	180,422
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Highways and streets:										
Charges for services	1,872,282	1,854,909	1,985,360	2,003,993	3,249,260	2,023,624	2,944,784	2,845,870	2,248,027	2,093,705
Operating grants and contributions	1,686,912	1,703,177	1,513,586	1,479,134	1,511,605	-	-	-	25,712	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Parks and Recreation :										
Charges for Services	693,290	1,140,458	827,593	967,035	1,144,135	1,096,063	1,139,709	1,153,455	1,149,154	1,578,123
Operating Grants and Contributions	157,180	658,871	6,233,884	5,753,946	5,412,257	7,086,738	-	92	320,539	-
Capital Grants and Contributions	291,258	373,321	-	-	-	-	-	-	-	-
Capital System Development Charges	-	-	-	-	-	-	-	-	-	-
	<u>25,362,204</u>	<u>28,023,553</u>	<u>21,266,793</u>	<u>17,055,348</u>	<u>17,508,476</u>	<u>12,438,391</u>	<u>6,871,165</u>	<u>7,204,943</u>	<u>8,069,846</u>	<u>7,540,591</u>

Statistical Information

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

Last ten years

For the year ended June 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Expenses:										
General government	11,793,416	11,210,672	6,342,601	6,475,196	5,131,091	7,543,912	5,496,540	6,914,541	4,010,499	4,921,674
Public safety	17,330,391	15,415,451	19,734,452	18,926,690	17,929,057	19,412,731	16,623,123	19,474,413	11,271,574	14,677,285
Highways and streets	5,531,089	4,752,682	4,158,101	4,126,947	5,448,730	4,404,007	5,783,911	5,490,894	4,536,755	5,420,004
Parks and Recreation	7,855,419	7,278,265	7,291,708	7,775,649	6,674,183	6,260,320	6,957,300	8,802,091	5,452,550	5,881,480
Interest on long-term debt	63,687	99,825	213,858	447,633	277,965	657,711	262,979	293,944	322,330	435,790
	<u>42,574,002</u>	<u>38,756,895</u>	<u>37,740,720</u>	<u>37,752,115</u>	<u>35,461,026</u>	<u>38,278,681</u>	<u>35,123,853</u>	<u>40,975,883</u>	<u>25,593,708</u>	<u>31,336,233</u>
Net (Expense) Revenue:										
General government	4,706,762	7,164,161	961,959	(3,579,272)	(3,111,938)	(7,023,363)	(4,456,919)	(5,711,075)	(1,621,238)	(2,646,118)
Public safety	(13,169,287)	(11,497,467)	(16,332,642)	(14,971,374)	(13,756,991)	(17,701,314)	(14,351,772)	(17,472,353)	(9,334,421)	(13,084,078)
Highways and streets	(1,971,895)	(1,194,596)	(659,155)	(643,820)	(687,865)	(2,380,383)	(2,839,127)	(2,645,024)	(2,263,016)	(3,326,299)
Parks and Recreation	(6,713,691)	(5,105,615)	(230,231)	(1,054,668)	(117,791)	1,922,481	(5,817,591)	(7,648,544)	(3,982,857)	(4,303,357)
Interest on long-term debt	(63,687)	(99,825)	(213,858)	(447,633)	(277,965)	(657,711)	(262,979)	(293,944)	(322,330)	(435,790)
	<u>(17,211,798)</u>	<u>(10,733,342)</u>	<u>(16,473,927)</u>	<u>(20,696,767)</u>	<u>(17,952,550)</u>	<u>(25,840,290)</u>	<u>(27,728,388)</u>	<u>(33,770,940)</u>	<u>(17,523,862)</u>	<u>(23,795,642)</u>
General Revenues:										
Property taxes	13,311,802	13,033,738	12,539,166	12,206,619	11,772,192	11,373,320	10,907,541	10,452,785	10,203,218	10,216,080
Utility users tax	3,811,011	3,720,652	3,532,748	3,446,443	3,378,833	5,179,602	4,871,486	4,763,832	4,607,586	4,572,352
Users taxes	7,035,726	5,745,392	5,706,995	4,359,308	5,661,545	3,851,111	3,702,721	3,343,859	2,547,514	2,784,842
Unrestricted interest earnings	724,687	131,348	95,482	262,664	806,851	369,819	188,869	110,363	137,558	186,146
Miscellaneous	-	-	186,994	57,016	84,260	5,104,961	7,454,484	5,781,258	5,721,728	4,877,216
Gain (loss) on disposal of assets	-	-	-	-	-	-	-	-	-	-
OSF Donated Capital	-	-	-	-	-	-	3,440,453	-	-	-
Transfers:	50,000	50,000	193,118	50,000	-	-	-	350,000	-	(90,000)
Total general revenues and transfers	<u>24,933,226</u>	<u>22,681,130</u>	<u>22,254,503</u>	<u>20,382,050</u>	<u>21,703,681</u>	<u>25,878,813</u>	<u>30,565,554</u>	<u>24,802,097</u>	<u>23,217,604</u>	<u>22,546,636</u>
Change in net position	7,721,428	11,947,788	5,780,576	(314,717)	3,751,131	38,523	2,837,166	(8,968,843)	5,693,742	(1,249,006)
Net position - beginning, restated	67,410,809	55,463,021	49,682,445	49,997,162	46,246,025	46,207,502	45,834,200	57,162,909	51,469,167	60,451,139
Net position - ending	<u>\$ 75,132,237</u>	<u>\$ 67,410,809</u>	<u>\$ 55,463,021</u>	<u>\$ 49,682,445</u>	<u>\$ 49,997,156</u>	<u>\$ 46,246,025</u>	<u>\$ 48,671,366</u>	<u>\$ 48,194,066</u>	<u>\$ 57,162,909</u>	<u>\$ 59,202,133</u>

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Revenues:										
Water:										
Charges for services	\$ 8,806,470	\$ 8,671,635	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860	\$ 7,639,625	\$ 7,214,898	\$ 6,163,924	\$ 5,913,633
Operating Grants and Contributions	26,250									
Capital grants and contributions	-	-	-	-	-	-	-	14,898	70,473	89,747
Capital system development charges	-	-	-	-	-	-	-	277,247	328,414	269,029
Wastewater:										
Charges for services	6,522,527	6,389,693	6,441,907	6,298,894	6,156,129	6,025,937	5,606,470	5,201,264	4,651,836	4,171,230
Capital system development charges	-	-	-	-	-	-	-	107,655	112,989	80,570
Stormwater:										
Charges for services	815,699	827,134	756,488	744,379	738,913	731,273				
Electric:										
Charges for services	18,204,624	17,692,125	16,715,771	16,478,238	16,182,698	15,917,213	14,913,883	14,600,751	13,817,822	13,671,443
Operating grants and contributions	12,618	50,308	509,585	222,556	80,914	259,094	126,497	395,149	157,698	178,002
Telecommunications:										
Charges for services	2,817,540	2,780,391	2,651,517	2,508,889	2,379,809	2,252,527	2,094,810	2,010,444	1,960,462	1,929,101
	<u>37,205,728</u>	<u>36,411,286</u>	<u>36,437,599</u>	<u>34,835,350</u>	<u>34,074,617</u>	<u>33,295,904</u>	<u>30,381,285</u>	<u>29,822,306</u>	<u>27,263,618</u>	<u>26,302,755</u>
Program Expenses:										
Water	6,124,844	6,695,187	7,189,625	7,112,003	5,933,108	6,171,718	6,308,939	7,271,424	7,832,250	6,852,085
Wastewater	6,094,777	6,185,341	6,603,551	6,610,862	6,425,838	6,426,131	6,550,650	6,838,563	5,359,115	7,475,207
Stormwater	563,138	755,433	925,293	921,169	703,372	243,016	-	-	-	-
Electric	15,166,781	16,052,914	16,927,962	16,430,442	14,788,411	15,878,525	15,324,892	16,708,504	13,521,819	15,825,968
Telecommunications	2,064,955	2,279,124	2,228,550	2,239,378	2,018,513	1,837,333	2,158,040	2,557,101	1,945,375	2,240,951
	<u>30,014,494</u>	<u>31,967,999</u>	<u>33,874,981</u>	<u>33,313,854</u>	<u>29,869,242</u>	<u>30,556,723</u>	<u>30,342,521</u>	<u>33,375,592</u>	<u>28,658,559</u>	<u>32,394,211</u>
Net (Expense) Revenue:										
Water	2,707,876	1,976,448	2,172,706	1,470,391	2,603,046	1,938,142	1,330,686	235,619	(1,269,439)	(579,676)
Wastewater	427,750	204,352	(161,644)	(311,968)	(269,709)	(400,194)	(944,180)	(1,529,644)	(594,290)	(3,223,407)
Stormwater	252,561	71,701	(168,805)	(176,790)	35,541	488,257	-	-	-	-
Electric	3,050,461	1,689,519	297,394	270,352	1,475,201	297,782	(284,512)	(1,712,604)	453,701	(1,976,523)
Telecommunications	752,585	501,267	422,967	269,511	361,296	415,194	(63,230)	(546,657)	15,087	(311,850)
	<u>7,191,234</u>	<u>4,443,287</u>	<u>2,562,618</u>	<u>1,521,496</u>	<u>4,205,375</u>	<u>2,739,181</u>	<u>38,764</u>	<u>(3,553,286)</u>	<u>(1,394,941)</u>	<u>(6,091,456)</u>
General Revenues:										
Users taxes	-	37	2,193	1,617,688	1,626,299	1,628,413	2,005,556	2,259,787	2,080,616	1,891,730
Unrestricted interest earnings	674,549	143,014	192,853	518,384	534,597	338,990	157,991	77,084	55,019	156,492
Miscellaneous	315,765	67,146	64,871	114,038	652,448	137,001	161,109	138,071	132,966	723,106
	<u>(50,000)</u>	<u>(50,000)</u>	<u>(193,118)</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>940,314</u>	<u>160,197</u>	<u>66,799</u>	<u>2,200,110</u>	<u>2,813,344</u>	<u>2,104,404</u>	<u>2,324,656</u>	<u>2,474,942</u>	<u>2,268,601</u>	<u>2,771,328</u>
Change in net position	8,131,548	4,603,484	2,629,417	3,721,606	7,018,719	4,843,585	2,363,420	(1,463,246)	873,660	(3,320,128)
Net position - beginning, Restated	81,773,720	77,172,407	74,542,990	70,821,384	63,802,666	58,959,081	55,530,377	56,993,623	56,119,963	61,481,457
Net position - ending	<u>\$ 89,905,268</u>	<u>\$ 81,775,891</u>	<u>\$ 77,172,407</u>	<u>\$ 74,542,990</u>	<u>\$ 70,821,385</u>	<u>\$ 63,802,666</u>	<u>\$ 57,893,797</u>	<u>\$ 55,530,377</u>	<u>\$ 56,993,623</u>	<u>\$ 58,161,329</u>

