

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For year ended June 30, 2014



ASHLAND PARKS AND RECREATION COMMISSION

(A Component Unit of the City of Ashland, Oregon)

JACKSON COUNTY, OREGON

**ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON**

(A Component Unit of the City of Ashland, Oregon)

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended June 30, 2014**

Michael Black
Ashland Parks and Recreation Director
340 South Pioneer Street
Ashland, OR 97520

Prepared by:
City of Ashland
Administrative Services Department



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ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

INTRODUCTORY SECTION





October 27, 2014

To the Chair and Commissioners
of the Ashland Parks and Recreation Commission:

State law requires that all general-purpose governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Ashland Parks and Recreation Commission (the "Commission") for the fiscal year ended June 30, 2014.

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

The licensed and certified public accounting firm of Pauly, Rogers and Co., P.C. has audited the Commission's financial statements. The goal of the independent audit was to provide reasonable assurance that the Commission's financial statements for the fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by the Commission; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion the Commission's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that the Commission provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Commission's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

Turn of the century Ashland residents voted to establish the Ashland Parks and Recreation Commission (a component unit of the City of Ashland, Oregon) to provide a full range of parks and recreation services to the community. The Commission derives its authority from the City of Ashland's Charter, Articles XIX and XXII. The five-member Commission, elected by and directly responsible to Ashland's citizens, is responsible for the financing and administration of Ashland's parks and recreation system. The parks and recreation system includes approximately 180 acres of developed parkland and approximately 463 acres of undeveloped parkland, including a network of over 29 miles of maintained trails. Recreational facilities include a municipal golf course, four community centers, tennis courts, a swimming pool, and a seasonal ice rink.

The City Charter provides for a continuing millage levy dedicated to the care, maintenance, and development of Ashland's park system. Historically, the amount raised by the continuing millage levy changed as property tax values changed, but the millage rate remained constant. In 1997 a statewide ballot measure eliminated all existing special millage and serial levies incorporating these levies into the overall rate which could be levied citywide. The Commission and City Council have completed a Memorandum of Understanding (MOU) identifying each body's responsibilities for the delivery and administration of duties associated with Ashland Parks and Recreation.

The Commission operates under a commission-director form of government. The Commission is responsible for, among other things, adopting the annual budget, appointing the Parks Director, and setting Park policy. The Parks Director is responsible for carrying out the directives and policies of the Commission and overseeing the day-to-day operation of the Parks and Recreation Department.

The Commission maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council of the City of Ashland. The biennial budget serves as the foundation for the Commission's financial planning and control. The Parks Director develops a proposed Ashland Parks and Recreation budget every other year to present to the Commission. After review and gathering of public input, the Commission submits the proposed biennial budget to the City of Ashland for inclusion in the budget process. The City's Budget Committee holds public meetings before approving the budget and setting the property tax rate. City Council adoption of the budget for the following biennial year period must be done in a public hearing no later than June 30 every other year. The level of budgetary controls (i.e., the level at which expenditures cannot legally exceed the appropriated amounts) is established by function and activity within an individual fund. Appropriations are limited to each biennial year period. Therefore, all spending authority of the Commission lapses upon conclusion of the biennial period. Budget-to-actual comparisons are provided in this report for each of the three funds as part of the basic financial statements.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Commission operates.

Local economy: The Ashland area's major economic sectors: retail, service, education and tourism, support the relatively strong and stable local economy. Although, Ashland's population numbers dropped, based on the ten-year census numbers issued, we are seeing higher collections rates for property tax revenues.

Long-term financial planning: In 1990, Ashland's residents confirmed their commitment to parks and open space by passing a charter amendment that established an Open Space Plan and map. Working jointly with the Ashland City Council, the Commission has added approximately 400 acres of park and open space land to the City's inventory over the past 24 years.

The Commission is currently working on the development of an infrastructure inventory, to begin putting a long-term plan in place for upgrade and replacement or removal of current infrastructure that is deteriorating as a result of age or use.

Major initiatives: With the update of the food and beverage tax approval, the Commission has focused its efforts on updating and expanding its Capital Improvements Plan. New to the updated and voter-approved food and beverage tax are provisions that allow for major improvements to, or rehabilitation of, existing facilities under the management of the Commission. The result is Commission discussion occurring on the potential use of leveraging future funds to front load certain projects that would benefit the citizens of Ashland.

Relevant financial policies: Periodically, the Commission's ending fund balance exceeds its budgeted projections. This is usually the result of collection of more revenue than originally anticipated, expending less on services than originally anticipated, or a combination of both. Last year, the Commission and Council transferred some of the balance to the City operations account. The Commission and Council have completed a Memorandum of Understanding that redefines their relationship, including budgeting and management responsibilities. The Commission and Council are continuing to work on an incentive policy for the Ashland Parks and Recreation Department that encourages entrepreneurial opportunities.

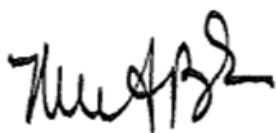
AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commission for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. This was the twenty-second consecutive year that the Commission achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Commission published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. I believe our current CAFR continues to meet the Certificate of Achievement Program's requirements and it is being submitted to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Ashland Parks and Recreation Department. I express my appreciation to all members of the Department who assisted and contributed to its preparation. I also thank the Commissioners for their interest and support in planning and conducting the financial operations of the Department in a responsible and progressive manner.

Respectfully submitted,



Michael A. Black, Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Ashland Parks and Recreation
Commission, Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

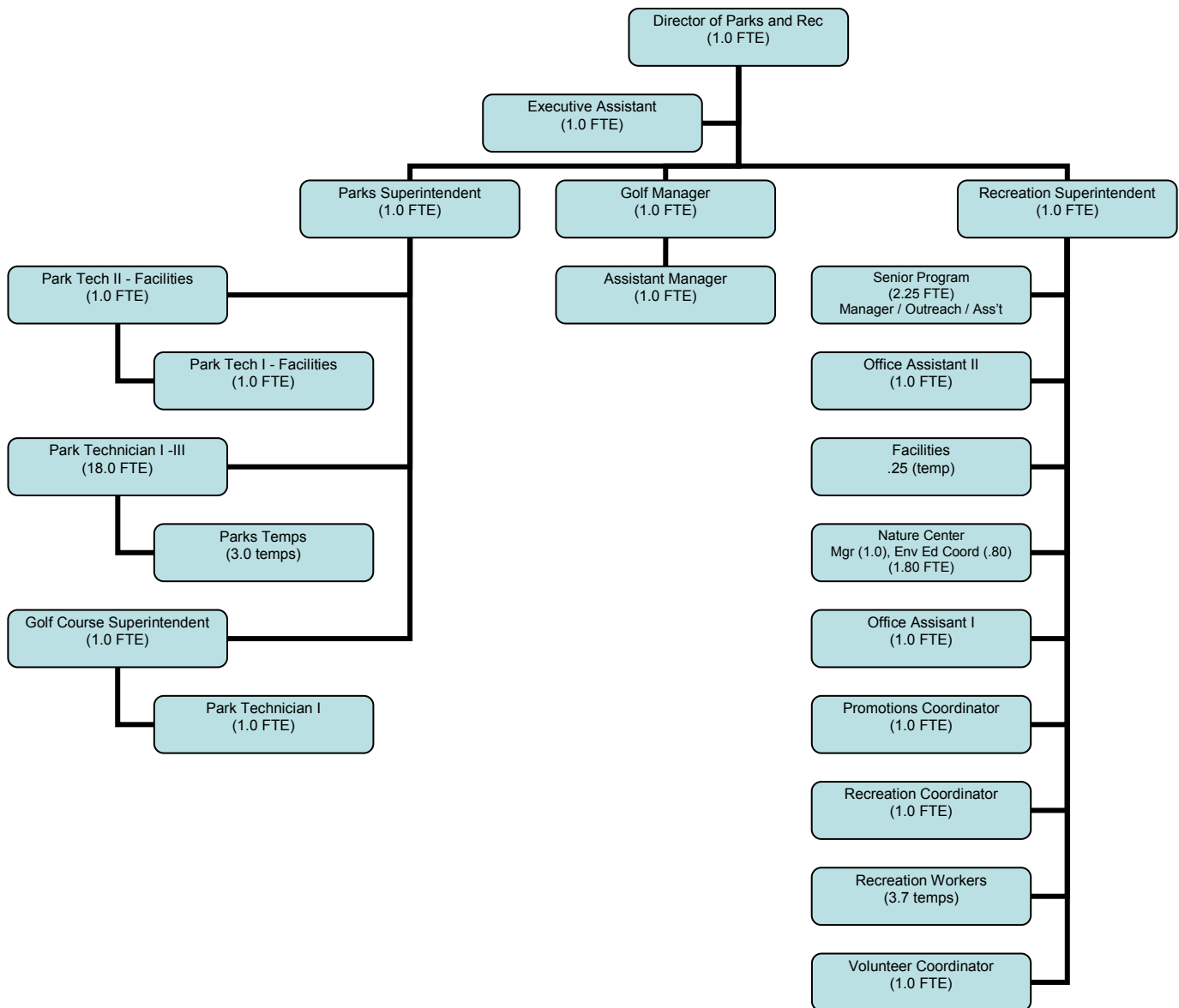
June 30, 2013

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is fluid and cursive.

