

CITY OF ASHLAND

ANNUAL COMPREHENSIVE FINANCIAL REPORT



ASHLANDOREGON.GOV



Courtesy Bob Palermmini



Courtesy Jeffrey McFarland



FOR THE FISCAL YEAR
Ended: June 30, 2025

CITY OF ASHLAND

STATE OF OREGON



Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2025

Prepared by the Finance Department

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INTRODUCTORY SECTION



November 26, 2025

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

I am pleased to provide the Annual Comprehensive Financial Report of the City of Ashland for the fiscal year ended June 30, 2025. This report is published annually as the official annual comprehensive financial report and complies with State statutes requiring the City of Ashland to issue an annual report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants licensed by the State of Oregon to conduct municipal audits.

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

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

PROFILE OF THE GOVERNMENT

The City, incorporated in 1874, is located in the southwest part of the state and currently has a land area of 6.65 square miles with a population of 21,579. It is a home-rule city and has all powers necessary or convenient for the conduct of its municipal affairs, including the power to levy a property tax on both real and personal property located within its boundaries. The City also has the power, by state statute, to extend its corporate limits by annexation within the state designated urban growth boundary, which is done periodically when deemed appropriate by the City Council.

Ashland operates under the Council-Manager form of government. Policymaking and legislative authority are vested in the Mayor and City Council. The governing Mayor and Council are responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and the City Attorney. The City Council consists of a mayor and six-member Council. The Mayor, who presides at the Council meetings, is elected at-large for a four-year term. Six Council members are elected at-large



for four-year staggered terms with three Council members elected every two years. Other elected officials are the Municipal Judge and the five-member Parks Commission, which also serves as the Recreation Commission.

The City Manager is charged with general oversight of all operational and management functions, except for those under the Ashland Parks and Recreation Commission. The City Manager is responsible for the appointment or dismissal of department heads (Fire Chief, Police Chief, Public Works Director, Community Development Director, Finance Director, Electric Director, and Human Resources Director). The Mayor, with confirmation of the City Council, appoints the City Manager, the City Attorney and the City boards and commissions except for the Budget Committee, which, by state law, is appointed by the full Council. The City Manager is responsible for carrying out the policies and ordinances of the City Council and overseeing the day-to-day operations of the City. Assisting City Council are seven standing advisory boards and committees and various ad hoc committees, which include relevant City staff. Together, citizens and staff make a valuable contribution to the City of Ashland by working together on shared goals and vision.

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

LOCAL ECONOMY

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

Ashland is also the home of Southern Oregon University, a public university with over 5,000 students and is the largest employer in the City. The combination of a robust cultural center and college town has made Ashland a destination for tourists but also those who choose to settle here for its great schools and community core. The City's current economic base depends primarily on higher education and tourism, with a consistently high level of small home-occupation businesses and several niche manufacturing businesses. In addition, the U.S. Fish and Wildlife National Forensics Laboratory is in Ashland. It is the only crime lab in the world dedicated entirely to wildlife and serves both the national and international communities.

In fiscal year ending June 30, 2025, Ashland saw a 1.3% increase from the previous year



in combined Transient Lodging and Food & Beverage Taxes. The City continues to work on economic diversification while also bolstering Tourism through strategic investments in its Visitor and Convention Bureau.

Ashland continues to review and evaluate ways that ensures its long-term fiscal health and continuity through its economic development initiatives, facilities optimization planning, efficiencies in service delivery, and effective, consistent security through police and fire.

LONG-TERM FINANCIAL PLANNING

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

Major financial decisions are made in the context of the six-year forecast. The financial planning process includes reviewing the needs for each operating fund as well as the City's capital project needs. The goal of the operating fund forecast is to assess the City's ability over the next six years to continue to effectively provide current service levels based on projected growth, meet goals set by Council, preserve the City's long term fiscal health, and to ensure financial reserve levels specified in the financial policies are maintained.

The City saw an increase in Enterprise Zones that received an exemption on their property taxes from \$43,072 to \$52,758. This typically happens due to specific circumstances such as new or remodeled property and equipment to encourage economic development. This has reduced the property tax the City will receive however will promote economic development in the future.

Capital project needs are based upon master plans, development agreements, input from applicable Commissions and Committees, and Council-directed improvements. The forecast serves as a tool to identify financial trends, potential shortfalls, and emerging issues so that the City can proactively address them.

MAJOR INITIATIVES

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

During the fiscal year, major initiatives included the following:

Manage for Excellence

- Conducted a City-wide Comp and Class Assessment of all City positions
- Conducted a City-wide DEI assessment
- Received a clean audit



- Appointed a new Judge to the municipal court
- Appointed a new City Manager
- Appointed a new City Attorney
- Appointed a new Parks Director

Livable Community

- Electric Utility has achieved exceptional electric reliability
- Rehabilitation work done on the Community Center and Pioneer Hall
- Completed the Wastewater Treatment Plant Outfall Relocation project
- Completed Ashland Street rehabilitation and installation of protected bike lanes and pedestrian safety improvements
- Made significant progress addressing State Climate Friendly and Equitable Communities objectives by eliminating parking requirements for developments allowing for more infill and supporting walkable and bikeable infrastructure

Risk Reduction

- Installed new evacuation zone signs throughout the City
- Brought back the School Resource Officer in partnership with Ashland School District
- Established a new police satellite office on Ashland Street and increased the Centralized Area Patrol program
- Continued collaboration with the Ashland School District and Southern Oregon University around emergency management led by the City's Emergency Management Coordinator
- Grew the single role emergency medical service program to continue to address the high call volume in the ambulance service area for which the City is responsible
- Responded to mass tree die off through an extensive tree thinning project involving 450 acres of helicopter work to remove dead and dying trees surrounding the community

Economic Development

- Awarded local businesses over \$97,906 in beautification grants.
- Supported 22 local events with over \$99,050 in grant funding.
- Supported Travel Ashland with \$517,000 for destination marketing
- Support Oregon Shakespeare Festival with \$100,000 for marketing.

Affordability

- Awarded \$140,000 in Childcare grants
- Implemented an Accessory Dwelling Unit program for pre-approved plans free of charge to Ashland property owners
- Completed the Electric Utility Master Plan

Invest in the Future



- Rolled out a new website
- Rolled out new agenda management software
- Rolled out new records request software
- Rolled out a new parks and recreation registration software
- Transitioned court prosecution to an electronic system
- Transitioned to a paperless system for police reporting and records
- Conducted software upgrades for all major systems
- Rolled out a new online map repository for all public facing maps, digital apps and GIS data
- Updated evaluation maps to include codes for all county zones near the City
- Conducted five ballot initiatives involving numerous charter changes and bond funding for the water treatment plant

AWARDS AND ACKNOWLEDGMENTS

The City of Ashland has been a long-time recipient of The Government Finance Officers Association of the United States and Canada (GFOA) award for Achievement for Excellence in Financial Reporting and received the award for the thirty-seventh time for the fiscal year ended June 30, 2024. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City believes that the current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements.

In addition, the City received the GFOA Award for Distinguished Budget Presentation for its biennial 2023-2025 budget. To qualify for the award, the City's budget document was judged to be proficient in several categories, including policy documentation, as an operational guide, as a financial plan, and as a communication device.

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

Respectfully submitted,

Sabrina Cotta

Sabrina Cotta
City Manager



Government Finance Officers Association

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

Presented to

**City of Ashland
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

City of Ashland City Officials as of June 30, 2025

Elected Officials

		<u>Term Expires December 31,</u>
Tonya Graham	Mayor	2028
Dylan Bloom	Council Member	2028
Jeff Dahle	Council Member	2026
Gina DuQuenne	Council Member	2028
Eric Hansen	Council Member	2026
Derek Sherrell	Council Member	2026
Bob Kaplan	Council Member	2026
Ryan Mulkins	Municipal Judge	2026

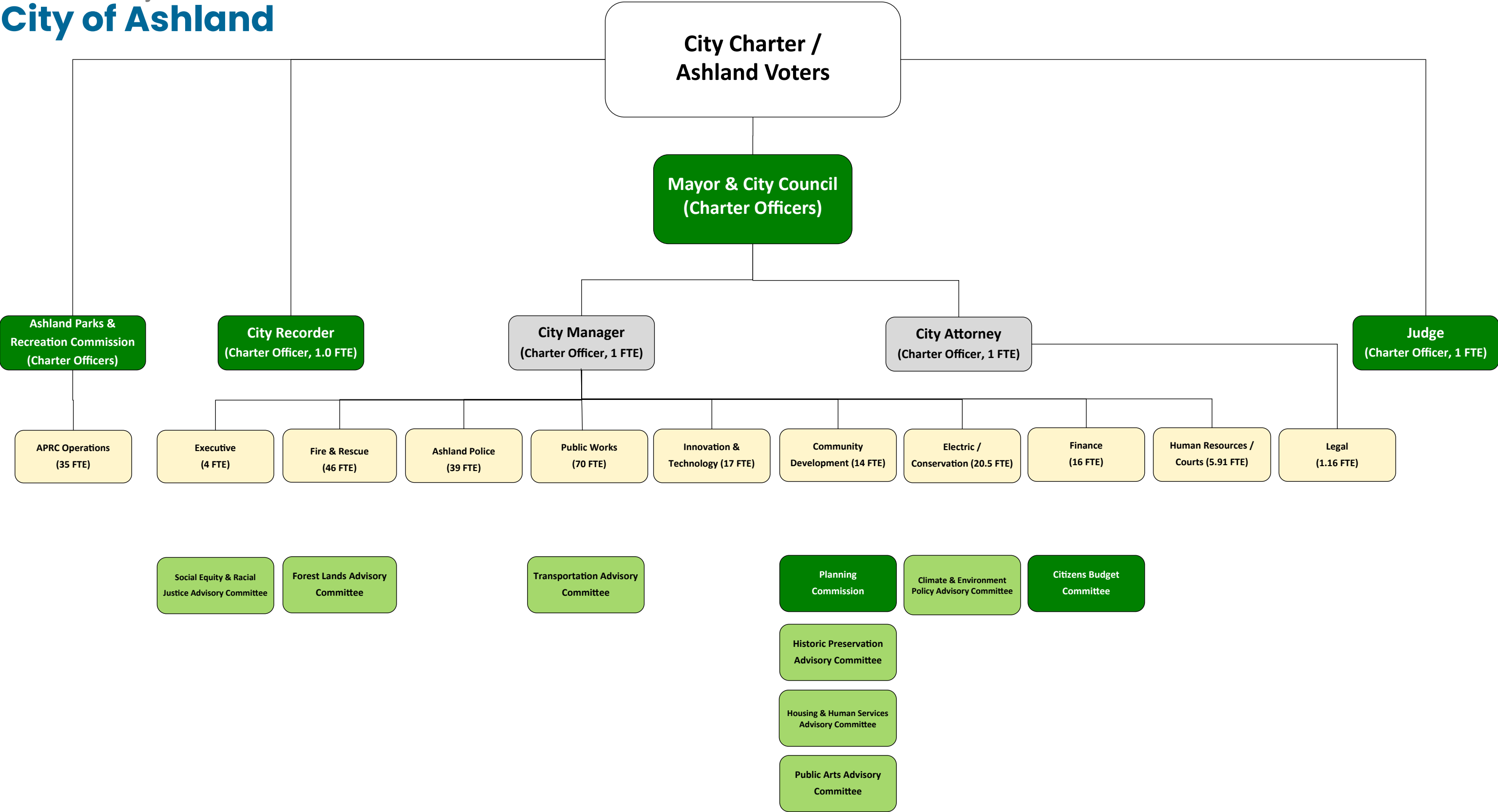
Appointed Officials

Sabrina Cotta	City Manager
Johan Pietila	City Attorney

Leadership Team

Jordan Rooklyn	Deputy City Manager
Bryn Morrison	Interim Finance Director
Rocky Houston	Parks & Recreation Director
Scott Fleury	Public Works Director
Brandon Goldman	Community Development Director
Tom McBartlett	Electric Utilities Director
Tighe O'Meara	Police Chief
Ralph Sartain	Fire Chief
Molly Taylor	Human Resources Director
Alissa Kolodzinski	City Recorder

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



Total FTE Count 272.57

Map of City of Ashland

**CITY OF
ASHLAND**



FINANCIAL SECTION

Report of Independent Auditors

The Mayor and City Council
City of Ashland, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, capital assets used in the operation of governmental funds by source, schedule of assets used in the operation of governmental funds by function and activity, and schedule of bond principal and bond interest transactions (collectively, supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated November 26, 2025, on our consideration of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.



Amanda Moore, Principal, for
Baker Tilly US, LLP
Medford, Oregon
November 26, 2025

CITY OF ASHLAND, OREGON Management Discussion and Analysis For the year ended June 30, 2025

The Management Discussion and Analysis section of the City of Ashland's Annual Comprehensive Financial Report (ACFR) provides an overview of the City's financial activities for the year ending June 30, 2025. The purpose is to highlight significant financial issues, major financial activities and resulting changes in the financial position and economic factors affecting the City. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the letter of transmittal, the City's financial statements and the accompanying notes following the financial information.