Statistical Information

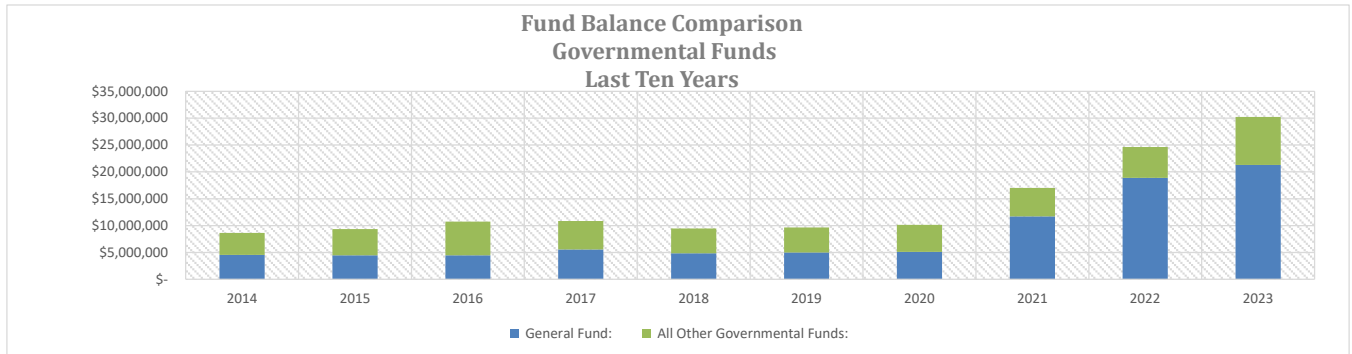
CITY OF ASHLAND, OREGON CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS Last ten years For the year ended June 30

Revenues:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Taxes	\$ 28,081,188	\$ 26,351,633	\$ 25,709,598	\$ 23,718,755	\$ 24,250,159	\$ 23,320,298	\$ 21,503,597	\$ 20,473,799	\$ 19,210,392	\$ 18,850,869
Fees, licenses and permits	1,068,226	1,539,283	2,411,618	1,095,600	859,045	838,832	1,306,346	835,278	1,205,381	667,416
Intergovernmental	6,172,835	7,416,171	7,871,451	4,389,728	4,049,917	3,679,646	2,493,399	2,394,661	2,774,500	2,847,336
Special assessments	201,318	2,171	7,024	99,557	99,436	17,535	101,006	32,831	67,508	59,483
Charges for services	13,024,626	13,644,784	11,841,302	12,490,539	12,426,073	11,984,766	13,030,993	13,548,958	12,358,624	10,835,737
System development charges	1,455	205,404	445,753	3,319	8,924	78,232	232,171	232,752	-	-
Fines and forfeitures	220,916	171,689	273,630	418,514	588,070	545,835	365,365	180,638	178,455	183,732
Interest on investments	724,686	131,348	99,762	419,911	344,270	257,293	188,869	110,363	79,835	86,025
Miscellaneous	232,665	116,628	140,233	111,735	1,499,847	1,062,344	292,318	208,355	221,293	410,589
Total revenues	<u>49,727,916</u>	<u>49,579,111</u>	<u>48,800,371</u>	<u>42,747,658</u>	<u>44,125,741</u>	<u>41,784,781</u>	<u>39,514,064</u>	<u>38,017,635</u>	<u>36,095,988</u>	<u>33,941,187</u>
Expenditures:										
General government	12,090,973	12,456,908	10,959,515	11,416,567	12,499,041	11,377,907	10,760,734	10,488,718	9,346,850	9,381,555
Public safety	18,233,164	16,847,789	17,552,424	17,818,233	18,052,832	17,005,350	15,305,740	14,846,892	13,328,400	13,102,433
Highways and streets	4,070,868	2,971,624	2,773,399	2,468,937	3,462,082	2,577,597	3,338,576	3,067,591	2,762,562	1,974,219
Parks and recreation	7,657,789	7,970,793	6,455,077	6,919,520	6,574,529	6,303,621	7,150,182	6,214,551	6,591,385	6,854,314
Capital outlay	1,033,529	1,337,619	1,337,619	4,291,183	906,840	951,063	872,683	1,434,986	959,542	1,636,407
Debt service	1,836,909	1,847,011	1,847,480	2,394,041	2,068,345	1,910,697	1,907,003	1,844,645	1,902,924	1,842,374
Principal	1,681,000	1,655,000	1,623,000	1,836,000	1,835,935	1,537,000	1,631,885	1,541,836	1,454,442	1,320,000
Interest	155,909	192,011	224,480	558,041	232,410	373,697	275,118	302,016	447,689	522,374
Total expenditures	<u>44,923,232</u>	<u>43,431,744</u>	<u>40,925,514</u>	<u>45,308,481</u>	<u>43,563,669</u>	<u>40,126,235</u>	<u>39,334,918</u>	<u>37,897,383</u>	<u>34,891,663</u>	<u>34,791,302</u>
Excess (deficiency) of revenues over expenditures	<u>4,804,684</u>	<u>6,147,367</u>	<u>7,874,857</u>	<u>(2,560,823)</u>	<u>562,073</u>	<u>1,658,546</u>	<u>179,146</u>	<u>120,252</u>	<u>1,204,325</u>	<u>(850,115)</u>
Other financing sources (uses):										
Proceeds from debt issuance	-	-	-	-	-	-	-	870,000	-	-
Interfund loans forgiveness	-	-	-	-	-	(840,544)	-	-	-	-
Transfers in	1,145,396	12,859,685	716,519	515,488	734,143	622,954	396,205	612,162	556,515	750,927
Transfers out	(1,095,396)	(9,722,479)	(872,825)	(365,488)	(791,098)	(1,572,954)	(146,205)	(262,162)	(556,515)	(840,927)
Total other financing sources (uses)	<u>50,000</u>	<u>3,137,206</u>	<u>(156,306)</u>	<u>150,000</u>	<u>(56,955)</u>	<u>(1,790,544)</u>	<u>250,000</u>	<u>1,220,000</u>	<u>-</u>	<u>(90,000)</u>
Net change in fund balance	<u>\$ 4,854,684</u>	<u>\$ 9,284,573</u>	<u>\$ 7,718,551</u>	<u>\$ (2,410,823)</u>	<u>\$ 505,118</u>	<u>\$ (131,998)</u>	<u>\$ 429,146</u>	<u>\$ 1,340,252</u>	<u>\$ 1,204,325</u>	<u>\$ (940,115)</u>
Non-capital expenditures:										
Total expenditures (Debt excluded)	\$ 44,923,232	\$ 43,431,744	\$ 40,925,514	\$ 45,308,481	\$ 43,563,669	\$ 40,126,235	\$ 39,334,918	\$ 37,897,383	\$ 34,891,663	\$ 34,791,302
Less: capital assets expenditures	(2,692,278)	(1,884,529)	(1,337,619)	(5,018,236)	(2,288,414)	(5,269,130)	(5,822,754)	(1,139,673)	(959,542)	(1,636,407)
Non-capital expenditures:	<u>\$ 42,230,954</u>	<u>\$ 41,547,215</u>	<u>\$ 39,587,895</u>	<u>\$ 40,290,245</u>	<u>\$ 41,275,255</u>	<u>\$ 34,857,105</u>	<u>\$ 33,512,164</u>	<u>\$ 36,757,710</u>	<u>\$ 33,932,121</u>	<u>\$ 33,154,895</u>
Ratio of debt service to noncapital expenditures	4.35%	4.45%	4.67%	5.94%	5.01%	5.48%	5.69%	5.02%	5.61%	5.56%

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Nonexpendable:										
Prepaid Items	\$ 729	\$ 40,390	\$ 17,246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:										
Asset forfeiture	36,755	35,699	35,497	35,217	34,459	23,972	32,313	25,784	29,678	28,897
Grant restrictions	2,300,000	-	-	-	-	-	-	-	-	-
Transient occupancy tax - tourism	-	87,461	262,617	501,558	487,873	425,141	338,658	129,763	99,108	116,131
Library services	-	-	-	-	-	-	-	-	56,587	142,497
Donor restrictions	22,235	22,235	22,235	22,235	22,235	22,235	22,235	22,235	22,235	22,230
Committed for:										
Parking surcharge	370,085	391,600	397,017	397,017	370,085	370,085	370,085	370,085	334,949	287,725
Public art	78,367	43,075	69,020	43,075	21,392	19,919	99,324	109,938	85,667	78,154
Future downtown parking supply	-	693,292	573,166	413,558	241,326	-	-	-	-	-
Affordable housing	-	-	-	-	-	-	166,351	166,351	166,351	148,426
Unassigned, reported in:										
General Fund	18,470,651	17,577,388	10,339,463	3,680,245	3,824,249	3,968,680	4,527,421	3,636,527	3,671,969	3,731,916
Total General Fund	21,278,824	18,891,140	11,716,261	5,092,905	5,001,619	4,830,032	5,556,387	4,460,683	4,466,544	4,555,976
Street Fund:										
Restricted for:										
System development charges	2,978,031	2,882,757	2,659,497	2,522,973	2,641,068	2,511,605	2,431,470	2,619,729	2,479,609	2,415,789
Committed reported in:										
Special revenue funds	1,818,354	2,653,184	1,212,943	(841,788)	2,174,869	2,323,501	3,231,966	2,795,238	2,798,621	2,321,834
Total Street Fund	4,796,385	5,535,941	3,872,440	1,681,185	4,815,937	4,835,106	5,663,436	5,414,967	5,278,230	4,737,623
Parks Fund:										
Committed reported in:										
Parks Activities	-	-	-	1,362,768	1,107,369	788,308	386,186	313,140	503,626	583,394
Total Parks Fund	-	-	-	1,362,768	1,107,369	788,308	386,186	313,140	503,626	583,394
All Other Governmental Funds:										
Restricted for:										
System development charges	320,568	284,878	245,100	164,540	104,546	29,187	314,934	606,669	557,297	508,399
Transient occupancy tax - tourism	992,082	-	-	-	-	-	-	-	-	-
Grant restrictions	36,619	36,619	36,620	36,620	36,620	33,804	33,801	33,804	33,797	33,801
Airport activities	398,996	298,171	264,126	376,568	235,659	202,017	-	138,905	117,516	80,488
Debt service	1,041,894	1,009,803	987,974	1,037,697	1,035,856	1,027,297	976,090	1,028,912	861,560	794,695
Cemetery perpetual care	946,762	930,895	917,499	954,825	984,914	970,304	955,357	944,552	922,667	896,572
Committed for:										
Committed for parks activities	3,973,973	1,978,495	1,891,310	1,596,623	1,428,986	981,826	852,407	1,536,623	209,302	332,482
Committed for affordable housing	240,123	280,661	128,254	109,079	69,986	-	-	-	524,663	470,422
Committed for food and beverage	-	-	-	-	-	-	-	-	-	-
Committed for facilities	998,424	923,362	825,808	754,031	756,172	1,110,763	2,000,302	2,004,725	1,667,528	944,553
Special revenue funds	-	-	-	-	-	263,903	173,227	-	-	-
Total all other governmental funds	8,949,441	5,742,884	5,296,691	5,029,983	4,652,739	4,619,101	5,306,118	6,294,190	4,894,330	4,061,412
Total governmental funds	\$ 35,024,649	\$ 30,169,965	\$ 20,885,392	\$ 13,166,841	\$ 15,577,664	\$ 15,072,547	\$ 16,912,127	\$ 16,482,980	\$ 15,142,730	\$ 13,938,405