Executive Director/CEO

ASHLAND PARKS AND RECREATION COMMISSION

43.8 FTE – FY 13-14



ASHLAND PARKS AND RECREATION DEPARTMENT
(A Component Unit of the City of Ashland, Oregon)
ELECTED OFFICIALS
as of June 30, 2014

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Stefani Seffinger 448 Taylor Street Ashland, OR 97520	Commissioner/Chair	December 2014
Rick Landt 468 Helman Street Ashland, OR 97520	Commissioner	December 2014
Jim Lewis 640 A Street Ashland, OR 97520	Commissioner	December 2016
Mike Gardiner 340 Orange Street Ashland, OR 97520	Commissioner	December 2014
Vanston Shaw 608 Drager Street Ashland, OR 97520	Commissioner	December 2016

Appointed Official

Don Robertson 3786 Windgate Medford OR 97504	Parks and Recreation Director (up to and including June 30, 2014)
Michael Black 711 W Amelia Drive Grants Pass, OR 97526	Parks and Recreation Director (appointed August 18, 2014)

ASHLAND PARKS AND RECREATION COMMISSION

340 S. PIONEER STREET • ASHLAND, OREGON 97520

COMMISSIONERS:

Mike Gardiner
Rick Landt
Jim Lewis
Stefani Seffinger
Vanston Shaw



Michael Black
Director

TEL: 541.488.5340
FAX: 541.488.5314
parksinfo@ashland.or.us

October 27, 2014

The City Council and
The Ashland Parks and Recreation Commission
City of Ashland, Oregon

The Municipal Audit Commission was established by the City Council to perform certain tasks relating to the annual audit. The Ashland Parks and Recreation Commission, a component unit of the City of Ashland, has delegated similar responsibilities to the Audit Commission for their annual audit process.

In fulfilling its responsibilities, the Commission participates in selecting the City's auditor on a regular basis. The Commission interviews qualified, independent certified public accountants and discusses the overall scope and specific plans for the audit. The Commission also recommends which municipally-certified individual or firm is to be engaged as the City's auditor by the City Council.

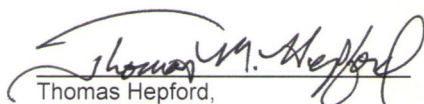
At the conclusion of the annual audit, the Commission meets with the City's auditor to discuss the results of their audit and their evaluation of the City and Parks financial reporting. The Commission also discusses the financial accounting and reporting processes with the City's auditor, including the preparation of the financial statements for the City and Parks Commission, safeguarding of assets and other resources against unauthorized acquisition, use or disposition, and other required accounting issues.

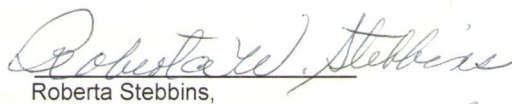
After receiving the annual reports and related documentation from the auditor and staff, evaluating the information, and considering the potential for changes, the Commission makes recommendations to both elected bodies on acceptance of the respective annual reports and changes deemed appropriate through the process.

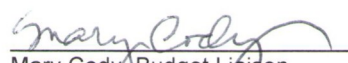
Based upon the above, we accept the 2013-2014 Parks and Recreation Comprehensive Annual Financial Report (CAFR) and the related audit reports of the independent certified public accountants for the City of Ashland and the Ashland Parks and Recreation Commission and recommend that the respective CAFR and auditor's reports be accepted by the Council and the Commission.


Respectfully submitted,


The Municipal Audit Commission


Thomas Hepford,
Member at Large


Roberta Stebbins,
Member at Large


Mary Cody, Budget Liaison
Representing Budget Committee


Carol Voisin,
City Council Liaison/Member


Barbara Christensen,
City Recorder/Treasurer
Ex-Officio Member

Home of Famous Lithia Park



ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

FINANCIAL SECTION





PAULY, ROGERS AND CO., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcocpas.com

September 24, 2014

To the Chair and Commissioners of the
Ashland Parks and Recreation Commission
City of Ashland, Oregon

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund, of Ashland Parks and Recreation Commission (a blended component unit of the City of Ashland), as of and for the year June 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund, of Ashland Parks and Recreation Commission, as of June 30, 2014, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have 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 records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary and other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated September 24, 2014, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.

Management's Discussion and Analysis

As management of the Ashland Parks and Recreation Commission, we offer readers of the Ashland Parks and Recreation Commission's financial statements this narrative overview and analysis of the financial activities of the Ashland Parks and Recreation Commission for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 9-11 of this report.

Financial Highlights

- The assets of the Ashland Parks and Recreation Commission exceeded its liabilities at the close of the most recent fiscal year by \$11,139,596 (net position).
- The Parks and Recreation Commission's total net position has decreased by \$282,356.
- At the close of the current fiscal year, the Ashland Parks and Recreation Commission's governmental funds reported combined ending fund balances of \$915,876, a decrease of \$1,255,189 from the prior fiscal year.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the Ashland Parks and Recreation Commission's basic financial statements. The Ashland Parks and Recreation Commission's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Ashland Parks and Recreation Commission's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Ashland Parks and Recreation Commission's assets and liabilities, with the difference between the two reported as net position.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the Ashland Parks and Recreation Commission that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Ashland Parks and Recreation Commission include general park operations, recreation, and golf course operation.

The government-wide financial statements can be found on pages 26 and 27 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

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

2014 financial section

The Ashland Parks and Recreation Commission maintains two individual governmental funds which are the General Fund and Capital Improvement Fund.

The Ashland Parks and Recreation Commission adopts an annual appropriated budget for its general fund. A budgetary statement has been provided for all funds, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28-31 of this report.

Notes to the basic financial statements. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-42 of this report.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Ashland Parks and Recreation Commission, assets exceeded liabilities by \$11,139,596 at the close of the most recent fiscal year.

Ashland Parks and Recreation Commission Net Position

	<u>June 30, 2014</u>	<u>June 30, 2013</u>	<u>Change</u>
Current and other assets	\$ 1,293,146	\$ 2,506,980	-48.4%
Capital assets	<u>10,478,922</u>	<u>9,527,217</u>	10.0%
Total assets	<u>11,772,068</u>	<u>12,034,197</u>	-2.2%
Long-term liabilities outstanding	255,202	276,330	-7.7%
Other liabilities	<u>377,269</u>	<u>335,915</u>	12.3%
Total liabilities	<u>632,471</u>	<u>612,245</u>	3.3%
Net Position			
Invested in capital assets, net of related debt	10,478,922	9,527,217	10.0%
Restricted		-	
Unassigned	<u>660,674</u>	<u>1,894,735</u>	-65.1%
Total net position	<u>\$ 11,139,596</u>	<u>\$ 11,421,952</u>	-2.5%

Ashland Parks and Recreation Commission's Net Position

At the end of the current fiscal year, the Ashland Parks and Recreation Commission is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its two separate governmental funds.

Governmental activities. Net Position has decreased by 2.5% from last year. Revenues are up 69.3% from last year, while expenses are down 3.5%.

**Ashland Parks and Recreation Commission
Change in Net Position
For the Year Ended June 30, 2014**

	June 30, 2014	June 30, 2013	Change
Revenues:			
Program revenues:			
Charges for services	\$ 1,578,123	\$ 932,235	69.3%
Operating grants and contributions	-	-	
General revenues:			
City of Ashland	3,959,833		N/A
Property taxes	-	4,082,108	-100.0%
Miscellaneous	53,234	67,690	-21.4%
Interest	7,934	16,133	-50.8%
Total revenues	5,599,124	5,098,166	9.8%
Expenses:			
Parks	4,372,964	4,515,960	-3.2%
Recreation	935,821	1,207,171	-22.5%
Golf course	572,695	371,911	54.0%
Total expenses	5,881,480	6,095,042	-3.5%
Increase in net position	(282,356)	(996,876)	-71.7%
Net position - Beginning	11,421,952	12,562,201	-9.1%
Prior Period - Adjustment		(143,373)	
Net position - Ending	\$11,139,596	\$11,421,952	-2.5%

Ashland Parks Commission's Changes in Net Position

Significant factors leading to the decrease in net position include:

- Charges for services increased due to payment of Food and Beverage Tax proceeds received by the City for capital projects.
- Recreation expenses are down primarily due to fewer projects in the last fiscal year.
- Golf's budgetary expenses are up from last fiscal year. This is mainly due to being fully staffed. Also, in the prior year there were project and equipment costs capitalized that reduced expenses.

Governmental Funds. As of the end of the current fiscal year, the Ashland Parks and Recreation Commission's governmental funds reported a combined ending fund balance of \$915,876, a decrease of \$1,255,188 from the prior fiscal year. This is consistent with a change in the fund balance policy to 12.5% which is more consistent with operating needs. A benefit of reducing the general fund ending fund balance policy from 25% to 12.5 % was to free up money to transfer to the CIP fund for projects.

The General Fund is the chief operating fund of the Ashland Parks and Recreation Commission. As of the end of the current fiscal year, the General Fund's unassigned fund balance was \$583,394, a decrease of \$1,200,039 from the prior year. The General Fund's balance represents 64% of the combined governmental funds balance.

2014 financial section

The Capital Projects Fund has a total fund balance of \$332,482, all of which is reserved for future capital projects and equipment replacement.

General Fund Budgetary Highlights

The Ashland Parks and Recreation Commission did not revise its budget during the first year of this biennium. The general fund is trending a little high at the end of the first biennium, this is due to an unanticipated retirement and more spending in the golf division.

Capital Asset and Debt Administration

Capital assets. The Ashland Parks and Recreation Commission's investment in capital assets for its governmental activity as of June 30, 2014, amounted to \$10,478,922 (net of accumulated depreciation.)

A major portion of the Ashland Parks and Recreation Commission's investment in capital assets include leasehold improvements of \$5,562,911 (net of accumulated depreciation) related to a long-term lease with the Oregon Shakespeare Festival Association. The detail is shown on page 50 of the Notes to the Basic Financial Statements section.

Long-term debt. At the end of the current fiscal year, the Ashland Parks and Recreation Commission had no long-term debt outstanding.