Financial Highlights

- Assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$180.9 million (net position). Of this amount, \$127.6 million is invested in capital assets, such as streets, land, and buildings. The remainder is primarily cash and investments, consisting of \$12.1 million that is non-expendable or restricted by legislation, capital projects, debt service, or donor intent.
- The City of Ashland's total net position increased by \$1.4 million over the prior year. The net position from Governmental Activities decreased by \$1.8 million while net position from Business-Type Activities increased by \$3.1 million.
- At the close of fiscal year 2025, the ending fund balances of the City's governmental funds totaled \$32.2 million, a decrease over fiscal year 2024.
- Government-wide outstanding debt was \$25.5 million at year end.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

Financial Section

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

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

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

Fund Financial Statements

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

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

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

The City of Ashland maintains fifteen individual governmental funds. The City has two major

Financial Section

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

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

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

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

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

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

Notes to the Financial Statements

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

Other Information

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

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

Government-wide Financial Analysis

Statement of Net Position

The Statement of Net Position can serve as a useful indicator of the City's financial position. The City of Ashland's total net position as of June 30, 2025, was \$180.9 million, which represents a \$1.4 million, or less than 1%, increase over fiscal year 2024. Following is a condensed version of the Government-wide Statement of Net Position (expressed in thousands of dollars):

City of Ashland's Net Position (in thousands of dollars)							Total Percentage Change 2025-2024
Governmental Activities		Business-type Activities		Total			
2025	2024	2025	2024	2025	2024		
Current and other assets	\$ 38,792	\$ 45,637	\$ 54,410	\$ 52,762	\$ 93,201	\$ 98,399	-5.3%
OPEB asset	559	417	0	88	559	505	10.7%
Capital assets, net of accumulated depreciation	80,894	78,157	72,343	71,553	153,237	149,709	2.4%
Total assets	120,244	124,211	126,753	124,402	246,997	248,613	-0.6%
Total deferred outflows of resources	12,954	9,759	3,225	2,612	16,179	12,371	30.8%
Current liabilities	4,352	6,600	3,724	3,518	8,076	10,118	-20.2%
Long-term liabilities	42,279	40,576	24,611	25,307	66,890	65,883	1.5%
Total liabilities	46,632	47,176	28,335	28,825	74,967	76,001	-1.4%
Total deferred inflows of resources	5,858	4,322	1,413	1,095	7,271	5,418	
Net Position:							
Net investment in capital assets	72,327	68,235	55,246	54,138	127,573	122,373	4.2%
Restricted	8,844	7,910	3,748	3,456	12,592	11,366	10.8%
Unrestricted surplus (deficit)	-463	6,326	41,236	39,499	40,773	45,825	-11.0%
Total net position	\$ 80,709	\$ 82,472	\$ 100,229	\$ 97,093	\$ 180,938	\$ 179,565	0.8%

The largest component of the City's total net position (\$127.6 million, or 70.6%) is net investment in capital assets (i.e., land, buildings, machinery, lease equipment, vehicles, and infrastructure less any related outstanding debt that was used to acquire those assets). The City uses these capital assets to provide a variety of services to the community.

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

The non-expendable and restricted component of the City's total net position (\$12.6 million, or 7.0%) represents resources that are subject to external restrictions on how they may be used. It includes resources that are restricted for capital projects (\$7.2 million), projects funded by grants (\$825,852), or debt (\$1.1 million). The remaining total net position balance of \$40.8 million, or 22.5%, is unrestricted and may be used to meet the City's ongoing obligations to the community and creditors.

Changes in Net Position

The Changes in Net Position table below illustrates the increase or decrease in the City's net position resulting from operating activities. Overall, the City's net position increased by \$1.4

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million, or less than 1%, over the prior year.

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

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2025-2024
	2025	2024	2025	2024	2025	2024	
Program revenues:							
Charges for services	\$ 20,695	\$ 22,141	\$ 35,024	\$ 35,995	\$ 55,719	\$ 58,136	-4.2%
Operating grants and contributions	2,587	6,639	978	1,237	3,565	7,876	-54.7%
Capital grants and contributions	371	317	0	975	371	1,292	-71.3%
General revenues:							
Property taxes	13,907	13,776	0	0	13,907	13,776	1.0%
Other taxes	10,345	10,717	0	0	10,345	10,717	-3.5%
Interest	1,607	1,862	1,839	1,723	3,447	3,585	-3.9%
Other	162	0	48	572	209	572	-63.4%
Total revenues	49,673	55,452	37,889	40,501	87,563	95,953	-8.7%
Program expenses:							
General government	14,437	15,069	0	0	14,437	15,069	-4.2%
Public safety	21,217	20,594	0	0	21,217	20,594	3.0%
Highways and streets	7,370	5,649	0	0	7,370	5,649	30.5%
Parks and Recreation	8,260	6,720	0	0	8,260	6,720	22.9%
Interest on long-term debt	203	131	0	0	203	131	55.6%
Water	0	0	7,176	6,924	7,176	6,924	3.7%
Wastewater	0	0	6,420	6,252	6,420	6,252	2.7%
Stormwater	0	0	781	984	781	984	-20.6%
Electric	0	0	17,557	16,292	17,557	16,292	7.8%
Telecommunications	0	0	2,769	2,812	2,769	2,812	-1.5%
Total expenses	51,486	48,162	34,703	33,263	86,190	81,425	5.9%
Increase (decrease) in net position before transfers and disposals	-1,813	7,289	3,186	7,238	1,373	14,528	-90.5%
Interfund transfer	50	50	-50	-50	0	0	N/A
Increase (decrease) in net position Transfer	-1,763	7,339	3,136	7,188	1,373	14,528	-90.5%
Net position - Beginning	82,472	75,132	97,093	89,905	179,565	165,038	8.8%
Net position - Ending	\$ 80,709	\$ 82,472	\$ 100,229	\$ 97,093	\$ 180,938	\$ 179,565	0.8%

Governmental Activities

The net position for governmental activities decreased by \$1.8 million, or 2.2%, in fiscal year 2025. Key changes from the prior year are as follows:

- Total assets and deferred outflows from governmental activities decreased by \$772,000 million, or .5%.
 - The internal services allocation, which is subtracted from assets, was \$1.3 million more than it was in fiscal year 2024. This is due to increasing costs for Personnel Services due to increased staffing and cost of living adjustments and Materials and Services.

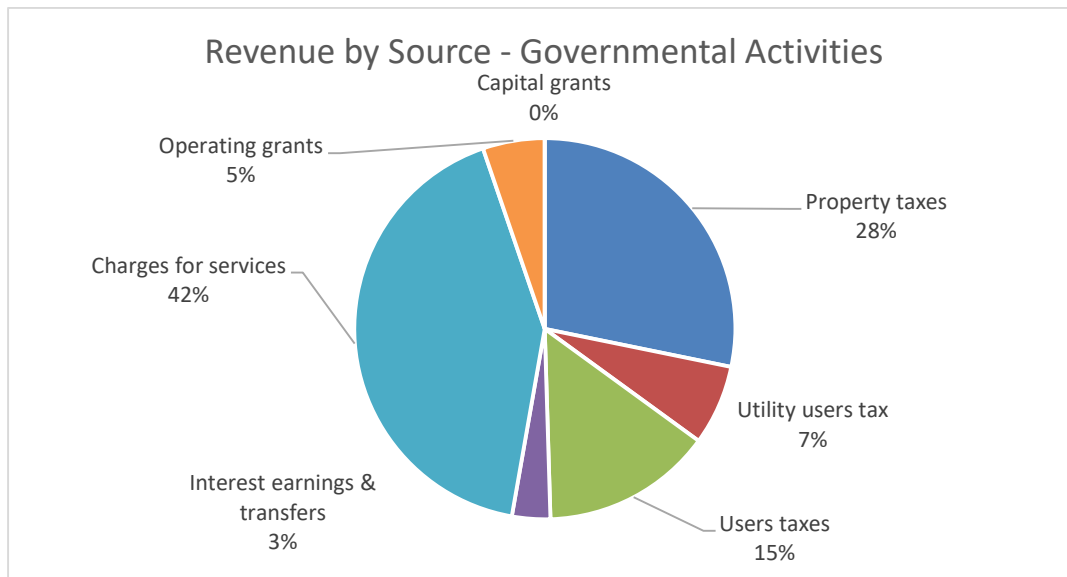
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- Total receivables decreased by \$2.7 million, or 27%, primarily from grant receivables, which decreased by \$2.5 million, or 87.5%.
- Capital assets, net of depreciation and amortization, increased by \$2.7 million, or 7.5%. This is due to a new lease for a facility for the Finance Department and increases to our machinery and infrastructure.
- Total liabilities and deferred inflows from governmental activities increased by \$1 million, or 2%.
 - The City's pension liability increased by \$827,884, or 3% See Note IV C in the Notes to the Financial Statements for additional information.
 - Long-term debt from loans decreased by \$1.2 million, or 12.7%. See Note III E in the Notes to the Financial Statements for additional information.
 - Deferred inflows from pensions increased by \$1.8 million, or 50.1%. See Note IV C in the Notes to the Financial Statements for additional information.
- Total revenues decreased by \$5.8 million, or 10.4%.
 - Total tax revenue decreased by \$241,000, or 1%. Property tax revenue increased by \$131,000, or 1%, and tax revenue from other taxes decreased by \$255,000, or 3.5%. The Utility Users Tax is based on 25% of the Electric sales therefore the decrease in sales reflects in the tax received.
 - Interest revenue decreased by \$255,000, or 13.7%. Interest earnings were much higher than normal due to the market in the previous year and this year was less, but still historically higher than normal.
 - Program revenues decreased by \$5.4 million, or 18.6%, due to a \$1.4 million, or 6.5%, decrease in charges for services and a \$405,000, or 39% decrease in operating grants and contributions. The largest decrease, compared to the prior year, was in the Airport Fund for grants for Taxiway Rehabilitation.
- Total expenses increased by \$3.3 million, or 6.9% primarily due to a \$623,000, or 3%, increase in expenses for public safety, a \$1.7 million, or 69.5%, increase in highways and streets expenses, and a \$1.2 million, or 17.5%, increase in expenses for parks and recreation. The larger increases in expense for highways and streets and parks are attributable to capital projects.

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

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Revenues by Source – Governmental Activities



Program Expense vs Program Revenue – Governmental Activities



Business-type Activities

Business-type activities which are associated with the City's utilities, had an increase in net position of \$3.1 million, or 3.2%, over the prior year, primarily due to a decrease in utility receivables, which had increased since the COVID pandemic. \$2.7 in receivables were reduced with the allowance for doubtful accounts. The allowance for doubtful accounts is an accounting estimate that reflects the portion of accounts receivable that a company expects will not be collected. This accounting practice helps provide a more accurate picture of the financial health by anticipating potential losses from uncollectible accounts before they occur. In fiscal year 2025, the City recognized a \$424,447 allowance for doubtful accounts across governmental funds and a \$2,288,626 across the business-type funds.

The net position of the **Water Fund** increased by \$3.3 million, or 8.4% over the prior fiscal year, due to net operating income of \$1.9 million, and interest earnings of \$878,000. This is primarily

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due to an increase in the Capital assets within the fund due to increased infrastructure and a decrease in revenue debt payable due to debt service payments. Water rates did not change during the year.

The increase in the net position of the **Wastewater Fund** was a nominal \$284,000, or less than 1%, in fiscal year 2025. This is primarily due to the reconciliation of the SDC Wastewater Fund balance. Wastewater rates did not change during the year.

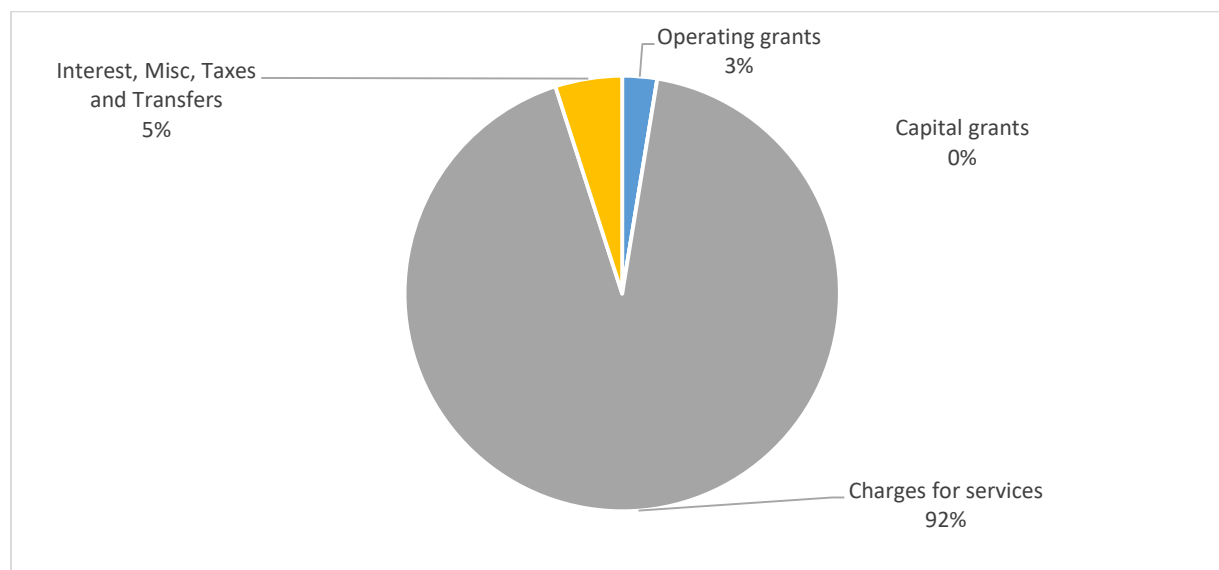
The net position of the **Stormwater Fund** increased by a nominal \$88,000, or 4.2%, during fiscal year 2025 primarily due to net operating income. Stormwater rates did not change during the year.

The net position of the **Electric Fund** decreased by \$1.7 million, or 13%, primarily due to a decrease in net operating income for the allowance of doubtful accounts. Electric rates did not change during the year.

The net position of the **Telecommunication Fund** decreased nominally during fiscal year 2025, by just \$60,000, or 2.2%. Telecommunication rates did not change during the year.