Statistical Information

CITY OF ASHLAND, OREGON FUND BALANCE COMPARISON, BUDGET

Last ten years

For the year ended June 30

Fund Balances	2023 Adopted	2022 Adopted	2021 Adopted	2020 Adopted	2019 Adopted	2018 Adopted	2017 Adopted	2016 Adopted	2015 Adopted	2014 Adopted
City Component										
General Fund	\$ 8,112,918	\$ 8,112,918	\$ 4,253,147	\$ 4,253,147	\$ 2,464,474	\$ 2,464,474	\$ 252,360	\$ 1,646,957	\$ 777,434	\$ 2,594,256
Tourism Fund (new in FY23)	-	-	-	-	-	-	-	-	-	-
Housing Fund	200,000	200,000	404,668	404,668	-	-	-	-	-	-
Community Development Block Grant Fund	-	-	-	-	1	1	1	1	-	-
Reserve Fund	1,755,456	1,755,456	39,110	39,110	25,085	25,085	38,580	221,580	454,910	336,910
Street Fund	388,885	388,885	3,660,187	3,660,187	3,959,022	3,959,022	2,022,280	3,694,376	1,059,860	1,403,337
Airport Fund	189,853	189,853	411,018	411,018	143,947	143,947	70,236	71,735	64,468	34,564
Capital Improvements Fund	-	-	181,635	181,635	1,705,906	1,705,906	1,536,953	1,363,411	1,890,308	1,858,486
Debt Service Fund	1,151,196	1,151,196	1,419,738	1,419,738	1,208,002	1,208,002	849,354	803,151	606,593	637,043
Water Fund	10,185,545	10,185,545	19,600,412	19,600,412	8,954,820	8,954,820	2,072,024	4,711,984	3,559,316	3,575,115
Wastewater Fund	4,869,632	4,869,632	15,233,131	15,233,131	6,872,543	6,872,543	2,193,032	2,803,471	2,305,611	2,415,670
Stormwater Fund	244,445	244,445	1,226,864	1,226,864	1,544,630	1,544,630	-	-	-	-
Electric Fund	5,239,763	5,239,763	761,698	761,698	819,118	819,118	368,237	537,900	590,117	1,012,411
Telecommunications Fund	2,064,506	2,064,506	1,268,142	1,268,142	200,299	200,299	327,302	172,269	30,968	210,594
Central Services Fund (closed in FY22)	-	-	51,207	51,207	490,440	490,440	16,549	232,353	392,031	754,268
Insurance Services Fund	882,745	882,745	243,352	243,352	623,899	623,899	136,638	318,938	429,287	622,602
Health Benefits Fund	470,270	470,270	923,953	923,953	84,755	84,755	33,370	(291,630)	86,718	348,359
Equipment Fund	4,833,802	4,833,802	47,091	47,091	2,385,539	2,385,539	1,968,694	1,657,459	1,280,781	1,233,835
Cemetery Trust Fund	835,327	835,327	923,964	923,964	984,270	984,270	974,046	948,546	937,744	912,244
Total City Component	41,424,343	41,424,343	50,649,317	50,649,317	32,466,750	32,466,750	12,859,656	18,892,501	14,466,146	17,949,694
Parks Component										
Parks and Recreation Fund	107,493	107,493	51,257	51,257	(24,876)	(24,876)	4,014	184,915	666,289	583,396
Parks Capital Improvements Fund	671,338	671,338	1,368,972	1,368,972	(743,870)	(743,870)	308,617	(674,924)	302,132	270,032
Parks Equipment Fund	477,347	477,347	215,744	215,744	164,364	164,364	40,000	192,000	-	-
Total Parks Component	1,256,178	1,256,178	1,635,973	1,635,973	(604,382)	(604,382)	352,631	(298,009)	968,421	853,428
Total budget	\$ 42,680,521	\$ 42,680,521	\$ 52,285,290	\$ 52,285,290	\$ 31,862,368	\$ 31,862,368	\$ 13,212,287	\$ 18,594,492	\$ 15,434,567	\$ 18,803,122

Statistical Information

CITY OF ASHLAND, OREGON FUND BALANCE COMPARISON, ACTUAL

Last ten years

For the year ended June 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund Balances	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
City Component										
General Fund	\$ 18,379,038	\$ 10,051,736	\$ 9,481,988	\$ 5,053,649	\$ 4,963,179	\$ 4,792,507	\$ 4,687,675	\$ 3,603,674	\$ 3,620,264	\$ 3,719,809
Housing Fund	240,123	236,323	128,254	109,079	69,986	263,903	-	-	-	-
Tourism Fund (new in FY23)	992,082									
Community Development Block Grant Fund	36,619	27,819	36,620	36,620	36,620	33,801	33,801	33,804	33,797	33,801
Reserve Fund	1,794,212	1,754,759	39,551	39,256	38,440	37,524	28,168	166,465	196,279	336,167
Street Fund	4,796,385	4,901,591	3,872,440	1,681,185	4,815,937	4,835,107	5,663,436	5,414,967	5,278,231	4,737,624
Airport Fund	398,996	300,402	264,126	376,568	235,659	202,016	173,227	138,905	117,516	80,488
Capital Improvements Fund	1,318,992	1,202,131	1,070,908	918,571	860,718	1,139,950	2,315,236	2,802,016	2,749,488	1,923,374
Debt Service Fund	1,041,894	1,007,715	987,974	1,037,697	1,035,856	1,027,296	976,090	1,028,912	861,560	1,159,490
Water Fund	16,220,569	12,889,481	12,745,850	10,850,466	10,495,072	9,432,724	7,795,562	6,081,537	5,208,592	6,273,413
Wastewater Fund	8,707,001	7,661,156	7,569,687	10,085,823	8,826,689	7,636,846	7,842,215	6,499,438	5,095,342	4,271,386
Stormwater Fund	2,042,119	1,769,548	1,777,615	1,795,164	1,866,537	1,768,991	-	-	-	-
Electric Fund	7,168,134	4,434,350	2,418,148	2,521,066	2,249,388	2,468,855	2,026,665	1,863,131	900,609	1,899,104
Telecommunications Fund	3,175,717	2,345,431	2,110,935	1,540,525	1,135,311	834,108	599,420	365,637	305,058	479,997
Central Services Fund (closed in FY22)	-	-	3,087,205	1,572,864	839,735	1,092,453	281,575	579,888	870,190	870,190
Insurance Services Fund	1,156,377	1,097,135	134,959	204,852	8,140	586,216	1,017,579	1,160,957	1,766,284	1,584,721
Health Benefits Fund	2,225,546	1,916,791	1,463,355	1,212,173	932,375	4,695	396,418	140,764	473,726	169,366
Equipment Fund	10,626,313	6,101,488	3,868,239	3,851,597	3,328,444	3,579,502	3,404,966	3,134,593	2,937,105	2,540,413
Cemetery Trust Fund	946,761	929,433	917,499	954,825	984,914	970,305	955,357	944,553	922,667	896,572
Total City Component	81,266,878	58,627,289	51,975,353	43,841,980	42,723,000	40,706,799	38,197,390	33,959,241	31,336,708	30,975,915
Parks Component										
Parks and Recreation Fund	631,966	3,338,633	1,793,398	1,074,422	842,878	661,453	209,332	254,306	503,628	583,396
Parks Capital Improvements Fund	3,973,973	1,953,550	1,891,310	1,596,623	1,428,986	981,825	852,407	1,346,001	209,302	332,482
Parks Equipment Fund	473,607	413,249	401,324	288,346	264,491	126,854	176,854	58,834	-	-
Total parks component	5,079,546	5,705,431	4,086,032	2,959,391	2,536,355	1,770,132	1,238,593	1,659,141	712,930	915,878
Total actual	\$ 86,346,425	\$ 64,332,721	\$ 56,061,385	\$ 46,801,371	\$ 45,259,355	\$ 42,476,931	\$ 39,435,983	\$ 35,618,382	\$ 32,049,638	\$ 31,891,793

Statistical Information

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)
2023	\$ 3,060,020,771	\$ 8,204,099	\$ 30,161,270	\$ 43,807,000	\$ 3,142,193,140	4.29	55.8%
2022	2,957,535,236	7,927,850	32,239,590	43,250,100	3,040,952,776	4.36	68.1%
2021	2,849,800,218	7,695,981	37,736,900	40,040,300	2,935,273,399	4.36	65.7%
2020	2,745,946,271	7,428,132	39,388,970	39,719,700	2,832,483,073	4.47	65.2%
2019	2,648,762,575	7,176,174	40,011,240	42,200,100	2,738,150,089	4.43	69.5%
2018	2,550,677,170	6,701,376	37,518,450	38,356,118	2,633,253,114	4.44	66.9%
2017	2,458,564,994	6,700,924	37,949,290	34,169,600	2,537,384,808	4.40	68.2%
2016	2,367,355,356	6,526,881	40,417,280	31,573,600	2,445,873,117	4.41	70.0%
2015	2,274,534,883	6,445,605	38,438,560	29,027,740	2,348,446,788	4.61	72.1%
2014	2,154,231,164	6,060,576	36,756,490	24,858,300	2,221,906,530	4.61	72.3%
2013	2,079,286,927	6,060,300	36,739,550	26,166,700	2,148,253,477	4.63	73.3%

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

(1) Includes non-profit housing

Source: Jackson County Assessor tax roll property values



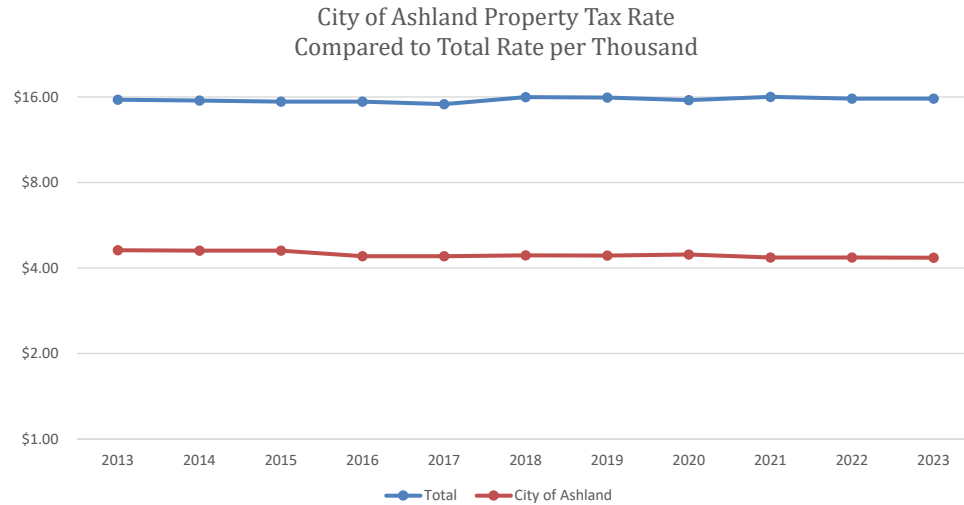
Statistical Information

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
2023	\$ 4.29	\$ -	\$ 0.21	\$ -	\$ 4.35	\$ 0.04	\$ 2.68	\$ 0.31	\$ 3.05	\$ 7.40	\$ 0.35	\$ 7.52	\$ 0.64	\$ 8.51	\$ 15.91
2022	4.29	-	0.19	-	4.36	0.04	2.70	0.31	3.05	7.41	0.35	7.37	0.65	8.37	15.78
2021	4.29	-	0.07	-	4.36	0.04	2.70	0.31	3.05	7.41	0.35	7.37	0.65	8.37	15.78
2020	4.29	-	0.18	-	4.47	0.04	2.74	0.31	3.09	7.56	0.35	7.45	0.66	8.46	16.02
2019	4.24	-	0.19	-	4.43	0.04	2.75	0.31	3.10	7.53	0.35	7.05	0.65	8.06	15.58
2018	4.24	-	0.20	-	4.44	0.04	2.77	0.31	3.12	7.55	0.35	7.36	0.67	8.38	15.93
2017	4.20	-	0.20	-	4.40	0.04	2.79	0.31	3.14	7.54	0.35	7.43	0.67	8.45	15.98
2016	4.20	-	0.21	-	4.41	0.04	2.06	0.18	2.28	6.69	0.35	7.44	0.62	8.41	15.10
2015	4.20	0.19	0.22	-	4.61	0.04	2.25	0.18	2.47	7.08	-	8.33		8.33	15.41
2014	4.20	0.19	0.22	-	4.61	0.04	2.25	0.18	2.47	7.08	-	8.34		8.34	15.41