Requests for Information

This financial report is designed to provide a general overview of the Ashland Parks and Recreation Commission's finances for all those with an interest in the government's finances. Copies of this report may be obtained at:

Ashland Parks and Recreation
340 South Pioneer Street
Ashland, OR 97520

ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
STATEMENT OF NET POSITION
For the year ended June 30, 2014

	<u>Primary Government</u>
Assets:	
Cash and cash equivalents	\$ 1,193,676
Receivables:	
Accounts	99,470
Capital assets, net of Accumulated Depreciation	10,478,922
Total Assets	<u>11,772,068</u>
Liabilities:	
Accounts payable	232,706
Payroll Liabilities	144,563
Non-Current Liabilities:	
Due Within 1 Year:	
Vacation and Sick Payable	63,800
Due In More than 1 Year:	
Vacation and Sick Payable	191,402
Total Liabilities	<u>632,471</u>
Net Position	
Net investment in Capital Assets	10,478,922
Unrestricted:	660,674
Total Net Position	<u>\$ 11,139,596</u>

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

ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
STATEMENT OF ACTIVITIES
For the year ended June 30, 2014

Functions	Expenses	Function Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Service	Operating Grants and Contributions	
Parks	\$ 4,372,964	\$ 897,104	\$ -	\$ (3,475,860)
Recreation	935,821	384,331	-	(551,490)
Golf Course	572,695	296,688	-	(276,007)
Total Governmental Activities	<u>\$ 5,881,480</u>	<u>\$ 1,578,123</u>	<u>\$ -</u>	<u>\$ (4,303,357)</u>
General Revenues - From City of Ashland				\$ 3,959,833
Interest and Investment Earnings				7,934
Miscellaneous				53,234
Total General Revenues				<u>4,021,001</u>
Changes in Net Assets				(282,356)
Net Position - Beginning				<u>11,421,952</u>
Net Position - Ending				<u><u>\$ 11,139,596</u></u>

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

ASHLAND PARKS AND RECREATION COMMISSION

ASHLAND, OREGON

BALANCE SHEET

GOVERNMENTAL FUNDS

For the year ended June 30, 2014

	<u>General</u>	<u>Capital Improvement</u>	<u>Total Governmental Funds</u>
ASSETS			
Assets:			
Cash and Investments	\$ 868,944	\$ 324,732	\$ 1,193,676
Receivables:			
Accounts	74,847	24,623	99,470
Total Assets	<u>943,791</u>	<u>349,355</u>	<u>1,293,146</u>
LIABILITIES, AND EQUITY			
Liabilities:			
Accounts payable	215,834	16,873	232,707
Payroll Liabilities	144,563	-	144,563
Total Liabilities	<u>360,397</u>	<u>16,873</u>	<u>377,270</u>
Fund Balances:			
Committed for:			
Equipment Replacement	-	332,482	332,482
Unassigned:			
Unassigned	583,394	-	583,394
Total fund balances	<u>583,394</u>	<u>332,482</u>	<u>915,876</u>
Total liabilities and fund balances	<u>\$ 943,791</u>	<u>\$ 349,355</u>	<u>\$ 1,293,146</u>

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

**ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
For the year ended June 30, 2014**

Total Fund Balances - Governmental Funds	\$ 915,876
--	------------

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The statement of Net Assets includes those capital assets among the assets of the Commission as a whole.

Net Capital Assets	10,478,922
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Accrued Vacation Payable not accounted for in governmental funds	<u>(255,201)</u>
--	------------------

Net Position	<u><u>\$ 11,139,597</u></u>
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The accompanying notes are an integral part of the basic financial statements.

ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2014

	Governmental Fund Types		Total
	General	Capital Projects	Governmental Funds
Revenues:			
Intergovernmental	\$ -	\$ 724,634	\$ 724,634
Charges for Services	4,813,323	-	4,813,323
Interest on Investments	5,841	2,093	7,934
Miscellaneous	34,862	18,372	53,234
Total Revenues	4,854,026	745,099	5,599,125
Expenditures:			
Current:			
Parks	3,719,517	-	3,719,517
Recreation	1,207,579	-	1,207,579
Golf Course	524,969	-	524,969
Capital Outlay	-	1,402,249	1,402,249
Total Expenditures	5,452,065	1,402,249	6,854,314
Excess(Deficiency) of Revenues over Expenditures	(598,039)	(657,150)	(1,255,189)
Other financing sources (uses):			-
Transfers in	-	602,000	602,000
Transfers out	(602,000)	-	(602,000)
Total other financing sources (uses):	(602,000)	602,000	-
Net Change in Fund Balance	(1,200,039)	(55,150)	(1,255,189)
Fund Balance, July 1, 2013	1,783,433	387,632	2,171,065
Fund Balance, June 30, 2014	\$ 583,394	\$ 332,482	\$ 915,876

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

ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the year ended June 30, 2014

Total Net Changes in Fund Balances - Governmental Funds	\$	(1,255,189)
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Capital asset additions are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.

Capital Asset Additions	\$	1,468,476	
Capital Asset Deletions		(9,583)	
Depreciation Expense		(507,189)	
Depreciation Deletions		-	
			951,704

Change in compensated Absences is an expense on the Statement of Activities but it is not an expenditure to the governmental fund, unless matured.		21,129
--	--	--------

Change in Net Position of Governmental Activities	\$	(282,355)
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The accompanying notes are an integral part of the basic financial statements.



ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS



**ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON**

Notes to Basic Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Ashland Parks and Recreation Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (aka generally accepted accounting principles-GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant Parks and Recreation Commission accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

The Ashland Parks and Recreation Commission (the Commission) was created by vote of qualified electors of the City of Ashland, Oregon (the City), at a special election on December 15, 1908. The Commission presently operates under the charter of the City. Currently, the Commission has control of over 637 acres of park-designated lands, which includes 19 parks ranging in size from .33 to 270 acres and a network of over 29 miles of developed and maintained trails. The Commission also maintains and operates several athletic fields on property owned by Jackson County School District No. 5 and Southern Oregon University (SOU), under contractual agreements with District No. 5 and the State of Oregon. Five commissioners elected to serve four-year terms govern the Commission. The Commissioners serve without pay. The City charter also provides for an appointed director.

The basic financial statements include all financial activities, organizations, and functions for which the Commission is considered to be financially accountable and a financial benefit or burden exists. Financial accountability exists if the Commission appoints a voting majority of the component unit's board and the ability to impose will by the primary government. A financial burden/benefit exists between Parks and the City due to the fact that the City has access to most of the Parks resources, and that Parks doesn't have their own property tax levy, but instead gets an allocation of monies from the City to fund operations. The Commission has no component units, but is a blended component unit of the City and, as such, is included in the basic financial statements of the City as a blended component unit. Although the members of the Commission's governing board are elected by the voters, the Commission is fiscally dependent upon the City because, by state law and City charter, the Commission's budget and tax levy must be included as part of the City's. The City must also approve any debt issuance and has ultimate financial responsibility for the Commission.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of net position and Statement of Activities display information about the reporting government as a whole

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Commission's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Commission's general revenues.

The Commission reports all direct expenses by function in the Statement of Activities. Direct expenses are

those that are clearly identifiable with a function. Interest of general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as inter-fund activity and balances in the funds were eliminated or reclassified. Inter-fund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

FUND FINANCIAL STATEMENTS

The accounts of the Commission are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained in consistency with legal and managerial requirements.

GOVERNMENTAL FUND TYPES

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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 payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be measurable to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Commission reports the following major funds:

GENERAL FUND

This fund (also referred to as the Parks and Recreation Fund) accounts for all financial resources and expenditures of the Commission, except those required to be accounted for in another fund. The principal revenue sources are charges for services. Major expenditures are for personal services, operating supplies, maintenance, and supporting services related to the administrative functions of the Commission. The General Fund is also used to account for financial resources used for the operation and maintenance of the Oak Knoll Golf Course.

CAPITAL IMPROVEMENT FUND

The Parks Capital Improvement Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. Principal resources and revenues are inter-fund transfers, charges for services, and interest earnings.

C. BUDGET

As a component unit of the City, the budget of the Commission is included in the budget of the City. A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles.

The City begins its budget process early for the biennium budget with the establishment of the Budget Committee. Recommendations are developed through late winter, with the Budget Committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring, with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted. Appropriations are made and the tax levy is declared no later than June 30th.

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, operating transfers, and contingency for those funds with only one department or function at the levels of control established by resolution.

Expenditures cannot legally exceed the above appropriation levels, except in the case of grants that could not be estimated at the time of budget adoption. Appropriations lapse at the end of the biennium. Management may amend line items in the budget without Council approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Council approves them due to a need that exists that was not determined at the time the budget was adopted. Budget amounts shown in the Basic Financial Statements reflect the original budget and one appropriation transfer.

Expenditures of the various funds were within authorized appropriations.

D. ACCOUNTS RECEIVABLE

There is no allowance for bad debts based on historically low write offs.

E. CAPITAL ASSETS

Capital assets are recorded at the original or estimated cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The Commission defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life in excess of three years. Interest incurred during construction, maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	33 to 50 years
Public domain infrastructure	15 to 25 years
Vehicles, furniture, and equipment	5 to 15 years

F. RETIREMENT PLAN

Commission employees are participants in Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and are charged to expenditures as funded.

G. VESTED COMPENSATED ABSENCES

It is the Commission's policy to permit employees to accumulate earned unused vacation and sick pay benefits. There is a liability for unpaid accumulated sick leave. The Commission approved the following "at separation, for employees with accrued sick leave balances between 101 and 1000 hours, a transfer of equivalent funding to their HRA VEBA accounts." All unused vacation and sick pay are accrued when earned in the Government-wide Financial Statements.

H. ESTIMATES

In conformance to accounting principles generally accepted in the United States of America, management

is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenditures during the reporting period when preparing financial statements. Actual results could differ from those estimates.

I. LONG TERM DEBT

In the Government-wide Financial Statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the Fund Financial Statements, bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and are not deferred. The face amount of the debt issued, premiums received on debt issuances, and discounts are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. FUND EQUITY

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clear fund balance classifications that can be consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated funds were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned. The specific purposes for the restriction and commitments are shown on the face of the balance sheet.

- *Nonspendable fund balance* represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- *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 resolution by City of Ashland City Council.
- *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.
- *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.

K. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission does not have an item that qualifies for reporting in this category.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission does not have an item that qualifies for reporting in this category

2. CASH AND INVESTMENTS

State statutes govern the Commission's cash management policies. Statutes authorize the Commission to invest in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool (LGIP).