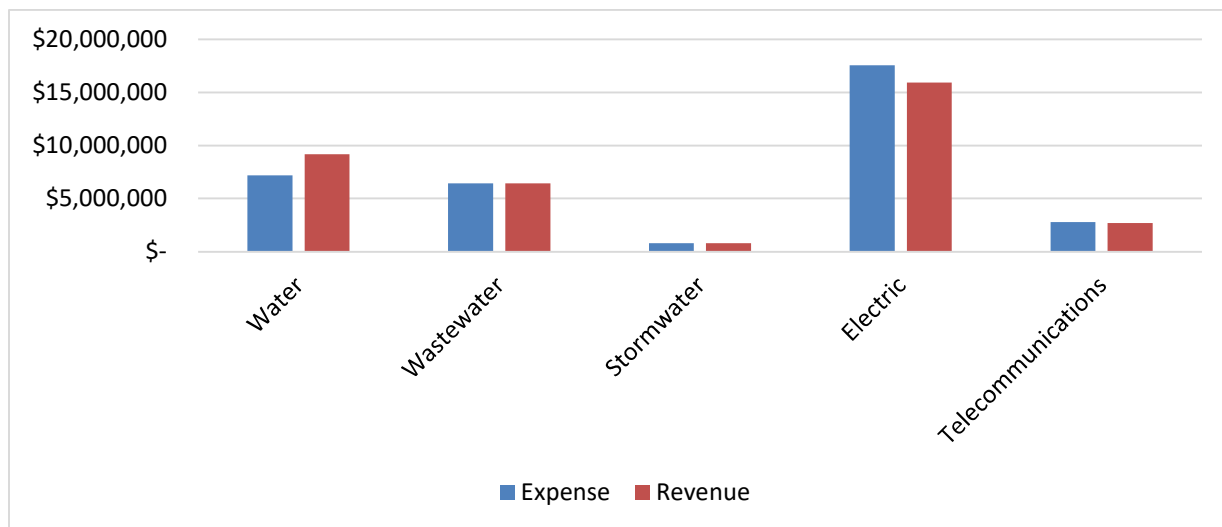
The net position of the **Electric Fund** decreased by \$1.7 million, or 13%, primarily due to a decrease in net operating income for the allowance of doubtful accounts. Electric rates did not change during the year.

Revenues by Source – Business-Type Activities



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Program Expense vs Program Revenue – Business-Type Activities



Financial Analysis of the Government's Funds

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

Governmental Funds

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

At the end of the current year, the City's combined ending governmental fund balance was \$32.2 million, which represents a decrease of \$3 million or 8.5%, from the prior year. The decrease is due to the following:

- Less Intergovernmental Revenue for grants for the Airport Fund
- Less proceeds from Debt Issuance for the Street Fund for the Ashland Street Overlay project
- Less Capital Outlay due to the completion of the Taxiway Rehabilitation project.
- Less Capital Outlay due to the completion of the Ashland Street Overlay project.
- Less Capital Outlay due to a one-time expense for the purchase of property for a winter shelter.
- Less Transfers Out due to the dissolution of the Parks General Fund, Parks Equipment Fund, and the Health Benefits Fund.

Of the total ending fund balance, over \$8.5 million is nonexpendable or restricted and subject to an external legal constraint as follows:

- \$995,000 is held for the City's Cemetery Trust Fund
- \$826,000 is grant revenue that is restricted in use.
- \$41,000 is from asset seizures and is restricted for drug use intervention.

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- \$923,000 is from lodging tax and is restricted to promote tourism.
- \$540,000 is from Opioid Remediation
- \$430,000 is restricted for airport activities.
- \$1.1 million is restricted for payment of debt.
- \$3.4 million is from system development charges and is restricted in use for capital improvements.
- \$22,000 is from donations restricted by donor intent.

The committed fund balance contains amounts that can be used for specific purposes determined by formal action of the City Council. Of the total ending fund balance, \$8.4 million is committed to street, park, housing, capital projects, public art and parking.

The unassigned balance of \$15.4 million in the General Fund consists of amounts not otherwise classified such as revenue stabilization, cost of living adjustment, and working capital. Technically, these funds are unrestricted, which means they are available for spending at the City's discretion. A significant portion of the unassigned balance is budgeted to fund one-time costs, carryovers, and contingencies.

Major Governmental Funds

The **General Fund** is the primary operating fund of the City, through which all receipts and payments of ordinary City operations are processed unless they are required to be accounted for in another fund. At the end of fiscal year 2025, the fund balance of the General Fund (including Reserve funds) was \$17.4 million, which represents a decrease over the prior year of \$2.7 million, or 13.5%.

General Fund revenues decreased by \$1.3 million, or 3.1%, over the prior year primarily due to the net effect of the following:

- Tax revenue increased by \$317,000, or 1.3%, mainly from property tax which is based on assessed value, which increased by \$131,000, or 1.0%. Franchise fees increased by \$300,000, or 7.6% due to a new fee assessed to the Ashland Fiber Network. These were offset by a decrease in electric users tax due to the allowance for doubtful utility accounts, which decreased by \$203,000, or 5.7%. The electric users tax is calculated as 25% of the electric sales.
- Permitting revenue is cyclical and varies from year to year. In fiscal year 2025 the City received \$438,000, or 26.6%, less in permitting related revenue than it did the prior year due to a decrease in building permit activity and the timing of housing starts and commercial development.
- The General Fund received \$201,000, or 26.8%, less in state shared revenues primarily due to a reduction in Liquor sales, \$373,000, or 37.6%, less in grant revenues for our Fire Department, and \$34,000 in Opioid Settlement Revenue in new revenue.
- High short-term interest rates and prudent investing remain higher than historical levels, however, have decreased \$309,000 or 26.7% over the prior year.

General Fund expenditures, excluding funds transfers to funds rolled up within the General Fund, increased by \$1.4 million, or 3.3%, over the prior year primarily due to the net effect of the following:

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- An increase in the cost of salaries and benefits of \$2.8 million, or 10.6%, due to filling vacant positions, new positions, and cost of living increases in accordance with collective bargaining agreements.
- A \$1.9 million, or 13% decrease in the cost of materials and services primarily due to the Wildfire Division of the Fire Department reduction in contractual services for Wildfire Mitigation.

The **Street Fund** accounts for financial resources to be used for street-related operations and capital projects. At the end of fiscal year 2025, the fund balance of the Street Fund was \$4.2 million, a decrease of \$284,000, or 6.4%, over the prior year primarily due to the Proceeds from Debt Issuance in fiscal year 2024.

Street Fund operating revenues were \$78,000, or 1.3%, lower than the prior year primarily due to the net effect of the following:

- The City of Ashland collects a 5% tax from the sale of prepared food and nonalcoholic beverages. In fiscal year 2025, collection on the food and beverage tax was reported lower than expected levels and the City is in the process of auditing provider accounts. Revenue was \$127,000 or 5.4% lower than the prior year.

Street Fund expenditures were \$1.2 million, or 16.7 %, less than the prior year primarily due to a \$1.9 million, or 61.3%, decrease in street capital improvement projects with the completion of the Ashland Street Overlay.

Proprietary Funds

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

General Fund Budgetary Highlights

The City of Ashland budgets on a biennial basis. The final adopted budget for the 2023-2025 biennium includes the following significant amendments to the originally adopted budget for the General Fund:

- \$1.2 million in grant revenues was added for an emergency shelter as well as the corresponding expenditure.
- \$295,000 in grant revenue was added for fire education as well as the corresponding expenditures.
- \$141,000 in charges for services revenue for wildfire mitigation was added as well as the corresponding expenditures.
- \$500,000 in interest revenue was added as well as \$500,000 in fire mediation expenditures.
- \$174,000 in grant revenue for fire education and air quality monitoring was added as well as the corresponding expenditures.
- \$159,000 in revenue from timber sales was added as well as a corresponding expenditure in fire mediation expenditures.

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- \$315,000 in revenue from timber sales and parks grants were added as well as corresponding expenditures for mediation and capital improvement.
- \$3.3 million in revenue as operating transfers in from closing of the Parks General Fund, Parks Equipment Fund, and the Health Benefits Fund and operation of these moved into the General Fund.
- \$396,000 in revenue from the State of Oregon for opioid prevention, treatment and recovery strategies.
- \$76,000 in revenue for reimbursement for Fire Conflagration Assistance.
- \$38,000 in revenue for Parks grants for corresponding expenditures in capital improvement.
- \$1 million in transfers out to the Capital Improvement Fund for expenditures related to debt service and purchase of 2200 Ashland Street and for construction of Pioneer Hall and the Community Center.
- \$700,000 transfer from Contingency and increased expenditure appropriations for the Fire and Rescue Department due to an increase in personnel costs due to overtime and a need to replace the Fire Station Alerting System.

Capital Assets

The City of Ashland's investment in capital assets for its governmental and business-type activities at the end of fiscal year 2025 amounted to \$153.2 million (net of accumulated depreciation and amortization), which represents an increase of \$3.6 million, or 2.4%, over the prior year. Investment in capital assets includes land, art and construction in progress, which are not subject to depreciation. The other capital assets: leases, subscription-based information technology agreements, buildings and building improvements, improvements other than buildings, machinery and equipment, and infrastructure, are subject to depreciation and amortization.

Governmental capital assets (net of accumulated depreciation and amortization) totaled \$81 million at the end of fiscal year 2025, which represents an increase of \$2.9 million, or 3.7%, over the prior year. Business-type capital assets (net of accumulated depreciation and amortization) totaled \$72.3 million at the end of fiscal year 2025, which represents an increase of \$734,000, or 1%, over the prior year. In addition to the effects of depreciation, these increases are the result of improvements to buildings, contributed capital, and construction in progress. More information on the City's Capital Assets can be found in Note III C. Capital Assets in the Notes to the Financial Statements.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2025	2024	2025	2024	2025	2024	2025-2024
Land	\$ 15,994	\$ 15,994	\$ 3,107	\$ 3,107	\$ 19,101	\$ 19,101	0.0%
Construction in progress	8,819	9,886	21,237	18,288	30,057	28,175	6.7%
Right to use lease assets	996	626	-	-	996	626	59.2%
Right to use SBITA assets	718	718	-	-	718	717,698	N/A
Buildings and improvements	48,931	48,560	22,100	22,100	71,031	70,660	0.5%
Machinery and equipment	31,181	28,311	2,864	2,835	34,045	31,146	9.3%
Infrastructure	70,029	65,259	99,448	99,448	169,476	164,706	2.9%
Totals at historical cost	176,668	169,353	148,755	145,777	325,423	315,130	3.3%
Total accumulated depreciation and amortization	95,774	91,315	76,466	74,224	172,240	165,539	4.0%
Net capital assets	\$ 80,894	\$ 78,039	\$ 72,290	\$ 71,553	\$ 153,183	\$ 149,591	2.4%

Long-term Debt

At the end of fiscal year 2025, the City of Ashland had total outstanding debt of \$25.5 million, which consists of \$2.2 million in general obligation bonds, \$20.8 million in pledged revenue debt, \$1.4 million in notes payable, and \$1.1 million in lease and SBITA liabilities, which constitute direct borrowings.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2025	2024	2025	2024	2025	2024	2025-2024
GO bonds payable	\$ 1,425	\$ 2,940	\$ 740	\$ 970	\$ 2,165	\$ 3,910	-44.63%
Pledge revenue debt	4,565	4,029	16,250	16,359	20,815	20,388	2.09%
Notes payable	1,373	1,649	-	-	1,373	1,649	-16.74%
Lease liability	630	485	-	-	630	485	29.80%
SBITA liability	486	610	-	-	486	610	N/A
Total long-term debt	\$ 8,480	\$ 9,713	\$ 16,990	\$ 17,329	\$ 25,469	\$ 27,043	-5.82%

No new General Obligation Debt was incurred in fiscal year 2025. The 2013 AFN Debt was paid off in fiscal year 2025 reducing the GO bonds payable. The City incurred \$1 million in new debt during the year, drawing down loan proceeds in the Street Fund for the Ashland Street Overlay Project and the Wastewater Fund for the Riparian Restoration project and Outfall Relocation project.

Lease liability increased primarily due to the Finance Department entering a five year lease for a building located at 2245 Ashland Street. See Note III E. Long-term Debt in the Notes to the Financial Statement for additional information on the City's debt.

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Debt limitation. Oregon Revised Statutes provide a limit on non-self-supporting general obligation debt of 3% of the real market value of all taxable property within the City's boundaries. Based on the real market value of property in the City for fiscal year, the maximum general obligation debt authorized is \$158,532,778. The amount of outstanding City debt subject to this limitation is \$2,165,000 (under 3% of the maximum debt limitation).

Economic Factors and Next Biennium's Budget and Rates

The balanced 2025-2027 biennial budget of \$372.5 million reflects City staff's hard work to ensure the continuation of essential services at the service level the Community desires. This also moves forward essential projects of \$89.7 million to ensure Ashland continues to be a desirable place to live, work and play. This has been done with careful consideration of needs and priorities within our community to ensure the City maintains sound financial footing into the future.

The rising cost of personnel and materials and the uncertain economic outlook both locally and federally are an added challenge in the development of the biennium budget.

Preparation of the biennium budget was inherently more complex as the U.S. economy contended with various factors such as inflation, high interest rates, potential tariff impacts, supply chain issues, and fears of recession.

Traditionally the City had been successful in receiving both federal and state funding dollars. With uncertainty around the continuation of funding programs at both levels the City had to budget with the assumption that traditional grant programs the City may have been able to receive will no longer be available.

The City has seven, potentially eight, labor groups including unrepresented staff members. This level of complexity for a City this size adds a level of challenge when it comes to maintaining our workforce and sustaining the high quality of services the community has come to expect. Over the last biennium the City has worked diligently to fill vacant positions, reduce turnover and ensure we are a preferred employer in the Rogue Valley and Southern Oregon. The pressure of inflation and rising personnel costs are front of mind during on-going labor negotiations this year and the goal is to offer cost appropriate pay and benefits to current employees recognizing the constraints the City faces around resources. We must continue to carefully manage City resources to ensure we can retain our talented and skilled employees as well as provide essential services.

Deferred maintenance continues to be a pressing issue for the City. The City is facing significant and pressing needs to address deferred maintenance and make investments in its facilities. The development of the budget ensures we are maintaining sufficient fund balances in all funds moving forward and are on strong financial footing to place the City in a solid position to successfully explore funding strategies to address this in the future. Staff will be working diligently to provide City Council with a detailed assessment of all City facilities and space needs as well as a plan to move forward with addressing this need.