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

Source: Jackson County Assessor and Tax Collector



Statistical Information

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
2023	3,142,193,140	4	\$ 5,246,940	49	\$ 15,808,170
2022	3,040,952,775	6	22,972,074	52	8,852,280
2021	2,935,273,399	8	38,688,145	182	28,399,687
2020	2,832,483,073	4	4,006,566	83	12,950,709
2019	2,738,150,089	3	3,576,094	94	15,513,154
2018	2,633,253,114	6	2,525,849	80	13,441,485
2017	2,537,384,808	7	31,479,266	70	13,313,136
2016	2,445,873,117	6	6,513,734	57	12,204,836
2015	2,348,446,788	8	18,530,998	62	13,371,460
2014	2,262,503,440	9	4,770,334	50	10,032,795

(1) Property value is assessed valuation

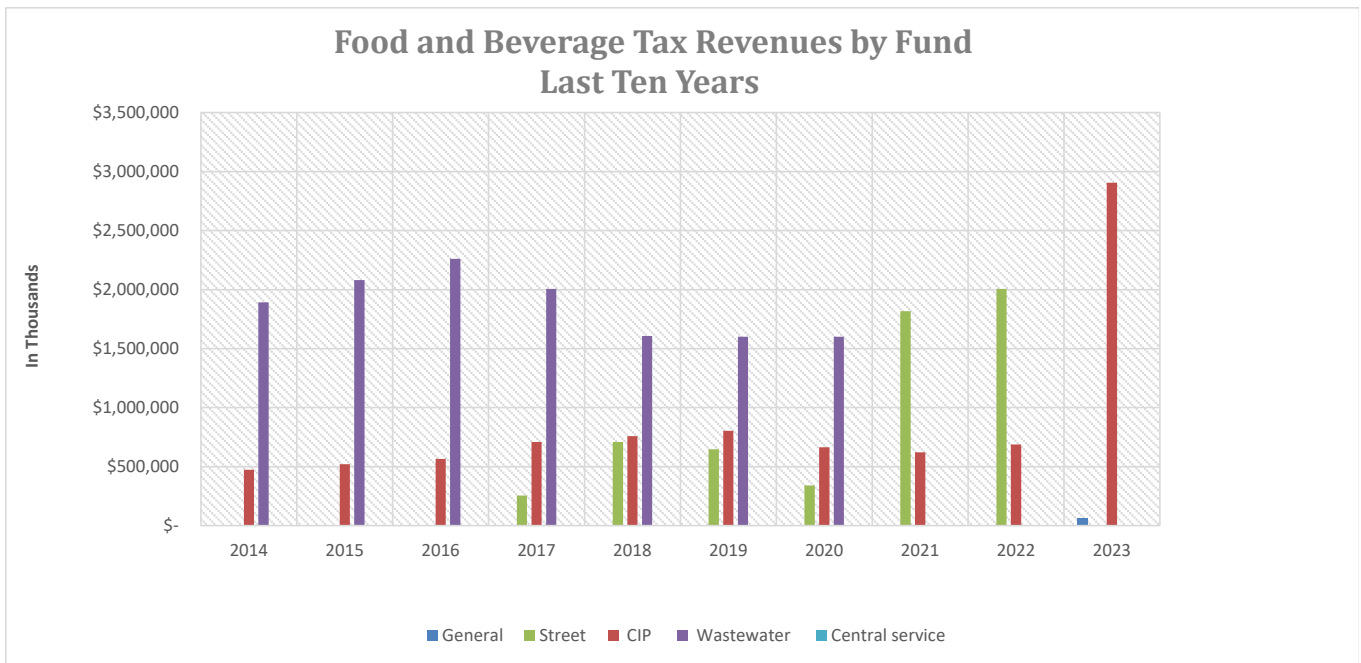
Source: City of Ashland, Community Development Department
Jackson County Assessor



Statistical Information

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

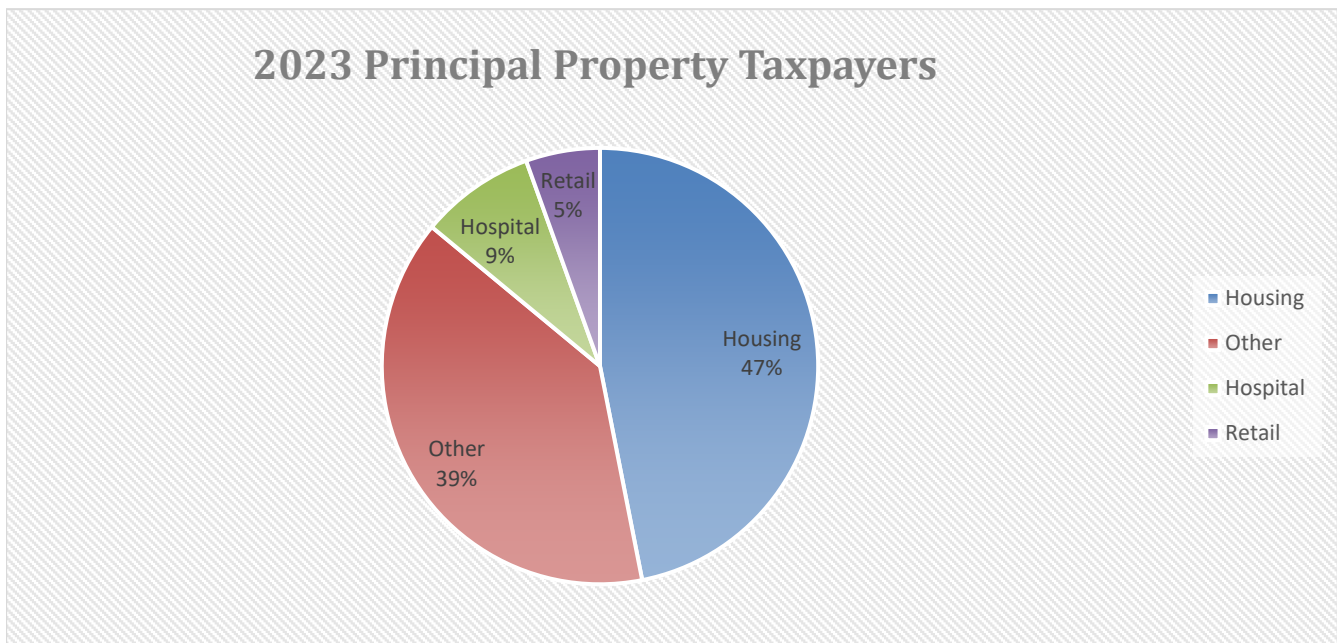
Fiscal Year Ended June 30,	General Fund	Street Fund	Capital Improvement	Wastewater	Central Service	Total	Cumulative
2023	\$59	\$0	\$2,905	\$0	\$0	\$2,964	\$27,619
2022	0	2,006	687	0	0	2,693	24,655
2021	0	1,816	622	0	0	2,438	21,962
2020	0	341	664	1,600	0	2,605	19,524
2019	0	646	804	1,601	0	3,051	16,918
2018	0	708	758	1,608	0	3,074	13,867
2017	0	255	709	2,005	0	2,969	10,793
2016	0	0	565	2,260	0	2,825	7,824
2015	0	0	520	2,081	0	2,601	4,999
2014	0	0	473	1,892	0	2,365	2,398



Statistical Information

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

Taxpayers	Type of Business	2023 Assessed Valuation	Percentage of Total Assessed Valuation
Pacific Rental Properties LLC	Housing	23,990,300	0.80%
Deluca Ronald L Trustee ET AL	Housing	16,884,090	0.56%
Avista Corp	Utility	16,708,000	0.56%
Ashland Hills Hotel LLC	Motel	12,935,820	0.43%
Ashland Community Hopsital	Hospital	11,749,480	0.39%
Charter Communications	Utility	9,660,874	0.32%
Ashlander Ashland LLC	Housing	9,137,270	0.30%
Ashland Shopping Center	Retail	7,587,640	0.25%
Mark Antony Hist Propo LLC	Motel	7,567,370	0.25%
Skylark Real Property Group LLC	Housing	7,458,200	0.25%
Grizzly Peak LLC	Housing	7,313,760	0.24%
Bard's Inn Limited Ptntship	Motel	7,139,390	0.24%
All other		3,004,060,946	95.40%
Total		\$ 3,142,193,140	100.00%

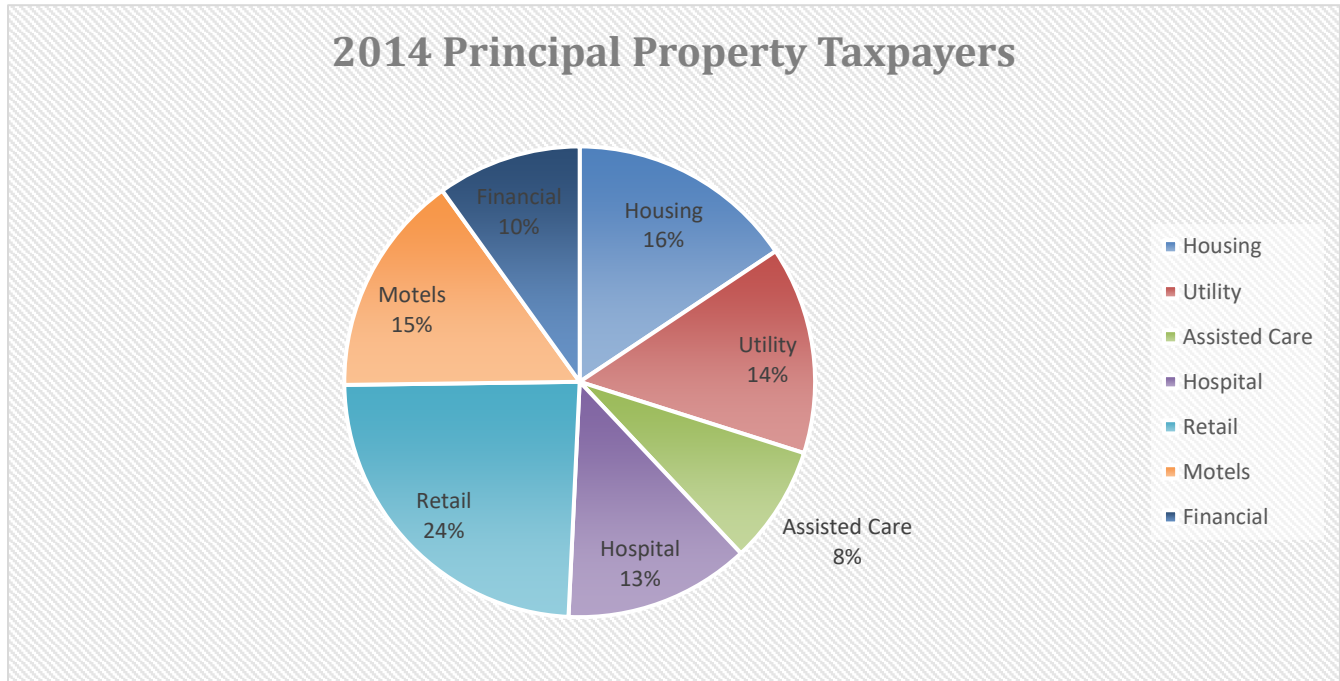


Statistical Information

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

Taxpayers	Type of Business	2014 Assessed Valuation	Percentage of Total Assessed Valuation
Ronald L. Deluca	Housing	\$10,725,940	0.45%
Avista Corp.	Utility	9,774,000	0.41%
Ashland Community Hospital	Hospital	8,753,390	0.37%
Pacific Financial , Inc.	Financial	6,799,150	0.29%
Beverly Rydbom	Retail	5,646,020	0.24%
Charter Communication	Retail	5,496,000	0.23%
Skylark Assisted Living	Assisted Care	5,549,660	0.24%
Bard's Inn	Housing	5,312,560	0.23%
Plaza Hospitality	Motels	5,174,180	0.22%
Centurylink	Utility	5,334,800	0.23%
All other		\$2,291,651,106	97.09%
Total		\$2,360,216,806	100.00%