	2014
Petty Cash	\$ 550
City Investment Pool	1,193,126
Total	<u>\$ 1,193,676</u>

The City maintains a cash and investment pool that is used by all funds, including Commission funds. The Commission's cash and investments at June 30, 2014, consisted of the following:

INVESTMENTS

Policies officially adopted by the City's Board allows the entity to invest in: U.S. Treasury Obligations (Bills, notes and bonds), U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations, Bankers' Acceptances (BA's), Certificates of Deposit (Commercial Banks which have a branch in Oregon & Savings & Loan Associations which have a branch in Oregon), State & Local Government Securities, Commercial Paper (A1, AA,P1), State of Oregon Investment Pool, and Repurchase Transactions. The State Treasurer's investment policies are government by Oregon Revised Statutes and the Oregon Short-Term Fund Board (OSTFB). There were no known violations of legal or contractual provisions for deposits.

Investments are valued at fair value as required by GASB 31. As of June 30, 2014, the fair value of the position in the LGIP is 100% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

As of June 30, 2014, the Commission had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-59
State Treasurer's investment pool	<u>\$ 1,193,126</u>	<u>\$ 1,193,126</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,193,126</u>	<u>\$ 1,193,126</u>	<u>\$ -</u>	<u>\$ -</u>

Interest Rate Risk

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

2014 notes to basic financial statements

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

The City limits investment maturities as follows:

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

Credit Risk

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

Concentration of Credit Risk

To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the City's investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2014, the City was in compliance with all percentage restrictions.

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

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

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

3. CAPITAL ASSETS

The changes in capital assets for the 2013-2014 fiscal year are as follows:

	Balance June 30, 2013	Additions & Reclasses	Retirements & Reclasses	Balance June 30, 2014
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 9,583	\$ 658,442	\$ 9,583	\$ 658,442
Total capital assets, not being depreciated	\$ 9,583	\$ 658,442	\$ 9,583	\$ 658,442
Capital assets, being depreciated:				
Buildings	\$ 13,186,360	\$ 163,255	\$ -	\$ 13,349,615
Machinery and Equipment	1,132,707	359,769	-	1,492,476
Infrastructure	556,374	5,500	-	561,874
Vehicles	362,165	75,193	-	437,358
Furniture and Fixtures	1,240,227	206,317	-	1,446,544
Total capital assets, being depreciated	16,477,833	810,034	-	17,287,867
Less accumulated depreciation for:				
Buildings	5,001,119	294,852	-	5,295,971
Machinery and Equipment	699,186	105,676	-	804,862
Infrastructure	482,409	9,405	-	491,814
Vehicles	282,399	30,951	-	313,350
Furniture and Fixtures	495,085	66,305	-	561,390
Total accumulated depreciation	6,960,198	507,189	-	7,467,387
Total capital assets being depreciated, net	\$ 9,527,218	\$ 961,287	\$ 9,583	\$ 10,478,922

Depreciation Expense	
2014	
Parks	\$ 386,206
Recreation	68,062
Golf	52,921
Total	\$ 507,189

Depreciation expense for the year was charged to the following functions:

4. LONG-TERM DEBT

The General Fund is used to liquidate the compensated absences. The balances of the compensated absences

	June 30, 2013 Balance	Additions	Reductions	June 30, 2014 Balance	Due Within a Year
Governmental Activities:	\$ 276,330	\$ 255,201	\$ 276,330	\$ 255,202	\$ 63,800
Total Compensated Absences Payable	\$ 276,330	\$ 255,201	\$ 276,330	\$ 255,202	\$ 63,800

2014 notes to basic financial statements

accounts are as follows:

5. PENSION PLAN

Plan Description and Provisions:

As part of the City of Ashland, the Commission's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan, The State of Oregon Public Employees Retirement System (PERS) provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is an agent multiple-employer pension plan, administered by the Oregon Public Employees Retirement System. The Public Employees Retirement Board administers PERS under ORS Chapter 237. The Board has the authority to establish and amend the benefit provisions of the plans that participate in PERS to the respective employer entities. The Oregon Public Employees Retirement System 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, P.O. Box 23700, Tigard, Oregon 97281-3700.

Description of Funding Policy:

Plan members are required to contribute 6% of their annual covered salary. The Commission is required to contribute at an actuarially determined rate. In 2003, the Oregon Legislature revised PERS operations, including how benefits for existing and new employees are calculated and funded. The current rates are 13.35% and 11.63% for existing and new employees respectively of covered annual payroll. The Commission has "picked up" employee contributions at a rate of 6%, as allowed under ORS 237.075. The contribution requirement of plan members and their employers are established and may be amended by the PERS Retirement Board.

The Commission's Three Year Trend Information		
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
06/30/2014	\$ 391,382	100%
06/30/2013	339,747	100%
06/30/2012	316,117	100%

6. RISK MANAGEMENT

As a component unit of the City of Ashland, the Ashland Parks and Recreation Commission is included in the City's risk management program. The City directly manages the Commission's participation. The City is exposed to various risks of loss related to general liability, property, automobile, and workers' compensation. The City purchases its auto, property, and liability insurance from Citycounty Insurance Services, a member-owned trust. The City is self-insured for the first annual cumulative deductible of \$50,000 under its general liability insurance policy. Workers' compensation is self-insured for \$450,000 per occurrence for claims incurred; excess coverage above this retention limit is purchased from commercial insurers on a stop-loss basis. The Commission, and all participating City funds, pay contributions based on prior experience, exposure, insurance premiums, and administrative costs.

7. TRANSFERS

The purpose of the transfers were to fund deferred maintenance projects in the Capital Improvement Project fund.

Fund	Transfers	Transfers
	In	Out
General Fund	\$ -	\$ 602,000
Capital Projects Fund	602,000	-
Total	<u>\$ 602,000</u>	<u>\$ 602,000</u>

ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

Notes to the Required Supplementary Information - the basis of budgeting is the same
as GAAP



ASHLAND PARKS AND RECREATION COMMISSION

ASHLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

GENERAL FUND

For the year ended June 30, 2014

	FY 2013-14 Actual	Biennium Budget Amounts BN 2013-2015		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues:				
Charges for Services	\$ 4,813,323	\$ 10,649,633	\$ 10,649,633	\$ (5,836,310)
Interest on Investments	5,841	26,000	26,000	(20,159)
Miscellaneous	34,862	69,000	69,000	(34,138)
Total Revenues	<u>4,854,026</u>	<u>10,744,633</u>	<u>10,744,633</u>	<u>(5,890,607)</u>
Expenditures:				
Parks:				
Personal Services	2,160,812	4,141,330	4,141,330	1,980,518
Materials and Services	1,530,322	3,242,060	3,242,060	1,711,738
Capital Outlay	28,383	86,000	86,000	57,617
Total Parks	<u>3,719,517</u>	<u>7,469,390</u>	<u>7,469,390</u>	<u>(1) 3,749,873</u>
Recreation:				
Personal Services	944,136	1,976,580	1,976,580	1,032,444
Materials and Services	263,443	571,250	571,250	307,807
Total Recreation	<u>1,207,579</u>	<u>2,547,830</u>	<u>2,547,830</u>	<u>(1) 1,340,251</u>
Golf Course:				
Personal Services	353,879	711,280	711,280	357,401
Materials and Services	171,090	301,600	301,600	130,510
Total Golf Course	<u>524,969</u>	<u>1,012,880</u>	<u>1,012,880</u>	<u>(1) 487,911</u>
Contingency	-	100,000	100,000	(1) 100,000
Total Expenditures	<u>5,452,065</u>	<u>11,130,100</u>	<u>11,130,100</u>	<u>5,678,035</u>
Other financing sources (uses):				
Transfer Out	(602,000)	(922,000)	(922,000)	(320,000)
Total other financing sources (uses):	<u>(602,000)</u>	<u>(922,000)</u>	<u>(922,000)</u>	<u>(320,000)</u>
Net Change in Fund Balance	(1,200,039)	(1,307,467)	(1,307,467)	107,428
Fund Balance, July 1, 2013	<u>1,783,433</u>	<u>1,973,756</u>	<u>1,973,756</u>	<u>(190,323)</u>
Fund Balance, June 30, 2014	<u>\$ 583,394</u>	<u>\$ 666,289</u>	<u>\$ 666,289</u>	<u>\$ (82,895)</u>

(1) Appropriation Level



ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

SUPPLEMENTARY INFORMATION



ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
For the year ended June 30, 2014

	FY 2013-14	Biennium Budget Amounts		Variance with
	Actual	BN 2013-2015		Final Budget -
		Original	Final	Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 724,634	\$ 3,929,000	\$ 3,929,000	(3,204,366)
Charges for Services	-	59,000	59,000	(59,000)
Interest on Investments	2,093	4,100	4,100	(2,007)
Miscellaneous	18,372	-	-	18,372
Total Revenues	745,099	3,992,100	3,992,100	(3,247,001)
Expenditures:				
Capital Outlay	1,402,249	4,851,000	4,851,000	3,448,751
Total Parks	1,402,249	4,851,000	4,851,000	3,448,751
Total Expenditures	1,402,249	4,851,000	4,851,000	3,448,751
Net Change in Fund Balance	(657,150)	(858,900)	(858,900)	201,750
Other financing sources (uses):				
Transfer In	602,000	922,000	922,000	(320,000)
Total other financing sources (uses)	602,000	922,000	922,000	(320,000)
Net Change in Fund Balance	(55,150)	63,100	63,100	(118,250)
Fund Balance, July 1, 2013	387,632	239,032	239,032	148,600
Fund Balance, June 30, 2014	\$ 332,482	\$ 302,132	\$ 302,132	\$ 30,350

**ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
SCHEDULE OF CAPITAL ASSETS - BY SOURCES
For the year ended June 30, 2014**

Capital Assets:		
Buildings and improvements	\$	13,349,615
Equipment		1,492,476
Infrastructure		561,874
Vehicles		437,358
Furniture and fixtures		1,446,544
Construction in Process		658,442
		<u> </u>
Total capital assets	\$	<u><u>17,946,309</u></u>
Sources of Investment in Capital Assets:		
General Fund	\$	9,123,676
Shakespeare Festival		8,822,633
		<u> </u>
Total sources of investment in capital assets	\$	<u><u>17,946,309</u></u>
Sources of Investment in Capital Assets:		
General Fund - depreciation	\$	4,207,665
Shakespeare Festival- depreciation		3,259,722
		<u> </u>
Total sources of investment in capital assets	\$	<u><u>7,467,387</u></u>

ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
SCHEDULE OF CHANGES IN CAPITAL ASSETS - BY SOURCES
For the year ended June 30, 2014

	<u>Total</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Vehicles</u>	<u>Furniture and Fixtures</u>	<u>CIP</u>
Capital Assets, July 1, 2013	\$ 16,487,416	\$ 13,186,360	\$ 1,132,707	\$ 556,374	\$ 362,165	\$ 1,240,227	\$ 9,583
Additions:							
General Fund	1,468,476	163,255	359,769	5,500	75,193	206,317	658,442
Shakespeare							
Festival	-	-	-	-	-	-	-
	<u>1,468,476</u>	<u>163,255</u>	<u>359,769</u>	<u>5,500</u>	<u>75,193</u>	<u>206,317</u>	<u>658,442</u>
Deletions:							
General Fund	9,583	-	-	-	-	-	9,583
Shakespeare							
Festival	-	-	-	-	-	-	-
	<u>9,583</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,583</u>
Capital Assets, June 30, 2014	<u>\$ 17,946,309</u>	<u>\$ 13,349,615</u>	<u>\$ 1,492,476</u>	<u>\$ 561,874</u>	<u>\$ 437,358</u>	<u>\$ 1,446,544</u>	<u>\$ 658,442</u>

**ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
SCHEDULE OF CAPITAL ASSETS - BY FUNCTION AND ACTIVITY
For the year ended June 30, 2014**

Function and Activity	<u>Total</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Vehicles</u>	<u>Fixtures</u>	<u>CIP</u>
Parks and Recreation	<u>\$ 17,946,309</u>	<u>\$ 13,349,615</u>	<u>\$ 1,492,476</u>	<u>\$ 561,874</u>	<u>\$ 437,358</u>	<u>\$ 1,446,544</u>	<u>\$ 658,442</u>

ASHLAND PARKS AND RECREATION COMMISSION
ASHLAND, OREGON
SCHEDULE OF CHANGES IN CAPITAL ASSETS - BY FUNCTION AND ACTIVITY
For the year ended June 30, 2014

Function and Activity	Capital Assets July 1, 2013	Additions	Deletions	Capital Assets June 30, 2014
Parks and Recreation	\$ 16,487,416	\$ 1,468,476	\$ 9,583	\$ 17,946,309



ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

STATISTICAL SECTION



**ASHLAND PARKS AND RECREATION COMMISSION
STATISTICAL SECTION
(Unaudited)**

This part of the Ashland Parks and Recreation Commission 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.

	<u>Page</u>
Financial Trends	
These tables contain trend information that may assist the reader in assessing the Commission's current financial performance by placing it in historical perspective.	58-67
Revenue Capacity	
These tables contain information that may assist the reader is assessing the viability of the revenue sources.	68-72
Debt Capacity	
These tables present information that may assist the reader in analyzing the affordability of the Commission's current levels of outstanding debt and the Commission's ability to issue additional debt in the future.	73
Economic & Demographic Information	
These tables offer economic and demographic indicators that are commonly used for financial analysis and that can help the reader understand the Commission's present and ongoing financial status.	74-75
Operating Information	
These tables contain service and infrastructure indicators that can help the reader understand how the information in the Commission's financial statements relates to the services the Commission provides and the activities it performs.	76-82

Source:

Unless otherwise noted, the information in these tables is derived from the annual financial reports for the Ashland Parks Commission and the annual financial reports for the City of Ashland.

ASHLAND PARKS AND RECREATION COMMISSION
STATEMENT OF NET POSITION
For the last ten fiscal years

	2014	2013	2012	2011
ASSETS				
Cash and cash equivalents	\$ 1,193,676	\$ 2,416,468	\$ 2,829,756	\$ 2,855,465
Receivables:				
Interest				
Accounts	99,470	90,512	112,138	24,666
Taxes	-	-	370,792	382,865
Capital assets, net of Accumulated Depreciation	10,478,922	9,527,217	9,592,447	9,114,880
Total Assets	<u>11,772,068</u>	<u>12,034,197</u>	<u>12,905,133</u>	<u>12,377,876</u>
LIABILITIES:				
Accounts payable	232,706	216,013	131,911	163,169
Payroll Liabilities	144,563	119,902	116,978	92,725
Vacation Payable				
Noncurrent liabilities				
Due within one year	63,800	69,083	23,511	22,062
Due in more than one year	191,402	207,247	70,532	66,185
Total Liabilities	<u>632,471</u>	<u>612,245</u>	<u>342,932</u>	<u>344,141</u>
NET POSITION:				
Invested in capital assets, net of related debt	10,478,922	9,527,217	9,592,447	9,114,880
Restricted for: YAL	-	-	20,325	9,898
Unassigned	660,674	1,894,735	2,949,429	2,908,957
Total Net Position	<u>\$ 11,139,596</u>	<u>\$ 11,421,952</u>	<u>\$ 12,562,201</u>	<u>\$ 12,033,735</u>

ASHLAND PARKS AND RECREATION COMMISSION
STATEMENT OF NET POSITION
For the last ten fiscal years (continued)

2010	2009	2008	2007	2006	2005
\$ 2,210,964	\$ 1,824,579	\$ 1,796,482	\$ 1,409,665	\$ 1,874,507	\$ 2,066,200
				4,234	4,234
89,798	7,244	83,579	260,327	76,656	94,281
369,389	368,142	386,156	381,549	408,391	349,604
9,388,309	9,799,880	9,909,134	9,259,967	9,456,082	9,571,154
12,058,460	11,999,845	12,175,351	11,311,508	11,819,870	12,085,473
177,249	200,522	200,865	208,891	197,466	157,102
91,657	89,530	92,064	54,893	97,444	85,583
				-	81,820
27,076	27,898	23,410	21,259	22,995	512
81,228	83,694	70,229	63,778	68,984	-
377,210	401,644	386,568	348,821	386,889	325,017
9,388,309	9,799,880	9,909,134	9,259,967	9,456,082	9,570,642
2,292,941	1,798,320	1,879,647	1,702,720	1,976,899	2,189,814
\$ 11,681,250	\$ 11,598,200	\$ 11,788,781	\$ 10,962,687	\$ 11,432,981	\$ 11,760,456

ASHLAND PARKS AND RECREATION COMMISSION
CHANGE IN NET POSITION
For the last ten fiscal years

	2014	2013	2012	2011
Revenues:				
Program revenues:				
Charges for services	\$ 1,578,123	\$ 932,235	\$ 968,436	\$ 1,101,358
Operating grants and contributions	-	-	33,117	21,140
General revenues:				
City of Ashland	3,959,833			
Property taxes	-	4,082,108	4,349,737	4,210,320
Interest	7,934	16,133	20,698	16,096
Other	53,234	67,690	35,648	47,888
Total revenues	<u>5,599,124</u>	<u>5,098,166</u>	<u>5,407,636</u>	<u>5,396,802</u>
Expenses:				
Parks	4,372,964	4,515,960	3,363,614	3,557,166
Recreation	935,821	1,207,171	1,060,887	1,141,094
Golf course	572,695	371,911	454,669	346,057
Debt service	-	-	-	-
Total expenses	<u>5,881,480</u>	<u>6,095,042</u>	<u>4,879,170</u>	<u>5,044,317</u>
Increase (Decrease) in net assets	(282,356)	(996,876)	528,466	352,485
Net position - Beginning	11,421,952	12,562,201	12,033,735	11,681,250
Prior Period Adjustment		(143,373)		
Net position - Ending	<u>\$ 11,139,596</u>	<u>\$ 11,421,952</u>	<u>\$ 12,562,201</u>	<u>\$ 12,033,735</u>

ASHLAND PARKS AND RECREATION COMMISSION
CHANGE IN NET POSITION
For the last ten fiscal years (continued)