As we move forward into the future there are opportunities for innovation and collaboration for the City of Ashland. Through the next biennium the City will continue to evaluate how it provides service to the community, the level of service that can be provided in alignment with expected revenues and through a Strategic Planning process determine the priorities of both City Council and the community long-term. The Strategic Plan will assist with the development of a long-term financial roadmap for where to prioritize the City's resources. The community will continue to be

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well served by its City organization though that service may look different over time as service levels are adjusted to meet revenue availability. The success of all that the City has accomplished and will accomplish is a direct reflection of the dedicated work of City employees, community volunteers and the City Council. The City remains committed to providing the resources necessary to foster resiliency, stimulate growth, and invest in the potential of our community. By making thoughtful decisions today, we can navigate successfully through uncertain times and look forward with optimism to the future.

Financial Contact

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

BASIC FINANCIAL STATEMENTS

Basic Financial Statements

CITY OF ASHLAND, OREGON Statement of Net Position June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents and investments	\$ 39,472,502	\$ 38,867,976	\$ 78,340,479
Receivables (net of allowance for uncollectible)	7,261,974	3,855,258	11,117,233
Prepaid items	137,792	-	137,792
Inventories	46,205	2,294,542	2,340,747
Internal balances	(9,391,852)	9,391,852	-
Restricted assets:			
Cash and cash equivalents	991,239	-	991,239
Total current assets	38,517,860	54,409,629	92,927,488
Noncurrent assets:			
RHIA assets	558,792	-	558,792
Receivables (net of allowance for uncollectible)	101,424	53,587	155,011
Lease receivables	172,530	-	172,530
Capital assets, not being depreciated or amortized			
Land	15,993,654	3,106,925	19,100,579
Construction in progress	8,819,273	21,237,253	30,056,526
Capital assets net of depreciation or amortization			
Right to use lease assets	678,014	-	678,014
Right to use SBITA assets	488,433	-	488,433
Buildings	23,499,531	11,319,539	34,819,070
Machinery and equipment	9,247,756	1,230,812	10,478,568
Infrastructure	22,166,848	35,395,105	57,561,953
Total noncurrent assets	81,726,256	72,343,221	154,069,477
Total assets	120,244,115	126,752,850	246,996,965
Deferred Outflows of Resources:			
Deferred outflows - Pension	12,295,598	2,897,658	15,193,256
Deferred outflows - OPEB	657,955	327,423	985,378
Total deferred outflows	12,953,553	3,225,081	16,178,634

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Statement of Net Position June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Liabilities:			
Current liabilities:			
Accounts payable and other	2,583,189	2,233,874	4,817,063
Retainage payable	86,517	54,021	140,538
Lease liability	185,136	-	185,136
SBITA liability	110,517	-	110,517
OPEB Liability	66,248	14,749	80,997
Bonds and notes	504,861	1,050,082	1,554,943
Accrued interest payable	140,537	222,936	363,473
Compensated absences	675,385	148,253	823,638
Total current liabilities	4,352,390	3,723,915	8,076,305
Noncurrent liabilities:			
Compensated absences	2,026,156	444,759	2,470,915
Proportional share of net pension liability	29,644,819	6,986,284	36,631,103
Transitional liability	247,130	-	247,130
Lease liability	444,750	-	444,750
SBITA liability	375,549	-	375,549
Total OPEB liability	2,682,141	1,240,384	3,922,525
Bonds and notes	6,858,691	15,939,718	22,798,409
Total noncurrent liabilities	42,279,235	24,611,145	66,890,380
Total liabilities	46,631,625	28,335,060	74,966,685
Deferred Inflows of Resources:			
Deferred inflows - leases	172,529	-	172,529
Deferred inflows - pension	5,394,121	1,271,213	6,665,334
Deferred inflows - OPEB	290,856	142,192	433,048
Total deferred inflows	5,857,506	1,413,405	7,270,911
Net Position:			
Net investment in capital assets	72,327,489	55,245,813	127,573,302
Restricted for:			
Perpetual care	995,101	-	995,101
RHIA asset	558,792	-	558,792
Grant restrictions - General Government	825,852	-	825,852
Asset forfeiture	40,537	-	40,537
Transient occupancy tax - tourism	922,621	-	922,621
Airport	429,898	-	429,898
Opioid Remediation	540,448	-	540,448
System development	3,410,707	3,748,119	7,158,826
Debt service	1,097,851	-	1,097,851
Donor restrictions	22,235	-	22,235
Unrestricted (deficit)	(462,996)	41,235,535	40,772,539
Total net position	\$ 80,708,534	\$ 100,229,467	\$ 180,938,001

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Statement of Activities For the Year Ended June 30, 2025

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government							
Governmental Activities							
General government	\$ 14,437,071	\$ 14,140,538	\$ 226,439	\$ -	\$ (70,094)	\$ -	\$ (70,094)
Public safety	21,216,601	3,819,371	601,817	-	(16,795,413)	-	(16,795,413)
Highways and streets	7,369,660	1,798,113	1,744,738	-	(3,826,809)	-	(3,826,809)
Parks and recreation	8,259,697	937,085	13,534	370,822	(6,938,256)	-	(6,938,256)
Interest on long-term debt	203,466	-	-	-	(203,466)	-	(203,466)
Total governmental activities	51,486,495	20,695,107	2,586,528	370,822	(27,834,038)	-	(27,834,038)
Business-type activities							
Water	7,176,334	9,183,580	693,933	-	-	2,701,179	2,701,179
Wastewater	6,419,682	6,433,948	98,752	-	-	113,018	113,018
Stormwater	781,297	801,337	-	-	-	20,040	20,040
Electric	17,557,111	15,924,806	185,554	-	-	(1,446,751)	(1,446,751)
Telecommunications	2,768,674	2,680,272	-	-	-	(88,402)	(88,402)
Total business-type activities	34,703,098	35,023,943	978,239	-	-	1,299,084	1,299,084
Total primary government	86,189,593	55,719,050	3,564,767	370,822	(27,834,038)	1,299,084	(26,534,954)
General Revenues:							
Property taxes					13,907,424		13,907,424
Utility users tax					3,360,709		3,360,709
Users taxes					6,983,801	-	6,983,801
Unrestricted interest earnings					1,607,004	1,839,498	3,446,502
Miscellaneous					161,904	47,569	209,473
Transfers					50,000	(50,000)	-
Total general revenues and transfers					26,070,842	1,837,067	27,907,909
Change in net position					(1,763,196)	3,136,151	1,372,955
Net position - beginning					82,471,730	97,093,316	179,565,046
Net position - ending	\$	\$	\$	\$	80,708,534	100,229,467	180,938,001

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Balance Sheet Governmental Funds June 30, 2025

	General	Street	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents and investments	\$ 16,066,556	\$ 3,364,509	\$ 9,863,977	\$ 29,295,042
Receivables (net of allowance for uncollectible)	5,967,290	907,584	447,005	7,321,879
Lease receivables	-	-	172,529	172,529
Prepaid items	133,032	-	4,760	137,792
Cash - restricted	-	-	991,239	991,239
Total assets	<u>\$ 22,166,878</u>	<u>\$ 4,272,093</u>	<u>\$ 11,479,510</u>	<u>\$ 37,918,481</u>
Liabilities				
Accounts payable	\$ 2,017,572	\$ 107,257	\$ 393,550	\$ 2,518,380
Retainage payable	-	12,974	73,543	86,517
Total liabilities	<u>2,017,572</u>	<u>120,231</u>	<u>467,093</u>	<u>2,604,897</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	494,098	-	7,515	501,613
Unavailable revenue - special assessments & other	2,302,647	-	95,281	2,397,928
Lease related	-	-	172,529	172,529
Total deferred inflows of resources	<u>2,796,745</u>	<u>-</u>	<u>275,325</u>	<u>3,072,070</u>
Fund Balances				
Nonexpendable				
Perpetual care	-	-	995,101	995,101
Prepaid items	133,032	-	4,760	137,792
Restricted				
Grant restrictions - general government	789,233	-	36,619	825,852
Asset forfeiture	40,537	-	-	40,537
Transient occupancy tax - tourism	-	-	922,621	922,621
Opioid Remediation	540,448	-	-	540,448
Airport	-	-	429,898	429,898
System development charges	-	-	3,410,707	3,410,707
Debt commitment	-	-	1,097,851	1,097,851
Donor restrictions	22,235	-	-	22,235
Committed				
General activities	406,724	-	-	406,724
Housing activities	-	-	127,476	127,476
Street activities	-	4,151,861	-	4,151,861
Parks activities	-	-	3,339,322	3,339,322
Capital projects funds	-	-	372,737	372,737
Unassigned	15,420,353	-	-	15,420,353
Total fund balances	<u>17,352,562</u>	<u>4,151,861</u>	<u>10,737,091</u>	<u>32,241,514</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 22,166,878</u>	<u>\$ 4,272,093</u>	<u>\$ 11,479,510</u>	<u>\$ 37,918,481</u>

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Reconciliation of the Balance Sheet of Governmental Funds To the Statement of Net Position June 30, 2025

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	\$	32,241,514
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The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the City as a whole.

Net capital assets	73,893,593
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Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Long-term liabilities	(7,363,552)
Lease and SBITA liability	(1,115,952)
Accrued interest on liabilities	(140,537)

The net pension assets (liability), and deferred inflows and outflows related to the Net Pension Liability is the difference between the total pension liability and the assets set aside to pay benefits earned to the past and current employees and beneficiaries.

	(22,679,091)
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The OPEB assets (liability), and deferred inflows and outflows related to the OPEB Asset is the difference between the total OPEB liability and the assets set aside to pay benefits earned to the past and current employees and beneficiaries.

	(1,794,998)
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Accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued vacation and sick leave	(2,660,235)
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Unavailable revenue:	
Unavailable - property taxes	501,613
Unavailable - special assessments and all others	2,397,928

Internal Service Funds are used by the City to charge costs of insurance, risk management, and fleet management services to individual funds. Their assets and liabilities are included in the Statement of Net Position.

Internal Service Fund net position	7,428,250
Total net position	<u>\$ 80,708,534</u>

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2025

	General Fund	Street Fund	Other Governmental Funds	Total Government
Revenues				
Taxes	\$ 24,424,056	\$ 2,216,306	\$ 1,884,681	\$ 28,525,043
Fees, licenses and permits	1,101,053	-	-	1,101,053
Intergovernmental	1,204,430	1,744,738	191,762	3,140,930
Charges for services	11,121,520	1,584,730	1,476,710	14,182,959
System development charges	-	-	257,506	257,506
Assessments	-	4,915	-	4,915
Fines and forfeitures	182,961	-	-	182,961
Interest on investments	943,255	165,230	498,519	1,607,004
Miscellaneous	169,950	2,801	2,000	174,751
Total revenues	<u>39,147,224</u>	<u>5,718,721</u>	<u>4,311,178</u>	<u>49,177,123</u>
Expenditures				
Current:				
General government	13,527,859	-	1,454,108	14,981,967
Public safety	21,011,105	-	-	21,011,105
Highways and streets	-	4,705,871	77,607	4,783,478
Parks and recreation	7,028,526	-	-	7,028,526
Debt service:				
Principal	216,918	75,000	1,716,052	2,007,970
Interest	-	6,266	90,310	96,576
Capital outlay	1,836,192	1,215,359	2,415,354	5,466,905
Total expenditures	<u>43,620,601</u>	<u>6,002,496</u>	<u>5,753,431</u>	<u>55,376,527</u>
Excess (deficiency) of revenues over expenditures	<u>(4,473,376)</u>	<u>(283,775)</u>	<u>(1,442,253)</u>	<u>(6,199,405)</u>
Other financing sources (uses)				
Issuance of debt	-	-	536,427	536,427
Issuance of lease and SBITA	376,131	-	-	376,131
Transfers In	2,745,202	-	1,531,886	4,277,088
Transfers Out	(1,346,243)	-	(655,299)	(2,001,542)
Total other financing sources (uses)	<u>1,775,090</u>	<u>-</u>	<u>1,413,014</u>	<u>3,188,104</u>
Net change in fund balances	(2,698,286)	(283,775)	(29,239)	(3,011,300)
Fund balances - beginning	<u>20,050,848</u>	<u>4,435,636</u>	<u>10,766,331</u>	<u>35,252,814</u>
Fund balances - ending	<u>\$ 17,352,562</u>	<u>\$ 4,151,861</u>	<u>\$ 10,737,091</u>	<u>\$ 32,241,514</u>

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2025

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

Changes in net fund balance	\$ (3,011,300)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

Capital contribution	370,822
Capital outlay expenditures capitalized	4,347,424
Lease and SBITA outlay capitalized	376,131
Depreciation and amortization expense	(3,546,811)

The Pension Expense and the changes in the deferred inflows and outflows related to the changes in the Net Pension Assets (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.	590,484
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The OPEB Expense and the changes in the deferred inflows and outflows related to the changes in the total OPEB Assets (Liability) from year to year due to changes in total OPEB liability and the fair value of OPEB plan net position available to pay benefits.	(64,950)
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Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transitions that are not normally paid with expendable available financial resources. However, in the Statement of Activities (which is presented on the accrual basis of accounting) expenses and liabilities are reported, regardless of when financial resources are available. This adjustment combines the net changes in liability balances.

General obligation bonds and notes payable	1,609,933
Lease and SBITA	(376,131)
Compensated absences	(943,629)
Accrued interest	(105,666)

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

Property taxes	44,957
Special assessments and other	241,599

Internal Service Funds are used by the City to charge costs of insurance, risk management and fleet management services to individual funds. Their net activity is included in the statement of activities.