Source: Jackson County Assessor



Statistical Information

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
2023	\$ 13,036	\$ 1,491	\$ 3,811	\$ 1,892	\$ 1,941	\$ 2,965	\$ 394	\$ 223	\$ 180	\$ 417	26,350
2022	12,798	1,773	3,721	2,083	2,568	2,749	394	222	188	274	26,770
2021	12,553	1,682	3,533	2,046	2,078	2,438,000	390	220	163	208	2,460,873
2020	12,254	1,660	3,446	2,047	2,239	1,005,000	387	218	228	235	1,027,714
2019	11,776	1,630	3,379	2,047	3,142	1,450,000	177	211	184	254	1,472,800
2018	11,347	1,598	3,330	1,967	2,910	1,466,000	175	69	207	234	1,487,837
2017	10,898	1,496	3,130	1,949	2,819	964,000	176	N/A	N/A	248	984,716
2016	10,508	1,466	3,077	1,604	2,055	565,000	171	N/A	N/A	237	584,118
2015	10,133	1,390	2,923	1,513	2,460	520,000	N/A	N/A	N/A	209	538,628
2014	10,268	1,373	2,895	1,530	2,091	473,000	N/A	N/A	N/A	208	491,365

(1) Derived from city-owned electric utility operations

(2) Tax enacted July 1, 1993

Statistical Information

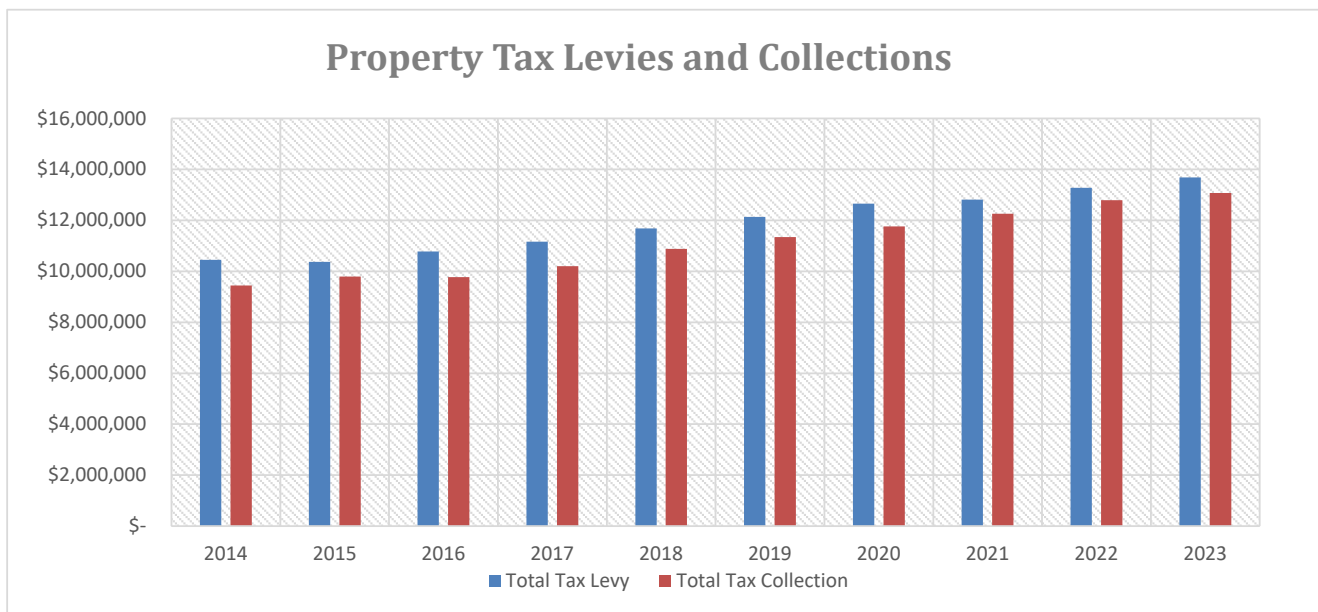
CITY OF ASHLAND, OREGON PROPERTY TAX LEVIES AND COLLECTIONS Last ten years - Unaudited

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
2023	\$ 13,688,352	\$ 12,939,489	94.53%	\$ 302,764	13,242,253	96.74%	495,800	4%
2022	13,274,448	12,798,283	96.41%	277,348	13,075,631	98.50%	432,757	3%
2021	12,812,936	12,082,698	94.30%	703,713	12,786,411	99.79%	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%

(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

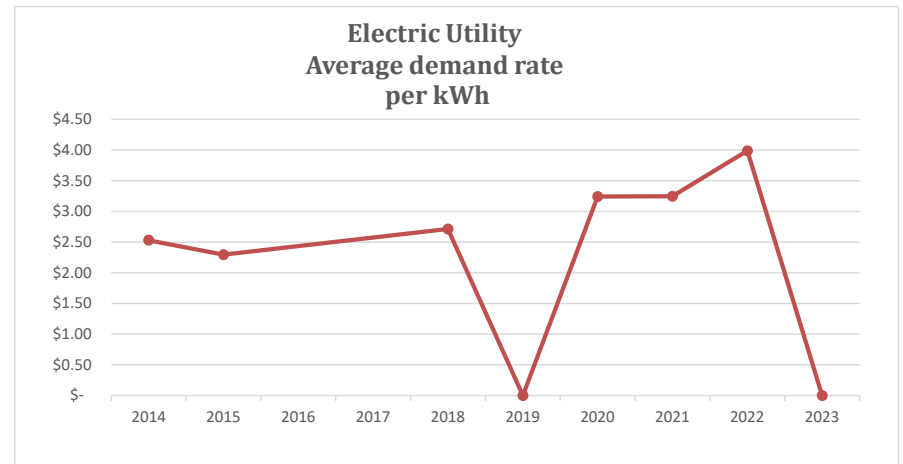
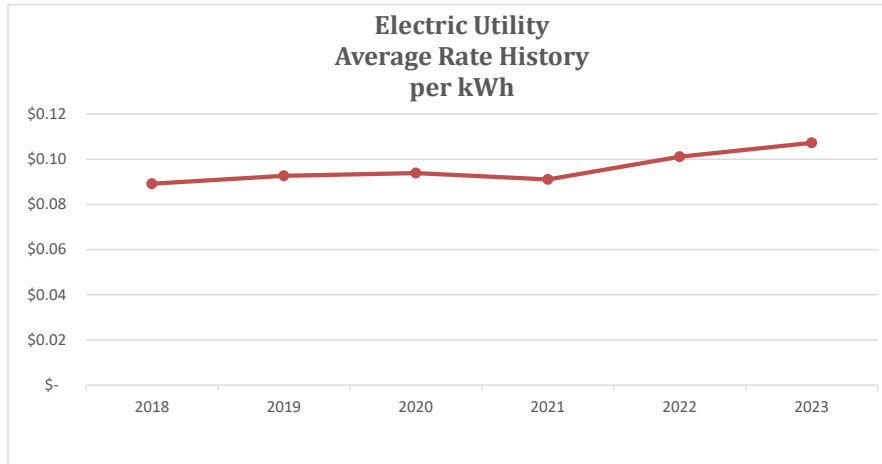
(3) Delinquent taxes collected represent accumulative amounts for the specific fiscal year



Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Electric:										
Commercial	47,983,962	47,439,180	46,709,991	51,506,423	52,595,231	56,199,380	54,212,204	55,434,978	57,241,622	57,351,533
Governmental	20,423,564	20,849,376	18,491,383	20,121,422	25,722,896	20,663,724	16,881,982	17,084,620	18,894,191	19,552,546
Municipal	9,462,894	9,367,171	9,165,402	15,074,710	10,801,152	7,642,747	6,489,407	7,607,560	6,439,200	6,410,372
Residential	87,607,894	93,307,331	93,206,359	83,083,258	88,361,322	89,213,217	89,500,760	86,749,323	85,448,299	91,309,827
Electric usage total	165,478,314	170,963,058	167,573,135	169,785,813	177,480,601	173,719,068	167,084,353	166,876,481	168,023,312	174,624,278
Total electric revenue	\$ 17,747,745	\$ 17,279,632	\$ 15,264,002	\$ 15,928,428	\$ 16,440,849	\$ 15,486,694	\$ 14,465,963	\$ 14,338,555	\$ 13,700,057	\$ 13,536,923
Average consumption rate per kWh	\$ 0.107	\$ 0.101	\$ 0.091	\$ 0.094	\$ 0.093	\$ 0.089	\$ 0.087	\$ 0.086	\$ 0.082	\$ 0.078
BPA surcharge revenue	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Average surcharge per consumed kWh (1)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