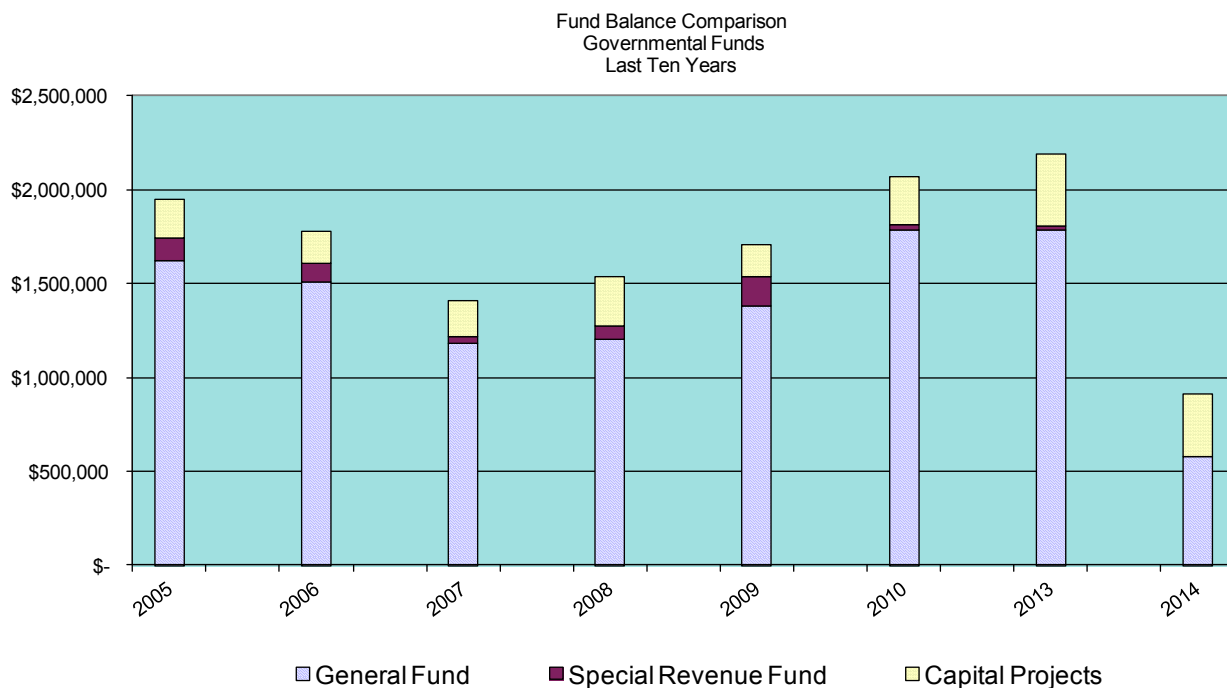
2010	2009	2008	2007	2006	2005
\$ 1,010,118 9,983	\$ 1,019,780 -	\$ 890,905 733,847	\$ 888,857 19,796	\$ 957,870 33,536	\$ 967,613 29,559
4,082,522	3,970,602	6,434,459	5,826,859	5,734,513	5,285,297
23,515	22,455	104,150	107,140	73,410	54,424
21,785	256,122	137,340	-	-	118,364
<u>5,147,923</u>	<u>5,268,959</u>	<u>8,300,701</u>	<u>6,842,652</u>	<u>6,799,329</u>	<u>6,455,257</u>
3,452,280	3,884,152	3,600,415	3,624,837	3,484,095	3,685,972
1,135,400	1,151,793	3,472,763	3,312,781	3,240,475	2,491,094
477,193	423,595	401,429	375,328	390,461	375,323
-	-	-	-	11,773	1,212
<u>5,064,873</u>	<u>5,459,540</u>	<u>7,474,607</u>	<u>7,312,946</u>	<u>7,126,804</u>	<u>6,553,601</u>
83,050	(190,581)	826,094	(470,294)	(327,475)	(98,344)
11,598,200	11,788,781	10,962,687	11,432,981	11,760,456	11,858,800
<u>\$ 11,681,250</u>	<u>\$ 11,598,200</u>	<u>\$ 11,788,781</u>	<u>\$ 10,962,687</u>	<u>\$ 11,432,981</u>	<u>\$ 11,760,456</u>

ASHLAND PARKS AND RECREATION COMMISSION

FUND BALANCES

For the last ten fiscal years

	2014	2013	2012	2011
General Fund				
Unassigned, reported in:				
General Fund	\$ 583,394	\$ 1,783,433	\$ 2,242,227	\$ 2,214,031
Total General Fund	<u>583,394</u>	<u>1,783,433</u>	<u>2,242,227</u>	<u>2,214,031</u>
Special Revenue Fund				
Restricted, reported in:				
Special revenue Funds	-	-	20,325	9,898
Total Special Revenue	<u>-</u>	<u>-</u>	<u>20,325</u>	<u>9,898</u>
Capital Projects				
Committed, reported in:				
Capital projects funds	332,482	387,632	449,132	432,867
Total Capital Projects	<u>332,482</u>	<u>387,632</u>	<u>449,132</u>	<u>432,867</u>
Total Governmental Funds	<u>\$ 915,876</u>	<u>\$ 2,171,065</u>	<u>\$ 2,711,684</u>	<u>\$ 2,656,796</u>



ASHLAND PARKS AND RECREATION COMMISSION
FUND BALANCES
For the last ten fiscal years (continued)

2010	2009	2008	2007	2006	2005
\$ 1,787,781	\$ 1,379,752	\$ 1,201,443	\$ 1,180,912	\$ 1,507,367	\$ 1,621,679
1,787,781	1,379,752	1,201,443	1,180,912	1,507,367	1,621,679
22,534	27,356	160,591	72,671	35,374	103,733
22,534	27,356	160,591	72,671	35,374	103,733
252,864	166,991	263,343	195,390	165,326	207,375
252,864	166,991	263,343	195,390	165,326	207,375
\$ 2,063,179	\$ 1,574,099	\$ 1,625,377	\$ 1,448,973	\$ 1,708,067	\$ 1,932,787

ASHLAND PARKS AND RECREATION
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENT FUNDS
For the last ten fiscal years

	2014	2013	2012	2011
REVENUES:				
Property Taxes:	\$ -	\$ 4,434,223	\$ 4,349,737	\$ 4,210,320
City of Ashland	3,959,833			
Intergovernmental Revenues	724,634	-	33,117	21,140
Charges for Services	853,490	932,235	968,436	1,101,358
Interest Revenue	7,934	16,133	20,698	16,096
Miscellaneous Revenue	53,234	67,690	35,648	47,888
Total Revenues	<u>5,599,125</u>	<u>5,450,281</u>	<u>5,407,636</u>	<u>5,396,802</u>
EXPENDITURES:				
Current:				
Parks	3,719,517	3,855,744	3,800,834	3,277,305
Recreation	1,207,579	1,184,863	1,032,591	1,080,917
Golf Course	524,969	419,249	414,374	281,834
Capital Outlay	1,402,249	531,044	104,949	163,129
Debt Service	-	-	-	-
Ratio of Debt Service to non capital expenditures	0.00%	0.00%	0.00%	0.00%
Total Expenditures	<u>6,854,314</u>	<u>5,990,900</u>	<u>5,352,748</u>	<u>4,803,185</u>
Excess of Revenues Over, (Under)				
Expenditures	(1,255,189)	(540,619)	54,888	593,617
Other Financing Sources, (Uses)				
Transfers In	602,000	370,325	-	-
Transfers Out	(602,000)	(370,325)	-	-
Total Other Financing Sources, (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	(1,255,189)	(540,619)	54,888	593,617
Fund Balance - Beginning of Year,	2,171,065	2,711,684	2,656,796	2,063,179
Prior Period Adjustment	-	-	-	-
Fund Balance - End of Year	<u>\$ 915,876</u>	<u>\$ 2,171,065</u>	<u>\$ 2,711,684</u>	<u>\$ 2,656,796</u>

ASHLAND PARKS AND RECREATION
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENT FUNDS
For the last ten fiscal years (continued)

2010	2009	2008	2007	2006	2005
\$ 4,082,522	\$ 3,982,698	\$ 6,425,334	\$ 5,848,886	\$ 5,683,452	\$ 5,320,346
9,983	-	79,026	118,097	128,536	94,310
1,010,118	1,019,781	811,879	747,933	814,550	875,613
23,515	22,455	104,150	107,140	73,410	54,424
21,785	256,122	137,340	42,623	48,320	70,581
5,147,923	5,281,056	7,557,729	6,864,679	6,748,268	6,415,274
3,121,588	3,487,474	3,460,324	3,454,492	3,202,140	3,408,058
1,081,399	1,315,635	3,426,125	3,156,750	3,195,195	2,454,099
437,285	370,199	361,825	357,650	348,104	340,716
18,571	159,026	133,051	154,881	273,460	242,130
-	-	-	-	12,285	18,735
0.00%	0.00%	0.00%	0.00%	0.18%	0.30%
4,658,843	5,332,334	7,381,325	7,123,773	7,031,184	6,463,738
489,080	(51,278)	176,404	(259,094)	(282,916)	(48,464)
-	-	110,000	80,000	125,000	50,000
-	-	(110,000)	(80,000)	(125,000)	(50,000)
-	-	-	-	-	-
489,080	(51,278)	176,404	(259,094)	(282,916)	(48,464)
1,574,099	1,625,377	1,448,973	1,708,067	1,932,787	1,981,251
-	-	-	-	(58,196)	-
\$ 2,063,179	\$ 1,574,099	\$ 1,625,377	\$ 1,448,973	\$ 1,708,067	\$ 1,932,787

ASHLAND PARKS AND RECREATION COMMISSION
ADOPTED AND ACTUAL FUND BALANCE
For the last ten fiscal years

	2014	2013	2012	2011
Fund Balances	Adopted	Adopted	Adopted	Adopted
Parks Component				
Parks and Recreation Fund	\$ 666,289	\$ 1,290,439	\$ 1,703,840	\$ 1,409,225
Youth Activities Levy Fund	-	-	-	-
Parks Capital Improvements Fund	302,132	242,067	193,504	167,739
Total Budget	968,421	1,532,506	1,897,344	1,576,964
For the Fiscal Year Ended June 30,	2014	2013	2012	2011
Fund Balances	Actual	Actual	Actual	Actual
Parks Component				
Parks and Recreation Fund	583,394	1,783,433	2,242,227	2,214,031
Youth Activities Levy Fund	-	-	20,325	9,898
Parks Capital Improvements Fund	332,482	387,632	449,132	432,867
Total Budget	\$ 915,876	\$ 2,171,065	\$ 2,711,684	\$ 2,656,796

ASHLAND PARKS AND RECREATION COMMISSION
ADOPTED AND ACTUAL FUND BALANCE
For the last ten fiscal years (continued)

2010 Adopted	2009 Adopted	2008 Adopted	2007 Adopted	2006 Adopted	2005 Adopted
\$ 1,450,910	\$ 1,190,614	\$ 877,245	\$ 667,250	\$ 993,667	\$ 965,822
10,591	-	216,893	-	125,306	2,166
287,239	107,590	26,926	44,866	112,569	169,965
1,748,740	1,298,204	1,121,064	712,116	1,231,542	1,137,953
2010 Actual	2009 Actual	2008 Actual	2007 Actual	2006 Actual	2005 Actual
1,787,781	1,379,752	1,201,443	1,180,912	1,507,367	1,621,679
22,534	27,356	160,591	72,671	35,374	103,733
252,864	166,991	263,343	195,390	165,326	207,375
\$ 2,063,179	\$ 1,574,099	\$ 1,625,377	\$ 1,448,973	\$ 1,708,067	\$ 1,932,787

ASHLAND PARKS AND RECREATION COMMISSION
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
For the last ten fiscal years - Unaudited

Fiscal Year Ended June 30	Real (1)	Mobile Home	Personal	Utilities	Total	Property Tax Rate	Taxable ratio (True Cash Value to Assessed)
2013-14	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012-13	\$ 2,079,286,927	\$ 6,060,300	\$ 36,739,550	\$ 26,166,700	\$ 2,148,253,477	2.09	73.3%
2011-12	2,055,111,118	6,318,010	40,939,090	26,290,929	2,128,659,147	2.09	67.7%
2010-11	2,000,563,826	5,956,110	41,057,580	24,422,710	2,072,000,226	2.09	61.0%
2009-10	1,937,303,620	5,881,825	40,133,110	24,860,300	2,008,178,855	2.09	53.0%
2008-09	1,871,896,544	5,744,350	44,282,840	21,243,990	1,943,167,724	2.09	48.4%
2007-08	1,802,639,910	5,762,080	44,536,050	22,372,000	1,875,310,040	3.47	46.9%
2006-07	1,700,020,579	5,498,040	40,468,280	20,509,400	1,766,496,299	3.47	46.6%
2005-06	1,610,148,502	5,301,570	38,820,610	20,344,260	1,674,614,942	3.47	51.3%
2004-05	\$ 1,524,210,039	\$ 5,108,410	\$ 38,419,400	\$ 27,532,841	\$ 1,595,270,690	3.47	65.1%

All property is evaluated once every six years as required by State Statute.