Internal Service Fund change in net position	(1,296,059)
Change in net position	<u>\$ (1,763,196)</u>

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Statement of Net Position Proprietary Funds June 30, 2025

	Business-type Activities						Governmental Activities
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele-communications Fund	Total Enterprise Funds	Internal Service Funds
ASSETS							
Current Assets							
Cash and cash equivalents and investments	\$ 18,402,027	\$ 8,894,113	\$ 2,059,707	\$ 7,000,237	\$ 2,511,892	\$ 38,867,976	\$ 10,177,461
Interest and accounts receivable, net	1,537,962	1,691,254	148,127	71,302	406,614	3,855,258	35,377
Notes and contracts receivable	-	-	-	53,587	-	53,587	6,142
Inventories	689,024	4,236	-	1,598,777	2,505	2,294,542	46,205
Total current assets	20,629,013	10,589,603	2,207,834	8,723,903	2,921,011	45,071,364	10,265,185
Noncurrent Assets							
Capital assets							
Land	956,587	2,150,338	-	-	-	3,106,925	98,770
Construction in process	10,440,606	10,483,798	21,711	-	291,138	21,237,253	-
Capital assets	42,462,752	52,911,556	1,521,867	17,703,197	9,811,796	124,411,168	21,320,963
Less accumulated depreciation	(24,570,926)	(30,088,491)	(1,139,900)	(11,074,699)	(9,591,696)	(76,465,712)	(14,419,817)
Total noncurrent assets	29,289,018	35,457,201	403,678	6,628,498	511,239	72,289,635	6,999,916
Total assets	49,918,031	46,046,804	2,611,512	15,352,401	3,432,250	117,360,999	17,265,101
DEFERRED OUTFLOWS OF RESOURCES							
Pension related	721,376	533,587	134,764	1,221,386	286,545	2,897,658	168,341
OPEB related	91,428	117,340	37,612	68,215	12,828	327,423	9,907
Total deferred outflows of resources	812,804	650,927	172,376	1,289,601	299,373	3,225,081	178,248
LIABILITIES							
Current liabilities							
Accounts payable	684,074	264,037	10,477	710,018	60,488	1,729,094	56,546
Retainage payable	54,021	-	-	-	-	54,021	-
Accrued salaries and payroll taxes	122,664	25,956	5,514	54,914	12,153	221,201	8,263
Accrued interest payable	42,112	180,617	207	-	-	222,936	-
Other liabilities	-	-	-	283,579	-	283,579	-
Compensated absences	40,408	28,588	1,135	66,394	11,728	148,253	10,326
Pledged revenue debt payable - current	585,378	224,704	-	-	-	810,082	-
General obligation bonds payable, current	185,000	45,000	10,000	-	-	240,000	-
Total current liabilities	1,713,657	768,902	27,333	1,114,905	84,369	3,709,166	75,135
Noncurrent liabilities							
Compensated absences	121,223	85,765	3,406	199,182	35,183	444,759	30,979
Net OPEB Liabilities	355,756	467,237	156,137	231,713	44,290	1,255,133	33,028
Proportionate Share of Net Pension Liability	1,739,245	1,286,484	324,918	2,944,774	690,863	6,986,284	405,873
Pledged revenue debt payable, net	7,119,471	8,320,247	-	-	-	15,439,718	-
General obligation bonds payable, net	385,000	90,000	25,000	-	-	500,000	-
Total noncurrent liabilities	9,720,695	10,249,733	509,461	3,375,669	770,335	24,625,894	469,880
Total liabilities	11,434,351	11,018,636	536,794	4,490,574	854,704	28,335,060	545,016
DEFERRED INFLOWS OF RESOURCES							
Pension related	316,470	234,087	59,122	535,826	125,708	1,271,213	73,852
OPEB related	39,624	50,689	16,150	30,083	5,646	142,192	4,379
Total deferred inflows of resources	356,094	284,777	75,272	565,909	131,353	1,413,405	78,231
NET POSITION							
Net Investment in capital assets	20,960,148	26,777,250	368,678	6,628,498	511,239	55,245,814	6,999,916
Restricted for system development	966,355	2,726,658	55,106	-	-	3,748,119	-
Unrestricted	17,013,887	5,890,410	1,748,038	4,957,021	2,234,328	31,843,682	9,820,186
Total net position	\$ 38,940,390	\$ 35,394,318	\$ 2,171,822	\$ 11,585,519	\$ 2,745,567	\$ 90,837,615	\$ 16,820,102

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Net position of business-type activities

9,391,852
\$ 100,229,467

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds For the Year Ended June 30, 2025

	Business-type Activities						Governmental Activities
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele-communications Fund	Total Enterprise Funds	Internal Service Funds
Operating revenues							
Charges for services	\$ 9,183,580	\$ 6,433,948	\$ 801,337	\$ 15,924,806	\$ 2,680,273	\$ 35,023,944	\$ 6,756,599
Miscellaneous	2,938	43	-	42,713	1,875	47,569	146,255
Total operating revenues	<u>9,186,518</u>	<u>6,433,991</u>	<u>801,337</u>	<u>15,967,519</u>	<u>2,682,148</u>	<u>35,071,513</u>	<u>6,902,854</u>
Operating expenses							
Cost of services	6,614,630	5,421,739	757,509	17,872,399	2,816,832	33,483,110	3,665,593
Depreciation	696,226	1,132,250	51,933	337,982	54,860	2,273,251	1,465,813
Total operating expenses	<u>7,310,856</u>	<u>6,553,989</u>	<u>809,442</u>	<u>18,210,381</u>	<u>2,871,692</u>	<u>35,756,361</u>	<u>5,131,406</u>
Operating income (loss)	<u>1,875,662</u>	<u>(119,998)</u>	<u>(8,105)</u>	<u>(2,242,862)</u>	<u>(189,544)</u>	<u>(684,848)</u>	<u>1,771,448</u>
Non-operating revenue (expenses):							
Intergovernmental	693,933	98,752	-	185,554	-	978,239	-
Investment earnings	877,577	405,650	97,449	329,899	128,923	1,839,498	440,744
Interest expense	(127,744)	(100,807)	(892)	-	-	(229,443)	-
Total non-operating revenue (expenses)	<u>1,443,766</u>	<u>403,595</u>	<u>96,557</u>	<u>515,453</u>	<u>128,923</u>	<u>2,588,294</u>	<u>440,744</u>
Transfers							
Transfer Out	(50,000)	-	-	-	-	(50,000)	(2,225,546)
Total transfers	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(2,225,546)</u>
Change in net position	<u>3,269,428</u>	<u>283,597</u>	<u>88,452</u>	<u>(1,727,409)</u>	<u>(60,621)</u>	<u>1,853,446</u>	<u>(13,354)</u>
Total net position - beginning	<u>35,670,962</u>	<u>35,110,721</u>	<u>2,083,370</u>	<u>13,312,928</u>	<u>2,806,188</u>	<u>88,984,169</u>	<u>16,833,456</u>
Total net position - ending	<u>\$ 38,940,390</u>	<u>\$ 35,394,318</u>	<u>\$ 2,171,822</u>	<u>\$ 11,585,519</u>	<u>\$ 2,745,567</u>	<u>\$ 90,837,615</u>	<u>\$ 16,820,102</u>
Change in position						\$ 1,853,446	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						1,282,705	
Change in net position of business-type activities						<u>\$ 3,136,151</u>	

The Notes to the Financial statements are an integral part of this statement

Basic Financial Statements

CITY OF ASHLAND, OREGON Statement of Cash Flows Proprietary Funds For the year ended June 30, 2025

	Business-type Activities - Enterprise Funds						Governmental
	Water Fund	Wastewater Fund	Stormwater Fund	Electric Fund	Tele- communications Fund	Total	Activities Internal Service Funds
Cash flows from operating activities:							
Receipts from customers and users	\$ 9,232,878	\$ 6,073,663	\$ 814,008	\$ 18,389,664	\$ 2,765,927	\$ 37,276,140	\$ 7,710
Receipts from internal users	-	-	-	-	-	-	6,976,548
Payments to suppliers	(3,741,919)	(3,627,239)	(431,689)	(15,184,420)	(1,925,319)	(24,910,586)	(3,559,173)
Payments to employees	(2,289,741)	(1,745,507)	(389,795)	(3,613,283)	(871,086)	(8,909,412)	(51,755)
Net cash from operating activities	3,201,218	700,917	(7,476)	(408,039)	(30,478)	3,456,142	3,373,330
Cash flows from noncapital financing activities:							
Transfers In (Out)	(50,000)	-	-	-	-	(50,000)	(2,225,546)
Intergovernmental	693,933	98,752	-	185,554	-	978,239	-
Net cash from noncapital financing activities	643,933	98,752	-	185,554	-	928,239	(2,225,546)
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(2,025,511)	(600,459)	-	(60,941)	(291,138)	(2,978,049)	(2,773,219)
Proceeds from operating grants	128,493	432,523	-	-	-	-	-
Proceeds from issuance of debt	-	505,802	-	-	-	505,802	-
Principal paid on bonds, contracts and notes	(683,430)	(151,965)	(10,000)	-	-	(845,395)	-
Interest paid on debt	(127,744)	(100,807)	(892)	-	-	(229,443)	-
Net cash from capital and related financing activities	(2,708,192)	85,094	(10,892)	(60,941)	(291,138)	(3,547,085)	(2,773,219)
Cash flows from investing activities:							
Interest from investments and other income	877,577	405,650	97,449	329,899	128,923	1,839,500	440,744
Net increase (decrease) in cash and investments	2,014,536	1,290,413	79,081	46,473	(192,693)	3,237,810	(1,184,691)
Cash and investments, beginning of year	16,387,491	7,603,700	1,980,626	6,953,764	2,704,585	35,630,166	11,362,152
Cash and investments, end of year	\$ 18,402,027	\$ 8,894,113	\$ 2,059,707	\$ 7,000,237	\$ 2,511,892	\$ 38,867,976	\$ 10,177,461
Reconciliation of operating income to net cash provided by operating activities:							
Operating income	\$ 1,875,662	\$ (119,998)	\$ (8,105)	\$ (2,242,862)	\$ (189,544)	\$ (684,848)	\$ 1,771,448
Depreciation	696,226	1,132,250	51,933	337,982	54,860	2,273,251	1,465,813
Change in assets and liabilities:							
(Increase) decrease in:							
Receivables	46,360	(360,328)	12,671	2,422,145	83,780	2,204,628	81,402
Net pension liability and related deferreds	(71,778)	(19,469)	(48,284)	(380,902)	(3,831)	(524,264)	(59,108)
Total OPEB liability and related deferreds	52,961	72,831	(15,711)	(47,836)	(22,302)	39,943	(19,259)
Inventories	79,890	-	-	(24,148)	(2,505)	53,237	241,358
Increase (decrease) in:							
Accounts payable and accrued liabilities	430,854	(25,398)	(670)	(525,355)	29,356	(91,213)	(126,036)
Other liabilities	91,043	21,029	690	52,937	19,708	185,407	17,712
Net cash from operating activities	\$ 3,201,218	\$ 700,917	\$ (7,476)	\$ (408,039)	\$ (30,478)	\$ 3,456,142	\$ 3,373,330
Schedule of non-cash capital and related financing activities:							
Unrealized gain (loss) on investments	\$ 14,469	\$ 6,868	\$ 1,583	\$ 5,472	\$ 1,935	\$ 30,327	\$ 7,832
Acquisition of capital assets through retainage payable	27,216	-	-	-	-	-	-
Net noncash investing, capital and financing activities	\$ 41,685	\$ 6,868	\$ 1,583	\$ 5,472	\$ 1,935	\$ 30,327	\$ 7,832

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ASHLAND, OREGON Notes to the Basic Financial Statements For the year ended June 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

B. Government-wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are reported when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. The budgetary basis of accounting is the same as Generally Accepted Accounting Principles (GAAP). Revenues are recognized as soon as they are both

Notes to the Basic Financial Statements

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

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

The City reports the following major governmental funds:

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

The City reports the following major proprietary funds:

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

Additionally, the City reports the following fund types:

- Special revenue funds account for proceeds of specific revenue sources that are restricted, committed or assigned to expenditure for specific purposes other than debt service or capital expenditure.
- Debt service funds account for financial resources that are restricted, committed, or assigned to expenditures for principal and interest related costs as well as the financial resources being accumulated for future debt service.
- Capital projects funds account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays, except for those financed by proprietary funds.

Notes to the Basic Financial Statements

Revenues are derived primarily from property taxes and state gas tax apportionments which are designated for the construction of specific projects.

- Internal Service Funds account for insurance and fleet management services primarily provided to other departments or agencies of the City. The costs of the services provided are recovered by the charges to the department and/or outside agency receiving the service.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payment-in-lieu of taxes and other charges between the City's various utility funds and the other functions of the City. The enterprise funds which operate water, wastewater, and electric services are charged franchise fees by the General Fund. Franchise fees would be charged to any such operation under local ordinance, so these fees are recognized as direct operating expenses in those funds and as revenue to the General Fund rather than transfers. Payments for fiscal year 2025 include \$810,233 from the Water Fund, \$545,793 from the Wastewater Fund, \$1,804,185 from the Electric Fund and \$244,000 from the Telecommunications Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Where applicable, enterprise funds also recognize the portion of System Development Charges intended to recover the cost of connecting new customers to the system as operating revenue. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Assets, Liabilities and Net Position

1. Cash and Cash Equivalents and Investments

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

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

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

Notes to the Basic Financial Statements

2. Restricted Cash

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

	Governmental Activities
Restricted Cash:	
Cemetery Trust Fund	<u>\$ 991,239</u>

3. Receivables and Payables

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

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

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

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

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

4. Inventories

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

5. Prepaid items and Advances

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

6. Capital Assets

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

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

Notes to the Basic Financial Statements

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

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

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

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

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

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. In 2025, GASB Statement 101, Compensated Absences, was implemented. GASB Statement 101 requires that a liability is recognized for vacation leave, sick leave and other types of paid time off. The measurement of this liability is determined by both historical usage patterns and is more likely than not to be used as time off or settled during or upon termination from employment, and employment policies. The City looks at leave usage from the previous 3 years to determine the liability.

8. Long-Term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bonding premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Net Position/Fund Balance

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Notes to the Basic Financial Statements

Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the City of Ashland will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City of Ashland's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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

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

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

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

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

To preserve a sound financial system and to provide a stable financial base, the governing body has

Notes to the Basic Financial Statements

adopted a minimum fund balance policy. Financial Management Policies were updated and approved in May 2023. The targets for fund balances are generally a function of estimated average annual expenditures of the prior three years and are intended to help maintain financial viability of each fund. They vary based on how susceptible a fund is to revenue fluctuations and based on the riskiness of the activities in each different fund.