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

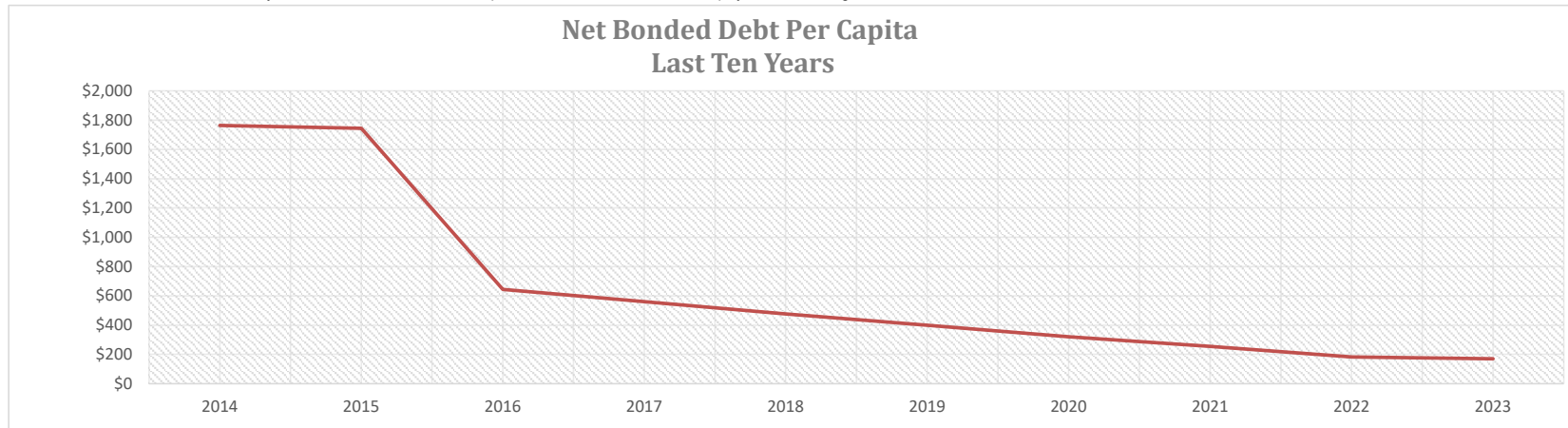
Statistical Information

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	Enterprise Fund Monies Available	Debt Payable for Enterprise Revenues (4)	Net General Obligation Bonded Debt (5)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2023	21,642	0.41%	\$ 3,142,193,140	\$ 5,600,000	\$ 1,041,894	875,490	\$ 17,614,238	3,682,616	0.12%	170.16
2022	21,554	2.13%	3,040,952,775	5,835,000	1,007,715	875,490	12,103,765	3,951,795	0.13%	183.34
2021	21,105	0.69%	2,935,273,399	7,240,000	983,471	875,490	12,168,821	5,381,039	0.18%	254.97
2020	20,960	0.70%	2,832,483,073	8,615,000	1,030,682	875,490	15,938,873	6,708,828	0.24%	320.08
2019	20,815	0.56%	2,738,150,089	10,205,000	1,028,592	875,490	17,109,812	8,300,918	0.30%	398.80
2018	20,700	0.39%	2,633,253,114	11,760,000	1,025,376	875,490	16,985,043	9,859,134	0.37%	476.29
2017	20,620	1.05%	2,537,384,808	13,395,000	973,878	875,490	17,774,620	11,545,632	0.46%	559.92
2016	20,405	0.32%	2,445,873,117	14,880,000	855,545	875,490	19,219,172	13,148,965	0.54%	644.40
2015	20,340	0.22%	2,348,446,788	37,195,894	861,561	875,490	20,392,351	35,458,843	1.51%	1,743.31
2014	20,295	-0.15%	2,262,503,440	37,462,187	794,695	875,490	19,102,713	35,792,002	1.58%	1,763.59

Source:

- (1) Center for Population Research and Census, Portland State University
- (2) Jackson County Assessor tax roll property value records
- (3) City of Ashland financial records - includes all long-term general obligation debt, including general obligation special assessments, general obligation bonds, and general obligation warrants.
- (4) Includes general obligation debt paid from, Utility Services Revenue, fund operations, and special assessment payments from benefited property owners.
- (5) Includes Gross Bonded Debt reduced by Debt Service Fund and Enterprise Fund monies available to pay General Obligation Bonded Debt.

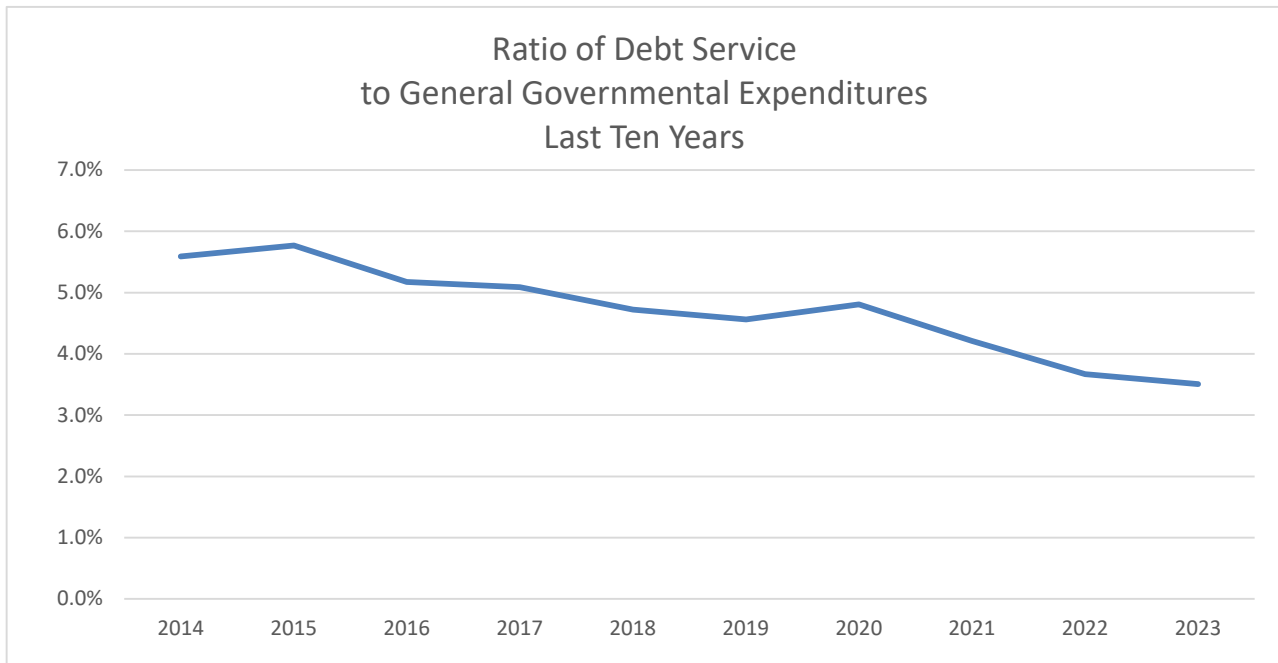


Statistical Information

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
2023	\$ 1,430,000	\$ 144,924	1,574,924	\$ 44,923,232	3.5%
2022	1,405,000	188,179	1,593,179	43,431,743	3.7%
2021	1,375,000	214,241	1,589,241	37,740,415	4.2%
2020	1,590,000	267,623	1,857,623	38,623,257	4.8%
2019	1,555,000	295,651	1,850,651	40,588,484	4.6%
2018	1,455,000	318,747	1,773,747	37,564,475	4.7%
2017	1,485,000	375,091	1,860,091	36,555,232	5.1%
2016	1,445,000	418,422	1,863,422	36,033,961	5.2%
2015	1,495,000	415,879	1,902,924	32,988,739	5.8%
2014	1,320,000	522,374	1,842,374	32,948,928	5.6%

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



Statistical Information

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	
2023	\$ 9,138,264	\$ 9,318,155	\$ 16,220,569	16,040,678	571,736	112,702	684,438	23.44
2022	8,741,494	7,188,052	12,889,481	14,442,923	557,106	124,432	681,538	21.19
2021	9,473,981	6,568,759	10,850,466	13,755,688	786,863	138,382	925,245	14.87
2020	8,846,790	8,554,214	10,495,072	10,787,648	781,636	209,398	991,034	10.89
2019	8,791,274	9,657,102	9,432,722	8,566,894	479,713	137,914	617,627	13.87
2018	8,290,162	6,520,984	-	1,769,178	464,164	150,069	614,233	2.88
2017	7,756,012	4,706,339	-	3,049,673	453,835	161,855	615,690	4.95
2016	7,289,715	4,225,107	-	3,064,608	443,717	173,330	617,046	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

(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

Statistical Information

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	OECCD (1) Loans	Per Capita (2)
2023	\$ 4,405,000	0.14%	\$ 1,316,000	\$ -	264.35
2022	5,835,000	0.19%	1,567,000	-	343.42
2021	7,240,000	0.25%	1,817,000	-	429.14
2020	8,615,000	0.30%	2,065,000	-	509.54
2019	10,205,000	0.37%	2,311,000	-	601.30
2018	11,760,000	0.45%	2,591,936	-	693.33
2017	13,395,000	0.53%	1,104,821	-	703.19
2016	14,880,000	0.61%	1,251,707	-	790.58
2015	16,325,000	0.70%	478,543	-	812.39
2014	17,820,000	0.79%	539,474	-	901.48

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)
2023	\$ 1,195,000	0.04%	\$ 9,399,881	\$ 7,019,358	813.89
2022	1,605,000	0.05%	7,460,449	3,038,316	561.56
2021	2,005,000	0.07%	7,689,268	2,474,552	576.58
2020	5,721,796	0.20%	7,913,589	2,303,488	760.44
2019	7,607,299	0.28%	6,983,538	2,518,974	821.99
2018	9,429,200	0.36%	5,406,100	2,149,744	820.53
2017	11,077,669	0.44%	4,634,074	2,062,878	932.06
2016	12,777,871	0.52%	4,628,555	1,812,747	941.89
2015	14,439,962	0.61%	4,193,067	1,759,323	985.90
2014	16,054,089	0.71%	3,048,624	-	937.97

Total Outstanding Debt			
Fiscal Year Ended June 30,	Total Outstanding Debt	Personal Income (4)	Debt as a Percentage of Personal Income
2023	\$ 23,335,238	unavailable	NA
2022	19,505,765	unavailable	NA
2021	21,225,820	unavailable	NA
2020	26,618,873	unavailable	NA
2019	29,625,811	unavailable	NA
2018	31,336,980	unavailable	NA
2017	32,274,442	unavailable	NA
2016	35,350,879	unavailable	NA
2015	37,195,894	unavailable	NA
2014	37,462,187	unavailable	NA

(1) OECCD - Oregon Economic and Community Development Department

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

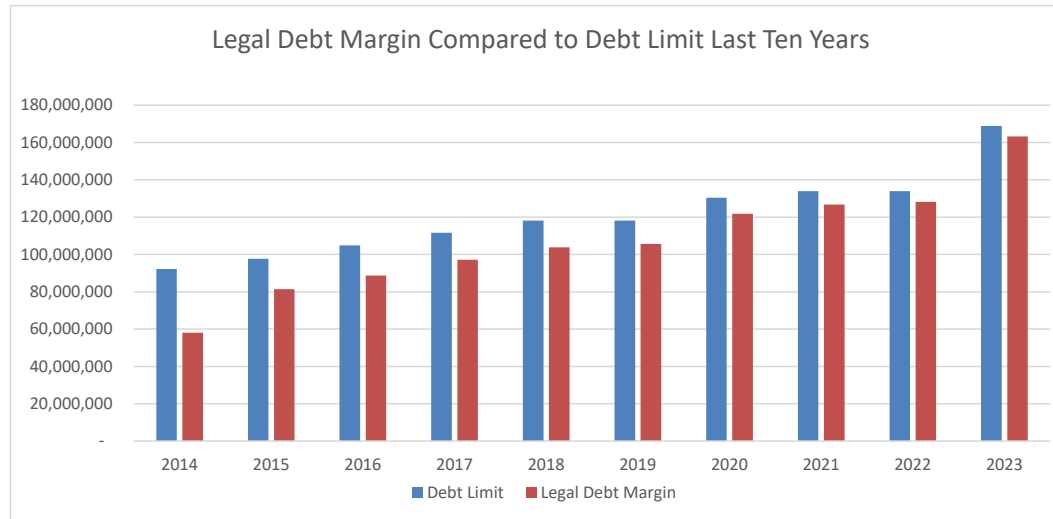
(3) DEQ - Oregon Department of Environmental Quality