N/A: As of July 1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

Source: County Assessor tax roll property values.

ASHLAND PARKS AND RECREATION COMMISSION
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
For the last ten fiscal years - Unaudited

Fiscal Year	Parks Commission	Parks YAL	City of Ashland Permanent	City of Ashland Bonded Debt	City of Ashland Local Option Levies	City of Ashland Total Tax Rate	Net General Government Tax Rate	Net School Support Tax Rate	Total
2013-14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012-13	2.09	-	2.10	0.24	0.19	4.62	7.16	8.38	15.54
2011-12	2.09	-	2.10	0.24	0.19	4.63	7.18	8.38	15.56
2010-11	2.09	-	2.10	0.32	0.19	4.70	7.25	7.14	14.39
2009-10	2.09	-	2.10	0.20	0.19	4.59	7.17	7.14	14.31
2008-09	2.09	-	1.99	0.21	0.13	4.42	6.90	8.42	15.31
2007-08	2.09	1.38	1.85	0.20	0.20	5.72	8.12	6.90	15.01
2006-07	2.09	1.38	1.88	0.21	-	5.56	8.30	6.37	14.67
2005-06	2.09	1.38	1.62	0.16	-	5.26	8.01	6.28	14.29
2004-05	2.09	1.38	1.47	0.31	-	5.26	8.22	6.28	14.50

N/A: As of July 1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

(1) Oregon Measure 5 limited the effective tax rates of General Government and School Support after December 7, 1990. At the present time, only school support tax rates have been compressed and limited.

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

Source: Jackson County Assessor and Tax Collector

ASHLAND PARKS AND RECREATION COMMISSION
PROPERTY VALUE AND NEW CONSTRUCTION HISTORY
FOR THE CITY OF ASHLAND, OREGON
For the last ten fiscal years - Unaudited

Fiscal Year Ended June 30	Property Value (1)	Commercial Construction		Residential Construction	
		Number of Units	Value	Number of Units	Value
2013-14	N/A		N/A		N/A
2012-13	\$ 2,079,286,927	8	\$ 1,632,075	56	\$ 11,568,784
2011-12	2,148,253,477	10	34,221,808	33	6,123,270
2010-11	2,072,000,226	11	1,989,421	47	7,531,926
2009-10	2,008,178,855	4	611,406	89	14,985,434
2008-09	1,943,167,724	15	1,812,635	21	5,108,099
2007-08	1,875,310,040	23	16,269,379	82	8,258,031
2006-07	1,766,496,299	26	8,086,124	98	15,270,781
2005-06	1,674,614,942	19	20,988,810	160	24,336,944
2004-05	1,595,270,690	42	18,426,846	188	35,576,749

N/A: As of July1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

(1) Property value is assessed valuation

Sources: State of Oregon Department of Insurance and Finance,
Division of Finance and Corporate Securities

City of Ashland, Department of Community Development

Jackson County Assessor

ASHLAND PARKS AND RECREATION COMMISSION
PRINCIPAL PROPERTY TAX PAYERS
Current year 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%

Taxpayers	Type of Business	2005 Assessed Valuation	Percentage of Total Assessed Valuation
Qwest, Inc	Utility	\$ 18,347,700	1.01%
Windmill Inns of America, Inc.	Motels	9,494,780	0.60%
Ronald L. Deluca	Housing	7,732,200	0.48%
Mountain Meadows	Housing	5,979,500	0.37%
Avista Corp	Utility	5,164,000	0.37%
Financial Pacific, Inc	Housing	4,327,280	0.32%
Rydbom, Michael and Beverly	Retail	4,268,270	0.27%
Skylark Assisted Living	Housing	4,071,850	0.27%
Bard's Inn	Motels	3,986,320	0.26%
Summit Investment	Retail	3,649,510	0.25%
All other		1,528,249,280	95.80%
Total		\$ 1,595,270,690	100.00%

Source: Jackson County Assessor

**ASHLAND PARKS AND RECREATION COMMISSION
PROPERTY TAX LEVIES AND COLLECTIONS
For the last ten fiscal years - Unaudited**

Fiscal Year Ended June 30	Total Tax Levy (1)	Current Tax Collections	Percent of Levy Collected	Tax Collections (2)(3)	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Delinquent Taxes to Tax Levy
2013-14	N/A	N/A	N/A	N/A	N/A	N/A		
2012-13	4,566,229	4,290,892	94.0%	143,331	4,434,223	97.1%	\$ - **	
2011-12	4,444,689	4,150,020	93.4%	199,717	4,349,737	97.9%	370,792	8.3%
2010-11	4,303,634	4,033,202	93.7%	177,118	4,210,320	97.8%	382,865	8.9%
2009-10	4,188,739	3,876,127	92.5%	206,395	4,082,522	97.5%	369,388	8.8%
2008-09	4,082,000	3,769,727	92.4%	212,971	3,982,698	97.6%	368,142	9.0%
2007-08	6,437,000	6,120,830	95.1%	304,504	6,425,334	99.8%	386,155	6.0%
2006-07	6,116,000	5,655,058	92.5%	202,943	5,858,001	95.8%	381,549	6.2%
2005-06	5,825,000	5,113,995	87.8%	569,457	5,683,451	97.6%	408,392	7.0%
2004-05	5,542,457	5,122,235	92.4%	198,111	5,320,346	96.0%	371,735	6.7%

N/A: As of July 1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

**Note: The City of Ashland has retained the rights to taxes and receivables for FY 2013-2014 and the foreseeable future thus no receivable is recorded for Ashland Park Commission.

Sources: Basic financial statements; Ashland Parks and Recreation Commission financial records

ASHLAND PARKS AND RECREATION COMMISSION
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT - GENERAL OBLIGATION
BONDS

For the year ended June 30, 2014 - Unaudited

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to City</u>	<u>Amount Applicable to Parks</u>
Direct:			
Parks Commission	N/A	(1)	N/A
Overlapping:			
Jackson County	3,401,982	14.54%	494,648
School District #5	20,618,692	79.81%	16,455,778
Rogue Community College	2,870,525 (2)	14.54%	417,374
	<u>\$ 26,891,199</u>		<u>\$ 17,367,801</u>

(1) Excluding general obligation bonds reported in the Enterprise
Funds supported by non-tax revenue sources

(2) Net tax supported debt

Source: City of Ashland Financial Statements and Records
County Treasurer Statements of Bonded Indebtedness.

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

<u>2014</u>		
<u>Employer (1)</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>

Numbers not yet available

Total	0	0.00%
Estimated total city employment	9,000	

<u>2005</u>		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	750	8.96%
Oregon Shakespeare Festival	450	5.38%
Ashland Public Schools	429	5.13%
Ashland Community Hospital	425	5.08%
City of Ashland	269	3.21%
Subtotal	2,323	25.81%
Professional Tool Mfg. LLC	95	1.14%
Prestige Care (dba Linda Vista)	84	1.00%
Albertsons	71	0.85%
Ashland Springs Hotel	65	0.78%
Windmill Inn of Ashland	53	0.63%
Total	2,691	32.15%
Estimated total city employment	8,369	

Source: Ashland Chamber of Commerce

Note: Ashland Chamber of Commerce has changed their reporting method and now only tracks the top five employers in the city

ASHLAND PARKS AND RECREATION COMMISSION
DEMOGRAPHIC STATISTICS FOR THE CITY OF ASHLAND, OREGON
For the last ten fiscal years - Unaudited

Fiscal Year Ended June 30	Population (1)	Percentage Change	Per Capita Income (2)	School Enrollment (3)	Unemployment Rate Jackson Co. (2)
2013-14	20,366	0.20%	N/A	2,800	8.4%
2012-13	20,325	-5.29%	N/A	2,700	8.3%
2011-12	21,460	6.79%	N/A	2,720	8.3%
2010-11	20,095	-6.56%	N/A	2,737	11.9%
2009-10	21,505	0.09%	N/A	2,819	12.1%
2008-09	21,485	-1.44%	\$ 18,219	2,767	13.6%
2007-08	21,800	1.73%	19,770	2,846	6.7%
2006-07	21,430	2.63%	21,636	2,909	5.6%
2005-06	20,880	1.41%	22,079	2,915	5.7%
2004-05	20,590	0.78%	19,976	3,044	6.2%

Sources:

- (1) Center for Population and Research and Census,
Portland State University
- (2) State of Oregon Employment Division,
Department of Human Resources
- (3) Ashland School District

ASHLAND PARKS AND RECREATION COMMISSION
COMMISSION EMPLOYEE BY FUNCTION/PROGRAM (UNAUDITED)
For the last ten fiscal years