10. Deferred Outflows/Inflow of Resources

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

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

11. Leases and Software Based Information Technology Arrangements

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

As a lessee, the City recognizes lease contracts or equivalents (including Subscription Based Information Technology Arrangements) that have a term exceeding one year and the cumulative future *payments* on the contract exceed \$25,000. The City uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the City's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

12. Accounting and Reporting Changes

New Pronouncements

During the fiscal year ended June 30, 2025, the following Governmental Accounting Standards (GASB) pronouncements were effective and implemented by the City:

GASB Statement No. 101, "Compensated Absences" This statement establishes new standards for accounting and financial reporting for compensated absences, which include vacation leave, sick leave and other types of paid time off. The City evaluated the impact of this implementation on beginning net position. No adjustment to beginning net position was required.

GASB Statement No. 102, "Certain Risk Disclosures" This statement establishes new standards for disclosing essential information about risks related to a governments vulnerabilities due to certain concentrations or constraints. No viable threats to assets or obligations were identified.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

Unexpected additional resources may be added to the budget through the use of a supplemental budget. The supplemental budget process requires hearings before the public, publications in newspapers, and approval by the City Council. Original and supplemental budgets may be modified only by the City Council through the use of appropriation transfers between the levels of control. In addition, Oregon Local Budget Law provides certain specific exceptions to the supplemental budget process to increase appropriations. Such transfers and increases require approval by the City Council by adoption of a resolution. Budget appropriation amounts shown in the financial statements include the original and revised budget appropriations as approved by the City Council. Appropriations are limited to a biennium budget period of 2023-2025; therefore, all spending authority of the City lapses at the end of the biennial period.

- In fiscal year 2024, Council approved eight resolutions that amended the budget: Resolutions 2023-21, 2023-22, 2023-23, 2023-26, 2024-01, 2024-08, 2024-10, and 2024-16.
- In fiscal year 2025, Council approved eight resolutions that amended the budget: Resolutions 2024-21, 2024-25, 2024-28, 2025-05, 2025-06, 2025-10, 2025-11 and 2025-16.

Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2025.

Deficit Fund Equity

Generally accepted accounting principles and Oregon state law requires fund disclosure of deficit fund balance/total net position. On June 30, 2025, no funds reported a deficit net position in the GAAP basis financial statements.

Notes to the Basic Financial Statements

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

	Total Primary Government
Petty cash	\$ 3,526
Deposits with financial institutions	1,008,415
Imprest Cash	120,000
Investments	78,199,775
	<u>\$ 79,331,716</u>
Governmental - unrestricted	\$ 78,340,477
Governmental - restricted: Cemetery Trust Fund	991,239
	<u>\$ 79,331,716</u>

1. Deposits

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

2. Credit Risk Deposits

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

3. Investments

Policies officially adopted by City Council allow the City to invest in: U.S. Treasury Obligations (bills, notes and bonds), U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations, Banker's Acceptances, Certificates of Deposit (at commercial banks that have a branch in Oregon and Savings & Loan Associations that have a branch in Oregon),

State and Local Government Securities, Commercial Paper (A1, AA, P1), State of Oregon Investment Pool, and Repurchase Transactions.

Notes to the Basic Financial Statements

Cash and Investments Note

As of June 30, 2025, the fair value measurement at the measurement date, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)	
		Less than 3	3-17
U.S. Treasury Note	\$ 19,343,671	\$ 6,988,080	\$ 12,355,591
U.S. Treasury Bill	9,809,524	-	9,809,524
State Treasurer's Investment Pool	49,046,581	49,046,581	-
	<u>\$ 78,199,775</u>	<u>\$ 56,034,661</u>	<u>\$ 22,165,114</u>

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

Interest Rate Risk

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

The City limits investment maturities as follows:

Under 30 days	10% minimum
Under 90 days	25% minimum
Under 270 days	50% minimum
Under 1 year	75% minimum
Under 18 months	80% minimum
Under 3 years	100% minimum

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

Credit Risk

Neither the Oregon Revised Statutes nor the City's investment policy limits investments as to credit rating for securities purchased from U.S. Government Agencies. As noted above, the LGIP is unrated.

Oregon Revised Statutes require Banker's Acceptances to be guaranteed by and carried on the books of, a qualified financial institution, eligible for discount by the Federal Reserve System, and issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

Notes to the Basic Financial Statements

Concentration of Credit Risk

To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the City's investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. As of June 30, 2025, the City was in compliance with all percentage restrictions.

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

Per City policy, no more than the stated percentage of the overall portfolio will be invested in each of the following categories of securities:

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

Fair Value of Investments

The City of Ashland measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than those in Level 1; and
- Level 3: Unobservable inputs

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Certificates of deposit classified in Level 2 are valued using broker quotes that utilize observable market inputs. Securities classified as Level 3 have limited trade information, these securities are priced or using the last trade price or estimated using recent trade prices.

At June 30, 2025, the City of Ashland had the following recurring fair value measurements:

Investments by Fair Value Level	June 30, 2025	Fair Value Measurement			Cost Measurement
		Level 1	Level 2	Level 3	
U.S. Treasury obligations	\$ 29,153,195	\$ 29,153,195	\$ -	\$ -	\$ -
State Treasurer's Investment Pool	49,046,581	49,046,581	-	-	49,046,581
	<u>\$ 78,199,775</u>	<u>\$ 78,199,775</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,046,581</u>

Notes to the Basic Financial Statements

B. Receivables

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

	Total Governmental Activities	Total Business-Type Activities	Accounts, Net
<u>Current Receivable</u>			
Property Tax	\$ 551,895	\$ -	\$ 551,895
Business Licenses	1,306	-	1,306
Ambulance Billing	1,972,411	-	1,972,411
Utility Receivables, net	1,238,583	3,069,149	4,307,732
Grant Receivables	365,716	13,264	378,979
Misc. Receivables	2,094,768	772,845	2,867,613
Transient Lodging Receivables	1,037,294	-	1,037,294
Total current	7,261,974	3,855,258	11,117,231
<u>Long-Term Receivable</u>			
Rehabilitation Loans	54,452	-	54,452
Special Assessments	-	-	-
Conservation Loans	-	53,587	53,587
Notes Receivable	6,142	-	6,142
SDC receivable	40,829	-	40,829
Total long-term	101,424	53,587	155,011
Total	\$ 7,363,398	\$ 3,908,845	\$ 11,272,242

In fiscal year 2025, the City recognized a \$424,447 allowance for doubtful accounts across governmental funds and a \$2,288,626 across the business-type funds.

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

<u>Governmental Activities:</u>	General Fund	Other Governmental Funds	Total Governmental Funds
Property Taxes	\$ 494,098	\$ 7,515	\$ 501,613
Leases	-	172,529	172,529
Deferred Rehab and SDC's	-	95,281	95,281
Business Licenses	180,527	-	180,527
Transient Lodging Tax	1,037,294	-	1,037,294
Ambulance Services	1,084,826	-	1,084,826
Total Unearned Revenue	\$ 2,796,745	\$ 275,325	\$ 3,072,070

Notes to the Basic Financial Statements

C. Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions and Reclasses	Retirements and Reclasses	Transfers	Balance June 30, 2025
Governmental Activities:					
Capital assets, not being depreciated					
Land	\$ 15,993,654	\$ -	\$ -	\$ -	\$ 15,993,654
Construction in progress	9,886,396	3,702,450	-	(4,769,573)	8,819,273
Total capital assets, not being depreciated or amortized	25,880,051	3,702,450	-	(4,769,573)	24,812,928
Lease assets					
Equipment	515,630	16,054	5,569	-	526,115
Buildings	109,918	360,077	-	-	469,995
Subscription based asset	717,698	-	-	-	717,698
Buildings	48,560,051	370,822	-	-	48,930,873
Infrastructure	65,258,959	-	-	4,769,573	70,028,532
Machinery and equipment	28,310,883	3,418,193	547,593	-	31,181,483
Total capital assets, being depreciated and amortized	143,473,139	4,165,146	553,162	4,769,573	151,854,696
Less accumulated amortization and depreciation for:					
Lease assets					
Equipment	(102,669)	(105,218)	(5,569)	-	(202,318)
Buildings	(26,757)	(89,020)	-	-	(115,777)
Subscription assets	(109,648)	(119,616)	-	-	(229,264)
Buildings	(24,193,040)	(1,238,302)	-	-	(25,431,342)
Infrastructure	(46,371,225)	(1,490,461)	-	-	(47,861,686)
Machinery and equipment	(20,511,312)	(1,970,008)	(547,593)	-	(21,933,727)
Total accumulated depreciation and amortization	(91,314,651)	(5,012,624)	(553,162)	-	(95,774,113)
Total capital assets being depreciated and amortized , net	52,158,488	(847,478)	-	4,769,573	56,080,583
Governmental activities capital assets, net	\$ 78,038,539	\$ 2,854,972	\$ -	\$ -	\$ 80,893,510

Notes to the Basic Financial Statements

	Balance June 30, 2024	Additions and Reclasses	Retirements and Reclasses	Balance June 30, 2025
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 3,106,925	\$ -	\$ -	\$ 3,106,925
Construction in progress	18,292,923	2,944,329	-	21,237,253
Total capital assets, not being depreciated	21,399,848	2,944,329	-	24,344,178
Buildings	22,099,664	-	-	22,099,664
Infrastructure	99,447,535	-	-	99,447,535
Machinery and equipment	2,835,059	60,939	32,030	2,863,968
Total capital assets, being depreciated	124,382,258	60,939	32,030	124,411,167
Less accumulated depreciation:				
Buildings	(10,350,025)	(430,100)	-	(10,780,124)
Infrastructure	(62,333,713)	(1,718,717)	-	(64,052,430)
Machinery and equipment	(1,540,752)	(124,434)	(32,030)	(1,633,156)
Total accumulated depreciation	(74,224,489)	(2,273,251)	(32,030)	(76,465,710)
Total capital assets being depreciated, net	50,157,769	(2,212,312)	-	47,945,457
Business-type activities capital assets, net	<u>\$ 71,557,617</u>	<u>\$ 732,017</u>	<u>\$ -</u>	<u>\$ 72,289,634</u>

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

General government	\$ 2,366,100
Public safety	398,961
Highways and streets	1,022,895
Parks and Rec	1,224,668
Total	<u>\$ 5,012,624</u>

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

Water Fund	\$ 696,226
Wastewater Fund	1,132,250
Stormwater Fund	51,933
Electric Fund	337,982
Telecommunication Fund	54,860
Total	<u>\$ 2,273,251</u>

Notes to the Basic Financial Statements

Construction Commitments

The City has active construction projects as of June 30, 2025. The projects include construction of various infrastructure improvements and additions to the City's parks, transportation, storm water, water, wastewater, and telecommunications systems. The City had approximately \$5.9 million remaining in construction contract commitments under construction contracts as of June 30, 2025.

D. Interfund Receivable, Payable and Transfers

Internal transfers are budgeted and recorded to show legal and operational commitments between funds such as cost sharing or debt service. Interfund loans are used to assure adequate fund balances in funds where operations do not currently (on a short-term basis) generate enough support through revenues. Interfund transfer activity in fiscal year 2025 was as follows:

Transfer From	Transfer to Governmental Funds		
	General Fund	Nonmajor Governmental	Total
Governmental Funds:			
General Fund	\$ -	\$ 1,346,243	\$ 1,346,243
Nonmajor Funds	469,656	185,643	655,299
Health Benefits Fund	2,225,546	-	2,225,546
Business-type Activities:			
Water Fund	50,000	-	50,000
Total	\$ 2,745,202	\$ 1,531,886	\$ 4,277,088

E. Long-term Debt

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

The City has five loan agreements for financing:

- Garfield Park – In 2016 the City borrowed \$870,000 for upgrade for the water park within Garfield Park. The debt is funded with food and beverage tax.
- Biscoe School – In 2018 the City agreed to purchase Biscoe School from the Ashland School District for \$1,540,000 at zero percent interest. The debt is funded by building lease payments.
- Briscoe Park – In 2018 the City agreed to purchase Biscoe Park from the Ashland School District for \$500,000 at zero percent interest. The debt is funded with food and beverage tax.
- Emergency Shelter – The City purchased a shelter as part of a state plan to assist unhoused individuals and facilitate their transition to permanent housing. The state provided \$1 million in funding to purchase the shelter, and the City entered a \$600,000 loan at 3.75% interest to finance the remaining cost.

Notes to the Basic Financial Statements

- The B24001 Street loan was issued for the Ashland Street Overlay project. The estimated loan amount was \$4,839,751. Of that, \$4,028,789 was drawn down in fiscal year 2024, the first year of the project. In fiscal year 2025, another \$536,427 was drawn down for a total drawdown of \$4,565,216. This debt is backed by food and beverage tax, transportation utility fees, and state shared revenue from gasoline tax. No loan payments will be made until the project is complete.

Loan agreements outstanding at year end are as follows:

Purpose	Activity	Original Amount	Interest Rates	Amount Outstanding
Upgrade to Garfield Water Park	Government	\$ 870,000	2.12%	\$ 48,000
Purchase of Briscoe School Buidling	Government	1,540,000	0.00%	660,000
Purchase of Briscoe School Yard	Government	500,000	0.00%	100,000
Purchase of Homeless Shelter	Government	600,000	3.75%	565,336
OBDD B24001 - Streets	Government	4,565,216	3.05%	4,565,216
				<u>\$ 5,938,552</u>

Estimated loan requirement to maturity are as follows:

Year ending June 30,	Governmental Activities	
	Principal	Interest
2026	\$ 229,861	\$ 21,426
2027	182,695	20,083
2028	133,561	19,217
2029	134,460	18,318
2030	135,393	17,385
2031-2035	252,257	71,632
2036-2040	171,545	42,345
2041-2045	133,563	9,030
Undetermined	4,565,216	-
	<u>\$ 5,938,552</u>	<u>\$ 219,436</u>

2. General Obligation Bonds

The City issues general obligation bonds (GO) to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities over the previous fiscal years. No new general obligation debt was issued in fiscal year 2025.