(4) Oregon Department of Revenue Personal Income Tax Statistics

Statistical Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
True Cash Value	\$ 5,628,841,736	\$ 4,466,314,678	\$ 4,466,314,678	\$ 4,346,499,745	\$ 3,937,719,581	\$ 3,937,719,581	\$ 3,722,306,182	\$ 3,493,732,448	\$ 3,258,618,439	\$ 3,072,079,759
Legal Debt Margin										
Debt limit (3% of true cash value)	168,865,252	133,989,440	133,989,440	130,394,992	118,131,587	118,131,587	111,669,185	104,811,973	97,758,553	92,162,393
Net Bonded Debt:										
Gross bonded debt	5,600,000	5,835,000	7,240,000	8,615,000	12,516,000	14,351,936	14,499,821	16,131,707	16,325,000	34,295,413
Less amounts exempted:										
Water	-	-	-	-	-	-	-	-	-	-
Special assessment	-	-	-	-	-	-	-	-	-	-
Re-funding	-	-	-	-	-	-	-	-	-	-
Water re-funding	-	-	-	-	-	-	-	-	-	(250,000)
Total debt applicable to margin	5,600,000	5,835,000	7,240,000	8,615,000	12,516,000	14,351,936	14,499,821	16,131,707	16,325,000	34,045,413
Legal Debt Margin	\$ 163,265,252	\$ 128,154,440	\$ 126,749,440	\$ 121,779,992	\$ 105,615,587	\$ 103,779,652	\$ 97,169,364	\$ 88,680,267	\$ 81,433,553	\$ 58,116,980



Statistical Information

CITY OF ASHLAND, OREGON COMPUTATION OF LEGAL DEBT MARGIN June 30, 2023 - Unaudited

True cash value	\$	5,628,841,736	
3% of true cash value		<u>0.03</u>	
	\$		168,865,252
NET BONDED DEBT:			
Gross bonded debt		5,600,000	
Less amounts exempted:			
Water			
Water re-funding		<u>-</u>	
Total debt applicable to margin			<u>5,600,000</u>
LEGAL DEBT MARGIN	\$		<u><u>163,265,252</u></u>

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

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

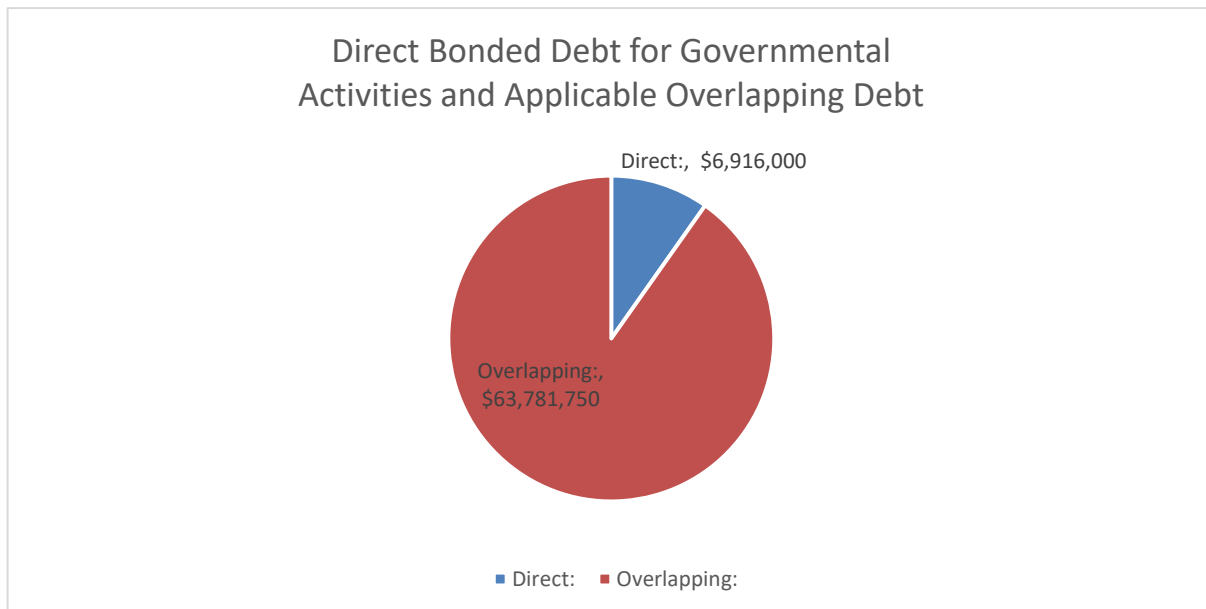
Statistical Information

CITY OF ASHLAND, OREGON COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT GENERAL OBLIGATION BONDS June 30, 2023 - Unaudited

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct:			
City of Ashland - Governmental Activities only	\$ 6,916,000	100.00%	\$ 6,916,000
Overlapping:			
Jackson County	2,752,343	12.82%	352,850
School District #5	79,153,922	79.93%	63,267,730
Rogue Community College	433,653	9.54%	41,370
Rogue Community College (Jackson Cty Bond)	553,555	12.71%	70,357
Jackson County Housing Authority	351,469	12.82%	45,058
Rogue Valley Transit District	25,893	16.93%	4,384
	<u>83,270,835</u>		<u>63,781,750</u>
	<u>\$ 90,186,835</u>		<u>\$ 70,697,750</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



Statistical Information

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

<u>2023</u>		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	743	41%
Oregon Shakespeare Festival*	398	22%
Ashland Public Schools	432	24%
Asante Ashland Community Hospital		0%
City of Ashland**	240	13%
Subtotal	1,812.50	100%
Estimated Total City Employment	not available	not available

<u>2013</u>		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	627	6.97%
Oregon Shakespeare Festival	406	4.51%
Ashland Public Schools	435	4.83%
Asante Ashland Community Hospital	375	4.17%
City of Ashland**	251.00	2.79%
Subtotal	2,094.00	23.27%
Estimated Total City Employment	9,000	

** Excludes Ashland Parks Commission

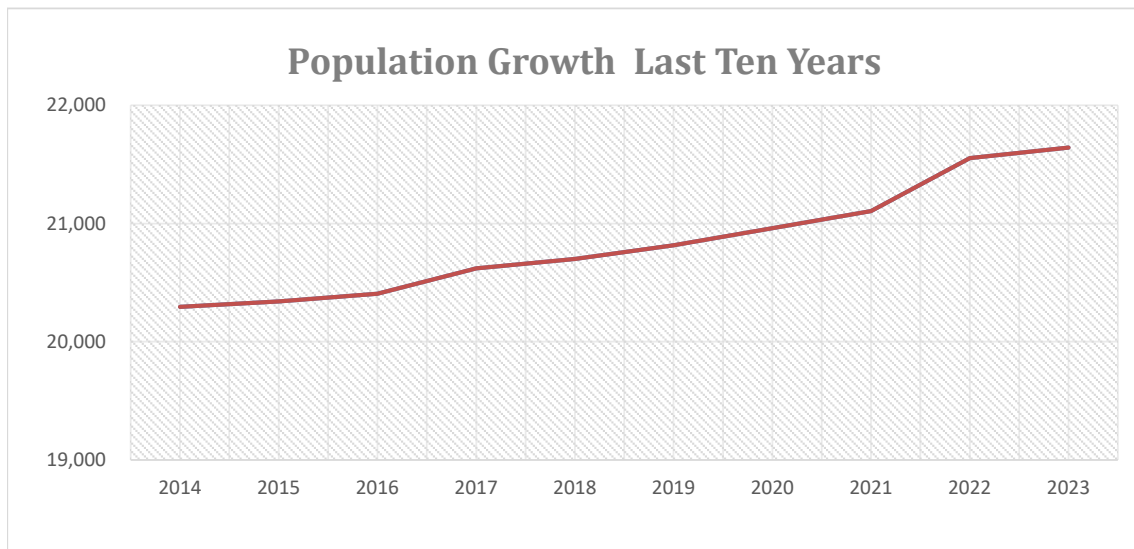
Statistical Information

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)
2023	21,642	0.41%	-	unavailable	3,040	4.5%
2022	21,554	2.13%	-	unavailable	2,897	4.5%
2021	21,105	0.69%	51,770	1,092,607	3,022	5.4%
2020	20,960	0.70%	38,358	803,984	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%

Sources:

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



Statistical Information

CITY OF ASHLAND, OREGON SCHEDULE OF MAJOR INSURANCE IN FORCE June 30, 2023

Company	Coverage	Policy Period	Annual Aggregate/Each Occurrence	Premium	
City County Insurance Services	General Liability			\$562,455	
	Commercial General Liability	07/01/2022-07/01/2023	\$15,000,000 / \$5,000,000	Included above	
	Public Officials Liability	07/01/2022-07/01/2023	\$15,000,000 / \$5,000,000	Included above	
	Employment Practices	07/01/2022-07/01/2023	\$15,000,000 / \$5,000,000	Included above	
	Automobile Liability			\$65,096	
	Scheduled Autos	07/01/2022-07/01/2023	None / \$5,000,000	Included above	
	Hired Autos/Non Owned	07/01/2022-07/01/2023	None / \$5,000,000	Included above	
	Uninsured Motorist	07/01/2022-07/01/2023	None / \$5,000,000	Included above	
	Auto Physical Damage			\$32,572	
	Scheduled Autos	07/01/2022-07/01/2023	Per Filed Value	Included above	
	Rented or Leased	07/01/2022-07/01/2023	Per Filed Value	Included above	
	Newly Acquired Autos	07/01/2022-07/01/2023	Per Filed Value	Included above	
	Property			\$151,671	
	Buildings	07/01/2022-07/01/2023	Per Filed Value	Included above	
	Mobile Equipment	07/01/2022-07/01/2023	Per Filed Value	Included above	
	Boiler and Machinery	07/01/2022-07/01/2023	Replacement Cost of Machinery & Equipment not covered elsewhere	Included above	
	Cyber Security	07/01/2022-07/01/2023	Per Loss / \$50,000	\$6,750	
	Excess Earthquake	07/01/2022-07/01/2023	Each Occur. \$5,000,000	\$27,000	
	Excess Flood	07/01/2022-07/01/2023	Each Occur. \$5,000,000	\$4,500	
	Travelers Casualty Ins Co of Amer	Crime	07/01/2022-07/01/2023	\$1,000,000	\$14,778
	ACE Group	Airport Liability	07/01/2022-07/01/2023	\$4,000,000 / \$4,000,000	\$3,039
	Wright National Flood Ins. Co.	Flood	10/23/2022-10/23/2023	\$250,000	\$832
SAIF Corporation	Workers' Compensation	07/01/2022-07/01/2023	\$1,000,000	\$208,444 *	
Safety National Casualty Corp.	Excess Workers' Compensation Bond	07/01/2022-07/01/2023	\$400,000	\$6,000	
Philadelphia Indemnity Ins Co	Volunteer Accident Ins	07/01/2022-07/01/2023	\$100,000 max medical expense	\$1,601	
ACE Group	Underground Storage Tank	07/01/2022-07/01/2023	\$2,000,000 / \$1,000,000	\$1,643	