Function/Program	2014	2013	2012	2011
Parks Division				
Director	1.00	1.00	1.00	1.00
Parks Superintendent	1.00	1.00	1.00	1.00
Department Secretary	1.00	1.00	1.00	1.00
Lead Custodian	1.00	1.00	1.00	1.00
Custodian	1.00	1.00	1.00	1.00
Volunteer Coordinator	1.00	1.00	1.00	1.00
Park Worker				5.00
Park Technician I	12.20	12.20	12.20	6.00
Park Technician II	3.00	3.00	3.00	6.00
Park Technician III	3.00	3.00	3.00	2.00
Temps	3.00	3.00	3.00	3.00
Recreation Division				
Recreation Superintendent	1.00	1.00	1.00	1.00
Recreation Supervisor	-	-	-	-
CC/Recreation Facilities Manager	0.25	0.25	0.25	
Recreation Coordinator	1.00	1.00	1.00	1.00
Environmental Education Coordinator	1.80	1.80	1.80	2.00
Promotions Coordinator	1.00	1.00	1.00	1.00
Senior Program Director	1.00	1.00	1.00	0.80
Senior Center Specialist	0.70	0.70	0.70	0.80
Senior Center Info/Ref Specialist	0.55	0.55	0.55	0.35
Receptionist	1.00	1.00	1.00	0.00
Environmental Ed Assistant	1.00	1.00	1.00	2.00
Temps	3.70	3.70	3.70	3.70
Golf Division				
Golf Manager	1.00	1.00	1.00	1.00
Assistant Manager	0.80	0.80	0.80	
Greens Superintendent	1.00	1.00	1.00	1.00
Park Technician I	0.80	0.80	0.80	1.00
	<u>43.80</u>	<u>43.80</u>	<u>43.80</u>	<u>43.65</u>

ASHLAND PARKS AND RECREATION COMMISSION
COMMISSION EMPLOYEE BY FUNCTION/PROGRAM (UNAUDITED)
For the last ten fiscal years (continued)

2010	2009	2008	2007	2006	2005
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	2.00	2.00	2.00	1.00
5.00	8.00	8.00	8.00	8.00	9.00
5.00	6.00	6.00	5.00	5.00	5.00
7.00	7.00	7.00	8.00	8.00	8.00
4.00	5.00	5.00	5.00	5.00	5.00
3.00	6.70	6.70	6.70	6.70	6.70
1.00	1.00	1.00	1.00	1.00	1.00
-	-	-	-	-	-
1.00	1.00	1.00	1.00	1.00	1.00
1.00	2.00	2.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	1.60
1.00	1.00	1.00	-	-	-
0.80	0.80	0.80	0.80	0.80	-
0.80	0.70	0.70	0.70	0.70	-
0.35	0.35	0.35	0.25	0.25	-
0.00	1.00	1.00	1.00	1.00	1.00
2.00	1.00	1.00	1.00	1.00	1.60
3.70					
1.00					
1.00	1.00	1.00	1.00	1.00	1.00
1.00					
<u>45.65</u>	<u>48.55</u>	<u>49.55</u>	<u>47.45</u>	<u>47.45</u>	<u>45.90</u>

**ASHLAND PARKS AND RECREATION COMMISSION
OPERATING INDICATORS AND CAPTIAL ASSETS AND
INFRASTRUCTURE BY FUNCTION/PROGRAM
For the last ten fiscal years**

Function/Program	Actual 2014	Actual 2013	Actual 2012	Actual 2011
Forestry, Trails, and Natural Resources				
Acres treated/retreated for fuel reduction	166	166	142	98
Miles of trail maintained	29	29	29	29
Horticulture				
Trees maintained	5,058	5,058	5,000	5,000
Number of trees planted	58	58	40	40
Number of plants planted	11,093	11,093	15,250	15,250
Acres mowed- athletic area	46	46	46	46
Parks and Recreation Community Facilities				
Community Center Rentals	38%	42%	42%	38%
Pioneer Hall Rentals	28.00%	22.00%	17.00%	22.50%
Hunter Park usage	49%	21%	25%	21%
Lithia Park Reservations	4%	4%	3%	3%
The Grove usage	20.00%	11.00%	11.00%	10.50%
(% rented ov available rental hours)				
Aquatic Facilities				
Recreational swimmers	10,000 (est)	10,000	10,000 (est)	10,000 (est)
Lesson participants	317	275	282	286
Accidents per season	-	-	-	-
Number of seasonal employees	23*	14	13	17
Ice Rink Facilities				
Number of admissions	14500 (est)	14500 (est)	14,500	14,500
Accidents per season	1	1	-	-
Number of seasonal employees	14	12	10	10
Golf Division				
Total rounds of golf	17,859	17,916	17,528	16,820

*more staff hired to decrease overtime

** Includes punch card sales but not individual sales (157 punch cards sold).

ASHLAND PARKS AND RECREATION COMMISSION
OPERATING INDICATORS AND CAPITAL ASSETS AND
INFRASTRUCTURE BY FUNCTION/PROGRAM
For the last ten fiscal years (continued)

Actual 2010	Actual 2009	Actual 2008	Actual 2007	Actual 2006	Actual 2005
63	63	40	45	45	45
25	25	25	25	25	20
5,000	5,000	5,000	5,000	5,000	5,000
40	40	100	60	50	100
15,250	15,250	15,100	15,000	15,000	15,000
46	46	46	46	46	46
37%	290	300	267	139	97
20%	270	297	229	110	113
21%	88	70	60	20	17
7%	108	109	104	104	101
7.50%	31	50	35	20	41
10,500	10,500	11,000	12,100	12,200	12,150
475	475	500	603	576	642
-	-	-	-	-	-
19	19	14	17	17	17
14,850	1,500	11,500	12,400	12,299	12,500
-	-	-	1	-	-
10	6	9	10	10	10
18,093	12,209	17,159	19,623	20,964	20,253

ASHLAND PARKS AND RECREATION COMMISSION
MISCELLANEOUS STATISTICS
For the year ended June 30, 2014

Dedicated Park Land 640 Acres

Dedicated Park Sites: 19

Lithia Park
Greenway Park Property
Hunter Park
Garden Way Park
Clay Street Park
Sherwood Park
Triangle Park
YMCA City Park
Garfield Park
Glenwood Park
Bluebird Park
Railroad District Park
Water Street Park
Siskiyou Mountain Park
North Mountain Park
Oak Knoll Golf Course
Todd - Oredson Woods
Strawberry/Hald Property
Vogel Property

Number of Parks and Recreation Facilities

Community Centers	3
Swimming Pool	1
Tennis Courts	12
Playgrounds	10
Golf Course	1
Seasonal Ice Rink	1
Skateboard Facility	1
Trails	29 Miles

Number of Parks and Recreation Employees 37.10
(not including temporary or part time employees)

Usage Agreements:

The Ashland Parks and Recreation Commission has joint usage agreements with the Ashland School District for community/school park sites located at all the elementary schools in Ashland.

The Ashland Parks and Recreation Commission has a usage agreement with Southern Oregon University for usage of the North Campus Athletic Fields.

ASHLAND PARKS AND RECREATION COMMISSION
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION (1)
For the last ten fiscal years - Unaudited

Fiscal Year Ended June 30	Parks and Recreation	Capital Outlay	Debt Service	Total Expenditures
2013-14	\$ 5,452,065	\$ 1,402,249	\$ -	\$ 6,854,314
2012-13	5,459,855	531,044	-	5,990,899
2011-12	5,247,799	101,949	-	5,349,748
2010-11	4,633,591	94,830	-	4,728,421
2009-10	4,596,836	18,571	-	4,615,407
2008-09	5,173,308	159,026	-	5,332,334
2007-08	7,248,274	133,051	-	7,381,325
2006-07	6,968,892	154,881	-	7,123,773
2005-06	6,870,437	273,460	12,285	7,156,183
2004-05	6,202,873	242,130	18,735	6,463,738

(1) Includes General, Special Revenue and Capital Projects Funds

Sources: Basic financial statements; Ashland Parks
and Recreation Commission financial records

**ASHLAND PARKS AND RECREATION COMMISSION
GENERAL GOVERNMENT REVENUES BY SOURCE (1)
For the last ten fiscal years - Unaudited**

Fiscal Year Ended June 30	Property Taxes	City of Ashland	Intergovernmental	Charges for Services	Interest	Miscellaneous	Total Revenues
2013-14	\$ -	\$ 3,959,833	\$ -	\$ 1,578,123	\$ 7,934	\$ 53,234	\$ 5,599,124
2012-13	4,082,108	-	-	932,235	16,133	67,690	5,098,166
2011-12	4,349,737	33,117	33,117	968,436	20,698	35,648	5,407,636
2010-11	4,210,320	21,140	21,140	1,101,358	16,096	47,888	5,396,802
2009-10	4,082,522	9,983	9,983	1,010,118	17,639	21,785	5,142,047
2008-09	3,982,698	-	-	1,019,781	22,455	256,122	5,281,056
2007-08	6,425,334	79,026	79,026	811,879	104,150	137,340	7,636,755
2006-07	5,848,886	118,097	118,097	747,933	107,140	42,623	6,982,776
2005-06	5,683,451	128,536	128,536	909,550	73,410	48,320	6,971,803
2004-05	5,342,477	94,310	94,310	875,613	54,424	27,248	6,488,382

(1) Includes General, Special Revenue and Capital Projects Funds

Source: Basic financial statements; Ashland Parks
and Recreation Commission financial records

ASHLAND PARKS AND RECREATION COMMISSION
JACKSON COUNTY, OREGON

2013-14 AUDITORS' COMMENTS AND DISCLOSURES





PAULY, ROGERS AND CO., P.C.
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September 24, 2014

Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of the Ashland Parks and Recreation Commission as of and for the year ended June 30, 2012, and have issued our report thereon dated September 24, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Ashland Parks and Recreation Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. As such, 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:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the Ashland Parks and Recreation Commission was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

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

2014 auditors' comments and disclosures

This report is intended solely for the information and use of the Board of Commissioners/Council Members/Audit Committee Members and Management of Ashland Parks and Recreation Commission and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

A handwritten signature in black ink, appearing to read "Ken Allen", is positioned above the printed name.

Kenneth Allen, CPA
PAULY, ROGERS AND CO., P.C.