Notes to the Basic Financial Statements

The following schedule shows the debt service requirements for GO bonds as of June 30, 2025:

Purpose	Activity	Original Amount	Interest Rates	Amount Outstanding
2011 Fire station	Government activities	\$ 2,960,000	2.0-4.00%	\$ 1,080,000
2013 GO Bonds New Construction	Government activities	\$ 1,520,000	2-2.5%	345,000
2013 GO Bonds New Construction	Business-type activities	\$ 3,245,000	2-2.5%	740,000
				<u>\$ 2,165,000</u>

Government Activities:

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

Business-Type Activities:

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

Future maturities of GO bond principal and interest as of June 30, 2025, are as follows:

Year Ending June 30,	2011 GO Bonds Fire Station #2		2013 GO Bonds New Construction		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 165,000	\$ 40,338	\$ 350,000	\$ 21,863	\$ 515,000	\$ 62,201
2027	160,000	34,975	360,000	13,650	520,000	48,625
2028	165,000	29,375	375,000	4,688	540,000	34,063
2029	190,000	23,600	-	-	190,000	23,600
2030	195,000	16,000	-	-	195,000	16,000
2031	205,000	8,200	-	-	205,000	8,200
	<u>\$ 1,080,000</u>	<u>\$ 152,488</u>	<u>\$ 1,085,000</u>	<u>\$ 40,201</u>	<u>\$ 2,165,000</u>	<u>\$ 192,689</u>

Notes to the Basic Financial Statements

3. Pledged Revenue Debt

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

Loan Agreement	Activity	Original Amount	Interest Rates	Amount Outstanding
IFA S14005 - Water	Business-type activities	3,515,200	1.00%	\$ 2,942,491
DEQ R11751 - Wastewater	Business-type activities	1,645,280	1.00%	937,080
Medford Water Commission	Business-type activities	2,358,076	3.42%	1,318,725
IFA S16021 - Water	Business-type activities	4,700,759	1.00%	3,443,633
DEQ R11754 - Wastewater	Business-type activities		1.00%	2,814,646
DEQ R11755 - Wastewater	Business-type activities		1.00%	4,793,225
				<u>\$ 16,249,800</u>

- The IFA #S14005 loan was for three projects: Talent/Ashland/Phoenix Water Intertie System (TAP), the Terrace St Pump Station and the Park Estates Pump Station. This loan received \$950,000 in principal forgiveness, which was recognized in 2019. Water revenue is pledged for debt payments.
- The DEQ #R11751 loan was for the Wastewater Treatment Membrane System upgrade in the amount of \$1,645,280. Wastewater revenue is pledged for debt payments.
- The Medford Water Commission loan was for the City's portion of receiving services for TAP. This debt is being paid by revenue from system development charges.
- The IFA #S16021 loan was for the design phase of the City's new Water Treatment Plant. This loan received \$975,101 in principal forgiveness, which was recognized in fiscal year 2024. Water revenue is pledge for debt payments and the first payment was made is fiscal year 2025.
- Loan DEQ #R11754 is for the Wastewater Riparian Restoration project. This loan was increased in fiscal year 2024 to \$3,616,900. To date, the City has received \$2,814,646 as a drawdown. No loan payments will be made until the project is complete.
- Loan DEQ #R11755 is for the Wastewater Outfall Relocation project in the amount of \$4,800,000. To date, \$4,793,225 has been received as a drawdown. No loan payments will be made until the project is complete.

For the three loans that are not currently being paid, the City of Ashland has signed agreements in the amount of \$13,256,651 as of June 30, 2025. Of that amount, the City drew down a total of \$1,042,229 in fiscal year 2025.

Loan Agreement	Activity	Signed Agreement	Balance 30-Jun-24	Drawdowns	Reclass	Balance 30-Jun-25
B24001 - Street	Governmental activities	\$ 4,839,751	\$ 4,028,789	\$ 536,427	\$ -	\$ 4,565,216
DEQ R11754 - Wastewater	Business-type activities	3,616,900	2,316,789	497,857	-	2,814,646
DEQ R11755 - Wastewater	Business-type activities	4,800,000	4,785,280	7,945	-	4,793,225
		<u>\$ 13,256,651</u>	<u>\$ 11,130,858</u>	<u>\$ 1,042,229</u>	<u>\$ -</u>	<u>\$ 12,173,087</u>

Notes to the Basic Financial Statements

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

Year Ending June 30,	Principal	Interest
2026	\$ 810,082	\$ 288,548
2027	933,293	176,219
2028	945,666	162,717
2029	958,268	148,974
2030	971,105	137,080
2031-2035	4,417,095	459,781
2036-2040	1,856,768	228,892
2041-2045	1,951,628	101,838
2046-2050	591,247	15,780
Undetermined	2,814,646	-
	<u>\$ 16,249,799</u>	<u>\$ 1,719,827</u>

Moody's Investors Services assigned an "Aa3" rating to both the Tax-Exempt Bonds and the Taxable Bonds.

4. Lease and SBITA Liabilities

As of June 30, 2025, the principal and interest requirements for lease and SBITA liabilities to maturity are as follows:

Year Ending June 30,	Lease Liability		SBITA Liability	
	Principal	Interest	Principal	Interest
2026	\$ 185,136	\$ 10,474	\$ 110,517	\$ 15,573
2027	173,690	7,011	121,231	10,982
2028	167,635	3,299	132,679	5,957
2029	74,810	1,811	121,639	469
2030	16,746	1,039	-	-
2031-2033	11,869	224		
	<u>\$ 629,886</u>	<u>\$ 23,858</u>	<u>\$ 486,066</u>	<u>\$ 32,981</u>

Notes to the Basic Financial Statements

5. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions and Adjustments	Reductions	Ending Balance	Due within One Year
Governmental Activities					
General obligation bonds	\$ 2,940,000	\$ -	\$ 1,515,000	\$ 1,425,000	\$ 275,000
Contract Payable	4,028,789	536,427	-	4,565,216	-
Notes and Contracts	1,649,393	-	276,058	1,373,336	229,861
Lease liability	485,290	376,131	231,534	629,886	185,136
SBITA liability	609,827	-	123,761	486,066	110,517
Total Government Activities	<u>\$ 9,713,299</u>	<u>\$ 912,558</u>	<u>\$ 2,146,353</u>	<u>\$ 8,479,503</u>	<u>\$ 800,515</u>
Business-type Activities					
General obligation	\$ 970,000	\$ -	\$ 230,000	\$ 740,000	\$ 240,000
Pledged revenue debt	16,359,393	505,802	615,395	16,249,800	810,082
Total Business-type Activities	<u>\$ 17,329,393</u>	<u>\$ 505,802</u>	<u>\$ 845,395</u>	<u>\$ 16,989,800</u>	<u>\$ 1,050,082</u>

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

F. Compensated Absences

Compensated Absences increased approximately \$1.1 million in fiscal year 2025. This net increase was due to GASB Statement 101 and the new methodology which includes an approximation of sick leave earned and expected to be taken in future years, whereas in the past, it has been mainly vacation leave and comp leave earned.

The balances of the compensated absences payable in the governmental and business-type are as follows:

	Beginning Balance	Net Changes	Ending Balance	Due within a Year
Governmental Activities:	\$ 1,745,339	\$ 956,203	\$ 2,701,541	\$ 675,385
Business-type Activities:	450,296	142,716	593,012	148,253
Total compensated absences payable	<u>\$ 2,195,634</u>	<u>1,098,919</u>	<u>3,294,553</u>	<u>823,638</u>

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City purchases insurance policies from commercial carriers and pays annual premiums for the following coverages: General Liability in the amount of \$5,000,000 per occurrence and \$15,000,000 in the aggregate; Auto Liability in the amount of \$5,000,000 per occurrence; Commercial Property, including buildings and contents of up to \$600,000,000 (subject to all loss or damages covered by the Trust in any one year) which includes real, personal, and inland marine property coverage as per current schedule; Cyber Liability coverage up to \$100,000; Airport liability in the amount of \$4,000,000; Flood Insurance coverage up to \$10,000,000; Earthquake Insurance coverage up to \$10,000,000; and Pollution Liability in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. The City carries Crime and Employee Dishonesty coverage for claims up to \$1,000,000 and public official bonds in the amount of \$50,000 covering the Finance Director and City Manager. Additionally, the City carries a \$1,000,000 policy for workers' compensation. Employee health, life and disability coverages are also maintained.

There has been no significant reduction in insurance coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance limits in any of the past three fiscal years. An Insurance Division in the City's Internal Service Fund accounts for the City's risk management activities. All funds of the City participate in the Insurance Division. Amounts payable to the Insurance Division are based on cost estimates necessary to pay premiums, and if applicable, prior and current year claims and to establish a reserve for catastrophic losses. Workers' compensation is insured under a premium plan where premiums are accrued based on payroll and an experience mod rating.

Notes to the Basic Financial Statements

B. Other Post Employment Benefits

The City's aggregate Other Post Employment Benefit (OPEB) related assets, deferred outflows of resources, liabilities, deferred inflows of resources, and expenses for the year ended June 30, 2025, for all OPEB plans are as follows:

	City Plan	PERS RHIA	Total
Net OPEB asset	\$ -	558,792	\$ 558,792
Subtotal of deferred outflows of Resources	\$ 964,423	20,955	\$ 985,378
Total OPEB liability	\$ 4,003,522	-	\$ 4,003,522
Subtotal of deferred inflows	\$ 414,103	18,945	\$ 433,048
OPEB expense (income)	\$ 400,668	(25,362)	\$ 375,306

City Health Insurance Subsidy

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

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

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

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

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

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

Actuarial Methods and Assumptions – Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The assumptions used reflect the Bond Buyer 20-Year General Obligation Bond Index. The discount rate in effect for June 30, 2025, reporting date is 3.93%. In future years, the medical and vision cost trend assumes increases ranging from 5%

Notes to the Basic Financial Statements

to 7%. The demographic assumptions, such as mortality rates, disability incidence rates, retirement rates and withdrawal rates, are the same as those used by Oregon PERS for cities.

Changes in total Net OPEB Liability/(Asset):

Total OPEB Liability/(Assets) June 30, 2024	\$ 3,685,572
<u>Changes:</u>	
Service Cost	138,111
Interest on total OPEB liability	135,183
Changes to benefit term	-
Differences between expected and actual experience	-
Changes of economic/demographic gains	27,675
Changes of assumptions or other input	259,221
Benefit Payments	<u>(242,240)</u>
Net change for the year	317,950
Total OPEB Liability/(Assets), June 30, 2025	<u><u>\$ 4,003,522</u></u>

As of June 30, 2025, the City reported deferred inflows and outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 358,618	\$ -
Changes in assumptions	316,436	(414,103)
Subtotal - Amortized Deferrals (below)	<u>675,054</u>	<u>(414,103)</u>
City Contributions subsequent to measurement date	<u>289,369</u>	<u>-</u>
Net Deferred outflow (inflow) of resources	<u><u>\$ 964,423</u></u>	<u><u>\$ (414,102)</u></u>

Contributions subsequent to the measurement date will be used to reduce the total OPEB liability on June 30, 2026.

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

<u>Year ending June 30,</u>	<u>Amount</u>
2026	\$ 128,656
2027	54,954
2028	16,154
2029	(1,352)
2030	(3,351)
Thereafter	65,890
Total	<u><u>\$ 260,951</u></u>

Notes to the Basic Financial Statements

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

	1% Decrease 2.93%	Discounted Rate 3.93%	1% Increase 4.93%
City's Total OPEB Liability	\$ 4,358,279	\$ 4,003,522	\$ 3,687,431

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

	Healthcare Cost Trend Rates (5%)	Healthcare Cost Trend Rates (6%)	Healthcare Cost Trend Rates (7%)
City's proportionate share of the Total OPEB Liability	\$ 3,744,925	\$ 4,003,522	\$ 4,305,005

Retirement Health Insurance Account

Plan Description:

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

Funding Policy:

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

Notes to the Basic Financial Statements

deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.05 of annual covered OPERS payroll and nothing for OPSRP payroll under a contractual requirement. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 74. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The City was not required to contribute to RHIA during year ended June 30, 2025. As of the measurement date of June 30, 2024, the City's proportion was 0.14 percent.

As of June 30, 2025, the City reported deferred inflows and outflows of resources related to RHIA from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ (10,929)
Changes in assumptions	-	(7,068)
Net difference between projected and actual earnings on OPEB plan investments	15,778	-
Net changes in proportionate share	5,177	(948)
	<u>5,177</u>	<u>(948)</u>
Net Deferred outflow (inflow) of resources	<u>\$ 20,955</u>	<u>\$ (18,945)</u>

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

Year ending June 30,	Amount
2026	(27,360)
2027	19,012
2028	8,536
2029	1,822
Total	<u>\$ 2,010</u>

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

	Decrease (5.9%)	Rate (6.9%)	Increase (7.9%)
City's proportionate share of the net RHIA liability (asset)	<u>\$ (517,272)</u>	<u>\$ (558,792)</u>	<u>\$ (594,542)</u>

C. Employee Retirement System and Pension Plan

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

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

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit

Notes to the Basic Financial Statements

fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

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

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

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
 - iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
 - iv. **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2021, actuarial valuation, which became effective July 1, 2023. The State of Oregon and certain schools, community colleges, and political subdivisions have made unfunded actuarial liability payments, and their rates have been reduced. Employer contributions for the year ended June 30, 2025, were \$5,904,880 excluding amounts to fund employer specific liabilities. In addition, approximately \$1,407,266 in employee contributions were paid or picked up by the City in fiscal 2025.

As of June 30, 2025, the City reported a net pension liability of \$36,631,103 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated

Notes to the Basic Financial Statements

December 31, 2022. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2024, the City's proportion was 0.16 percent.