* Estimated payroll

Statistical Information

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Administration	3.50	3.50	3.60	3.60	4.00	4.00	3.00	3.00	4.00	4.00
Human Resources	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Legal	2.16	2.16	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Information Technology	7.00	7.00	8.40	8.40	9.00	9.00	8.75	8.75	8.80	8.80
Finance	16.00	16.00	16.75	16.75	16.75	16.75	16.75	16.75	16.25	16.25
Municipal Court	4.41	4.41	3.57	3.57	4.07	4.07	4.15	4.15	4.15	4.15
City Recorder/Treasurer	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Police	35.00	35.00	39.50	39.50	40.00	40.00	36.75	36.75	36.75	36.75
Fire	35.00	35.50	37.00	37.00	37.40	37.40	37.60	37.60	34.75	34.75
Streets	8.10	8.10	8.53	8.53	8.35	8.35	10.70	10.70	10.70	10.70
Water	18.00	18.00	15.00	15.00	14.00	14.00	15.00	15.00	14.50	14.50
Wastewater	13.30	13.30	13.88	13.88	13.65	13.65	11.30	11.30	11.30	11.30
Public Works Administration	7.60	7.60	8.50	8.50	8.50	8.50	7.00	7.00	7.00	7.00
Engineering	5.50	5.50	7.60	7.60	7.00	7.00	7.00	7.00	7.00	7.00
Facilities Maintenance / Cemetery	4.75	4.75	4.25	4.25	5.50	5.50	5.50	5.50	4.00	4.00
Fleet Maintenance	5.75	5.75	6.25	6.25	5.00	5.00	4.00	4.00	4.80	4.80
Planning	9.30	9.30	10.90	10.90	10.90	10.90	9.00	9.00	9.00	9.00
Building	4.70	4.70	4.10	4.10	4.10	4.10	4.00	4.00	4.00	4.00
Electric	17.50	17.50	17.50	17.50	17.00	17.00	17.00	17.00	17.25	17.25
Telecommunication	6.00	6.50	5.50	5.50	5.50	5.50	5.75	5.75	5.70	5.70
Conservation	3.00	3.00	3.00	3.00	5.00	5.00	4.00	4.00	3.50	3.50
Subtotal	209.57	210.57	219.82	219.82	221.72	221.72	214.25	214.25	210.45	210.45
Parks	34.75	34.75	39.75	39.75	37.25	37.25	48.00	48.00	43.80	43.80
Total	244.32	245.32	259.57	259.57	258.97	258.97	262.25	262.25	254.25	254.25

Statistical Information

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police										
Physical arrests, juvenile and adult	1,027	635	1,068	1,448	2,056	2,439	2,083	2,042	2,591	2,509
Traffic violations	756	487	1,001	1,737	2,830	2,849	2,155	2,065	2,969	3,461
Fire										
Fire alarm responses	104	92	223	1,119	1,024	994	1,004	819	462	398
Emergency medical responses	4,171	3,669	3,337	2,779	2,776	2,873	2,900	2,718	3,144	3,098
Non-emergency public service responses	164	581	415	364	355	316	274	248	261	155
Fire & Life Safety code enforcements	328	624	1,299	600	616	746	486	507	499	404
Total calls for service	5,470	4,966	4,310	4,262	4,155	4,183	4,178	4,063	3,867	3,533
Total ambulance patient transports	3,239	2,749	2,341	1,967	2,016	2,069	1,972	1,942	1,895	1,600
Water										
Service connections	9,945	9,167	9,453	9,342	9,239	8,841	9,155	7,689	8,738	8,870
Daily average consumption in millions of gallons	3.43	2.84	2.80	3.00	3.00	3.00	2.70	4.10	3.00	2.90
Maximum daily capacity of plant in million gallons	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Sewer										
Service connections	8,867	8,670	8,787	8,551	8,426	8,440	8,394	8,414	8,308	8,295
Daily average treatment in million of gallons	2.17	2.10	2.10	2.10	2.10	2.15	2.20	2.20	2.40	2.25
Maximum daily capacity in millions of gallons	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Electric										
Service connections	12,424	12,402	13,505	13,249	13,205	12,817	11,864**	12,706	12,678	12,662
Telecommunications										
Cable TV	659	808	892	973	1,000	1,125	1,200	1,350	1,306	1,400
Cable modem	4,101	4,142	4,098	4,021	4,002	3,884	3,800	3,833	3,866	3,888
Potential station capacity	140	140	140	140	140	140	140	140	140	140

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

Statistical Information

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
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	28	29	29	30	32	28	28	28	28
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Firefighters	30	32	28	29	30	30	30	26	27	27
Streets¹										
Miles of paved streets	96.19	95.94	94.64	93.84	93.84	93.84	93	93	92	92
Miles of gravel streets	7.99	8.24	9.54	9.54	9.54	9.54	10	10	9	9
Miles of storm sewers	95.39	95.39	95.27	94.54	94.54	94.54	94	94	93	93
Water										
Miles of water mains	134.85	134.84	134.69	133.5	132.9	133	132	132.76	130	130
Hydrants	1292	1,290	1,288	1,281	1,269	1266	1263	1263	1267	1,266
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Sewer										
Miles of sanitary sewers	113.33	113.33	113.24	113	110	111.7	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

Statistical Information

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Electric										
Street lights	1,957	1,956	1,948	1,927	1,888	1,884	1,865	1,865	1,864	1,864
Electrical transformers	2,241	2,230	2,119	2,099	2,087	2,071	2,052	2,049	2,040	2,032
Poles	3,609	3,607	3,605	3,603	3,603	3,601	3,600	3,600	3,602	3,605
Substations	3	3	3	3	3	3	3	3	3	3
Telecommunications										
Miles of fiber	65	65	60	60	60	60	25	25	25	25
Miles of coax	125	125	119	119	119	119	119	119	119	119
Parks and Recreation										
Community centers	3	3	3	3	3	3	3	3	3	3
Parks	18	18	18	18	18	18	19	19	19	19
Park acreage	797	797	797	797	797	772		831	642	642
Golf courses	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Ice skating rinks	1	1	1	1	1	1	1	1	1	1
Skateboard parks	1	1	1	1	1	1	1	1	1	1
Tennis courts	7	7	7	11	12	12	12	12	12	12
Trails (miles)	8	8	8	48	48	48	48	41	40	29
Health Care										
Hospital	1	1	1	1	1	1	1	1	1	1
Hospital beds	49	49	49	49	49	49	49	49	49	49
Education										
Elementary schools	4	4	4	4	4	4	4	4	4	4
Secondary schools	2	2	2	2	2	2	2	2	2	2
State universities	1	1	1	1	1	1	1	1	1	1

**AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS**

Audit Comments and Disclosures Required by State Regulations

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

Report of Independent Auditors Required by Oregon State Regulations

To the Mayor and City Council
City of Ashland, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2023, 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 19, 2023.

Compliance

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

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

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

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

Internal Control Over Financial Reporting

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

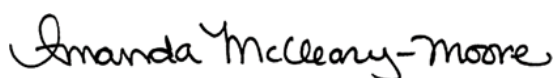
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination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

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

Purpose of this Report

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

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



Amanda-McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
December 19, 2023

**GOVERNMENT AUDITING STANDARD
COMPLIANCE REPORT**

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

To the Major and City Council
City of Ashland, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Ashland, Oregon (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Ashland, Oregon's basic financial statements, and have issued our report thereon dated December 19, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Medford, Oregon
December 19, 2023

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

To the Mayor and City Council
City of Ashland, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Ashland, Oregon's (the City)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

Medford, Oregon
December 19, 2023

Government Auditing Standard Compliance Report

**CITY OF ASHLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023**

Program Title	Federal Assistance Listing Number	Pass-Through Organization	Identifying Number	Year to Date Disbursements / Expenditures	Passed Through to Subrecipients
<u>US DEPARTMENT OF AGRICULTURE</u>					
Forest Service					
Cooperative Forestry Assistance	10.664	The Nature Conservancy	COA S&PF 20180123	\$ 3,811	\$ -
State & Private Forestry Cooperative Fire Assistance	10.698	Watershed Research and Training Center	428-23-5C	24,591	-
Total US Department of Agriculture				28,402	-
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
National Institutes of Health					
Environmental Health	93.113	Oregon State University	P0542G-B	17,211	-
Total US Department of Health and Human Services				17,211	-
<u>US DEPARTMENT OF HOMELAND SECURITY</u>					
Federal Emergency Management Agency					
Building Resilient Infrastructure and Communities	97.047	Oregon Office of Emergency Management	EMS-2020-PC-0005	270,468	-
Total US Department of Homeland Security				270,468	-
<u>US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>					
Community Development Block Grant (CDBG)- Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	14.218	Direct	B21MC410008	30,764	30,764
Community Development Block Grants/Entitlement Grants	14.218	Direct	B22MC410008	148,720	148,720
Community Development Block Grants/Entitlement Grants	14.218	Direct	B23MC410008	35,915	-
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	Direct	B20MW410008	39,593	39,593
Total CDBG - Entitlement Grants Cluster				254,992	219,077
Total US Department of Housing and Urban Development				254,992	219,077
<u>US DEPARTMENT OF INTERIOR</u>					
Bureau of Land Management					
BLM Fuels Management and Community Fire Assistance Program Activities	15.228	Direct	L21AC10045-00	10,033	-
Total US Department of Interior				10,033	-
<u>US DEPARTMENT OF JUSTICE</u>					
Office of Justice Programs					
Bulletproof Vest Partnership Program	16.607	Direct		5,554	-
Total US Department of Justice				5,554	-
<u>US DEPARTMENT OF TREASURY</u>					
Departmental Offices					
COVID-19 Coronavirus State Fiscal Recovery Funds	21.027	Oregon Business Development Department	SR2204	32,753	-
Total US Department of Treasury				32,753	-

See Notes to Schedule of Expenditures of Federal Awards

Government Auditing Standard Compliance Report

CITY OF ASHLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, CONTINUED
For the Year Ended June 30, 2023

US DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration					
COVID-19 Airport Improvement Program	20.106	Direct	3-41-0002-016-2022	47,885	-
Total Airport Improvement				<u>47,885</u>	<u>-</u>
National Highway Traffic Safety Administration					
State and Community Highway Safety	20.600	Oregon Impact	69A375203000040200RO	3,033	-
State and Community Highway Safety	20.600	ODOT Transportation Safety Office	OP-22-45-03 222	1,862	-
State and Community Highway Safety	20.600	ODOT Transportation Safety Office	OP-23-45-03-BBB	584	-
Total State and Community Highway Safety - ALN 20.600				<u>5,479</u>	<u>-</u>
National Priority Safety Programs					
National Priority Safety Programs	20.616	Oregon Impact	69A3752030000405DORM	451	-
National Priority Safety Programs	20.616	Oregon Impact	69A3752030000405DORM	2,003	-
National Priority Safety Programs	20.616	Oregon Impact	69A3752030000405EORC	1,878	-
National Priority Safety Programs	20.616	Oregon Impact	69A3752030000405EORC	752	-
Total National Priority Safety Programs - ALN 20.616				<u>5,084</u>	<u>-</u>
Total Highway Safety Cluster				<u>10,563</u>	<u>-</u>
Total of US Department of Transportation				<u>58,448</u>	<u>-</u>
US Environmental Protection Agency					
Drinking Water State Revolving Fund Cluster	66.468	Oregon Infrastructure Finance Authority	S16021	1,000,019	-
Total US Environmental Protection Agency				<u>1,000,019</u>	<u>-</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE				<u>\$ 1,677,880</u>	<u>\$ 219,077</u>

See Notes to Schedule of Expenditures of Federal Awards

Government Auditing Standard Compliance Report

CITY OF ASHLAND, OREGON
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. FEDERAL LOANS

The City was approved by the Environmental Protection Agency and the Oregon Infrastructure Financing Authority to receive a loan to improve its drinking water system. The balance of loan outstanding at the end of the period is \$4,700,759. This federal loan program is administered directly by the City, and balances and transactions relating to this program are included in the City's basic financial statements. Loans made during the year are included in the federal expenditures presented in the Schedule. Outstanding balances do not have continuing compliance requirements.

City of Ashland, Oregon
Schedule of Findings and Questioned Costs
For the Year June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

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

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

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

<i>Federal Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
66.468	Drinking Water State Revolving Fund Cluster	Unmodified

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

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

None reported