The rates in effect for the year ended June 30, 2025, were:

- 1) Tier 1/Tier 2 – 25.87%
- 2) OPSRP general services – 22.66%
- 3) Tier 1/Tier 2 Police and Fire – 32.57%
- 4) OPSRP Police and Fire – 27.45%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 2,170,054	\$ 87,426
Changes in assumptions	3,682,903	4,718
Net difference between projected and actual earnings on pension plan investments	2,327,099	-
Net changes in proportionate share	145,432	4,992,030
Difference between the City contributions and proportionate share of contributions	967,116	1,581,160
Subtotal - Amortized Deferrals (below)	9,292,604	6,665,334
City Contributions subsequent to measurement date	5,900,652	-
Net Deferred outflow (inflow) of resources	<u>\$ 15,193,256</u>	<u>\$ 6,665,334</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2025.

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

Year ending June 30,	Amount
2026	\$ (1,537,361)
2027	2,595,571
2028	1,059,914
2029	467,705
2030	41,441
Total	<u>\$ 2,627,270</u>

Actuarial Valuations – The employer contribution rates effective July 1, 2023 through June 30, 2025, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which

Notes to the Basic Financial Statements

are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

Valuation date	December 31, 2022
Measurement date	June 30, 2024
Experience Study	2022, published July 24, 2023
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	2.40%
Investment rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustment and set-backs as described in the valuation. Active Member: Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustment and set-backs as described in the valuation. Disable retirees: Pub-2010 Disabled Retirees, sex-distinct, generation with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Notes to the Basic Financial Statements

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

Actuarial Methods and Assumptions:

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

The method and assumptions shown are based on a 2022 Experience Study.

Asset Class	Target Allocation
Cash	0.0%
Debt Securities	25.0%
Public Equity	27.5%
Private Equity	20.0%
Real Estate	12.5%
Real Assets	7.5%
Diversifying Strategies	7.5%
Opportunity ¹	0.0%
Total	<u>100.0%</u>

¹Opportunity has no strategic target as investments are only pursued on an opportunistic or episodic basis.

Long-Term Expected Rate of Return:

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

Notes to the Basic Financial Statements

Long-Term Expected Rate of Return¹

Asset Class	Target Allocation	Annual Arithmetic Return ²	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	27.50 %	8.57 %	7.07 %	17.99 %
Private Equity	25.50	12.89	8.83	30.00
Core Fixed Income	25.00	4.59	4.50	4.22
Real Estate	12.25	6.90	5.83	15.13
Master Limited Partnerships	0.75	9.41	6.02	27.04
Infrastructure	1.50	7.88	6.51	17.11
Hedge Fund of Funds - Multistrategy	1.25	6.81	6.27	9.04
Hedge Fund Equity - Hedge	0.63	7.39	6.48	12.04
Hedge Fund - Macro	5.62	5.44	4.83	7.49
Assumed Inflation - Mean			2.35 %	1.41 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on January 25, 2023.

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

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

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

	Decrease (5.9%)	Rate (6.9%)	Increase (7.9%)
City's proportionate share of the net pension liability	\$ 57,784,077	\$ 36,631,103	\$ 18,914,453

Deferred Compensation Plan

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

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

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

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

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

Contributions:

PERS has a mandatory retirement contribution from employees. However, the City pays six (6) percent of their covered payroll as a money-saving concession that was negotiated in collective bargaining agreements. The City did not make any optional contributions to member IAP accounts for the year ended June 30, 2025.

E. Service Concession Agreement

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

F. Tax Abatements

As of June 30, 2025, City of Ashland provides tax abatements through one significant program: Enterprise Zone.

Enterprise Zone (ORS 285C.175):

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

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

For the fiscal year ended June 30, 2025, City of Ashland abated property taxes under this program were \$52,758.

G. Contingency

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

H. Leases

The City is a lessor for the noncancellable lease of office and building space with lease terms through 2026. For the year ending June 30, 2025, the City recognized \$173,564 in lease revenue in released from Deferred Inflows of Resources related to the office lease on the Statement of Changes in Net Position. The City recognized interest revenue of \$0 for the year ending June 30, 2025. No inflows of resources were recognized in the year related to termination penalties or residual value guarantees during the fiscal year. The balance of the governmental activities lease receivable was \$172,530 as of June 30, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information

CITY OF ASHLAND, OREGON
Required Supplemental Information
Schedule Of Changes In Other Post Employment Benefits (OPEB)
Liability And Related Ratios Medical Benefits
For the year ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability based on measurement date at June 30	\$ 3,685,572	\$ 3,794,218	\$ 4,045,104	\$ 4,051,051	\$ 3,914,647	\$ 3,840,270	\$ 2,928,939	\$ 3,065,279
<u>Changes for the year:</u>								
Service cost	138,111	135,724	173,799	168,578	150,117	133,242	151,823	161,964
Interest	135,183	133,128	88,504	90,131	137,290	147,300	105,593	88,807
Changes of benefit terms			-	-	-	-	-	-
Differences between expected and actual experience			-	-	-	-	-	-
Changes of economic/demographic gains	27,675	-	170,483	-	23,288	-	1,471,245	-
Changes of assumptions or other input	259,221	(36,000)	(439,339)	19,464	112,559	131,690	(552,532)	(163,128)
Benefit payments	(242,240)	(341,499)	(244,333)	(284,120)	(286,850)	(337,855)	(264,798)	(223,681)
Net change for the year	317,950	(108,647)	(250,886)	(5,947)	136,404	74,377	911,331	(136,038)
Total OPEB liability at June 30	\$ 4,003,522	\$ 3,685,572	\$ 3,794,218	\$ 4,045,104	\$ 4,051,051	\$ 3,914,647	\$ 3,840,270	\$ 2,929,241
Fiduciary net position as a percentage of the total single employer OPEB liability	0%	0%	0%	0%	0%	0%	0%	0%
Covered employee payroll for this specific plan	\$ 23,288,522	\$ 21,077,554	\$ 19,418,399	\$ 18,453,012	\$ 17,013,505	\$ 19,757,586	\$ 19,642,352	\$ 18,161,024
Single employer total OPEB plan as a percentage of covered employee payroll for this specific pla	17.2%	17.5%	19.5%	21.9%	23.8%	19.8%	19.6%	16.1%

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

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

Required Supplementary Information

Required Supplementary Information For the year ended June 30, 2025

Schedule Of The Proportionate Share Of The Net OPEB Asset - PERS

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	0.1648%	\$ (558,792)	\$ 21,077,554	(2.7) %	31.0 %
2024	0.1927%	(504,705)	19,418,399	(2.6)	62.6
2023	0.1914%	(535,342)	18,453,012	(2.9)	60.9
2022	0.2048%	(684,250)	17,013,505	(4.0)	66.3
2021	0.2105%	(231,380)	17,460,741	(1.3)	68.8
2020	0.2046%	(280,916)	17,561,324	(1.6)	80.2

Schedule of Contributions

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2025	\$ -	\$ -	\$ -	\$ 23,288,522	- %
2024	-	-	-	21,077,554	-
2023	2,778	2,778	-	19,418,399	0.014
2022	3,554	3,554	-	18,453,012	0.019
2021	4,100	4,100	-	17,013,505	0.024
2020	4,400	4,400	-	17,460,741	0.025

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

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

Required Supplementary Information

Required Supplementary Information For the year ended June 30, 2025

Schedule of The Proportionate Share of Net Pension Liability

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	0.1648%	\$ (36,631,103)	\$ 21,077,554	(173.8) %	31.0 %
2024	0.1927%	(36,097,877)	19,418,399	(185.9)	62.6
2023	0.1914%	(29,308,607)	18,453,012	(158.8)	60.9
2022	0.2048%	(24,510,198)	17,013,505	(144.1)	66.3
2021	0.2105%	(46,512,316)	17,460,741	(266.4)	68.8
2020	0.2046%	(36,414,527)	17,561,324	(207.4)	80.2
2019	0.2046%	(30,987,200)	16,232,406	(190.9)	80.6
2018	0.2157%	(29,084,032)	15,950,222	(182.3)	83.1
2017	0.2157%	(34,849,280)	15,571,834	(223.8)	80.5
2016	0.2590%	(14,910,215)	14,948,474	(99.7)	91.9

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

Schedule of Contributions

Year Ended	Statutorily required	Contributions in relation to the statutorily required	Contribution deficiency	Covered Payroll	Contributions as a percent of covered
2025	\$ 5,904,880	\$ 5,904,880	\$ -	\$ 23,288,522	25.4 %
2024	5,597,182	5,597,182	-	21,077,554	26.6
2023	4,522,246	4,522,246	-	19,418,399	23.3
2022	4,468,191	4,468,191	-	18,453,012	24.2
2021	4,472,240	4,472,240	-	17,013,505	26.3
2020	4,157,228	4,157,228	-	17,460,741	23.8
2019	3,396,359	3,396,359	-	17,561,324	19.3
2018	3,162,190	3,162,190	-	16,232,406	19.5
2017	2,774,267	2,774,267	-	15,950,222	17.4
2016	2,805,936	2,805,936	-	15,571,834	18.0

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

Required Supplementary Information

CITY OF ASHLAND, OREGON General Fund Schedule of Revenues and Expenditures - Budget and Actual For the Year Ended June 30, 2025

REVENUES	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
Taxes	\$ 49,940,423	\$ 49,940,423	\$ 24,106,609	\$ 24,424,056	\$ 48,530,665	\$ (1,409,758)
Fees, licenses and permits	2,525,713	2,525,713	1,591,398	1,101,053	2,692,451	166,738
Intergovernmental	4,496,099	5,154,343	1,744,883	1,204,430	2,949,313	(2,205,030)
Charges for services	26,131,340	26,272,714	10,586,886	11,121,520	21,708,406	(4,564,308)
Fines and forfeitures	349,000	349,000	301,364	182,961	484,325	135,325
Interest on investments	600,000	1,100,000	1,159,506	850,261	2,009,767	909,767
Miscellaneous	181,325	611,625	831,217	169,950	1,001,167	389,542
Total revenues	84,223,900	85,953,818	40,321,863	39,054,230	79,376,093	(6,577,725)
EXPENDITURES						
General government						
Administration Department	9,175,482	8,859,739	4,216,230	4,036,984	8,253,214	(606,525)
Innovation and Technology Departmen	4,286,114	4,508,114	1,870,595	1,612,123	3,482,718	(1,025,396)
Finance Department	6,570,211	6,570,211	2,947,691	3,263,434	6,211,124	(359,087)
City Recorder's Office	574,140	574,140	195,982	268,303	464,285	(109,855)
Public Works Department	8,944,655	8,299,655	3,256,545	3,108,117	6,364,663	(1,934,992)
Community Development Department	4,891,264	4,891,264	2,055,921	2,131,635	4,187,556	(703,708)
Contingency	2,279,998	2,057,998	-	-	-	(2,057,998)
Total general government	36,721,864	35,761,121	14,542,964	14,420,596	28,963,560	(6,797,561)
Public safety						
Police Department	18,569,062	18,569,062	8,152,677	8,844,074	16,996,751	(1,572,311)
Fire and Rescue Department	28,552,434	30,094,699	13,091,298	12,167,031	25,258,329	(4,836,370)
Total public safety	47,121,496	48,663,761	21,243,975	21,011,105	42,255,080	(6,408,681)
Parks and recreation	14,435,317	14,547,970	6,066,835	7,812,768	13,879,603	(668,367)
Total expenditures	98,278,677	98,972,852	41,853,774	43,244,470	85,098,243	(13,874,609)
Excess (deficiency) of revenues over expenditures	(14,054,777)	(13,019,034)	(1,531,911)	(4,190,239)	(5,722,151)	7,296,883
OTHER FINANCING SOURCES (USES)						
Transfers in	1,243,184	4,574,302	521,096	3,850,775	4,371,871	(202,431)
Transfers out	(621,000)	(1,656,743)	(310,500)	(1,346,243)	(1,656,743)	-
Total other financing sources (uses)	622,184	2,917,559	210,596	2,504,532	2,715,128	(202,431)
Net change in fund balance	(13,432,593)	(10,101,475)	(1,321,315)	(1,685,707)	(3,007,022)	7,094,453
Fund balance, beginning	19,559,426	19,559,426	18,379,038	17,057,723	18,379,038	(1,180,388)
Fund balance, ending	\$ 6,126,833	\$ 9,457,951	\$ 17,057,723	15,372,016	\$ 15,372,016	\$ 5,914,065
Reconciliation to GAAP fund balance :						
Reserve fund balance:				1,980,546		
				<u>\$ 17,352,562</u>		

Required Supplementary Information

CITY OF ASHLAND, OREGON Street Fund Schedule of Revenues and Expenditures - Budget and Actual For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Taxes	\$ 4,809,510	\$ 4,809,510	\$ 2,343,614	\$ 2,216,306	\$ 4,559,920	\$ (249,590)
Intergovernmental	3,306,000	3,306,000	1,692,621	1,744,738	3,437,359	131,359
Charges for services	3,402,500	3,402,500	1,694,331	1,584,730	3,279,061	(123,439)
Assessments	6,000	6,000	943	4,915	5,858	(142)
Interest on investments	160,000	160,000	65,073	165,230	230,302	70,302
Miscellaneous	-	-	187	2,801	2,989	2,989
Total revenues	11,684,010	11,684,010	5,796,769	5,718,721	11,515,489	(168,521)
EXPENDITURES						
Public Works - Street Operations	20,623,413	20,623,413	7,130,513	5,921,230	13,051,744	(7,571,669)
Public Works - Street Debt	4,968,539	4,968,539	77,762	81,266	159,027	(4,809,512)
Contingency	276,982	276,982	-	-	-	(276,982)
Total expenditures	25,868,934	25,868,934	7,208,275	6,002,496	13,210,771	(12,658,163)
Excess (deficiency) of revenues over expenditures	(14,184,924)	(14,184,924)	(1,411,507)	(283,775)	(1,695,282)	12,489,642
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	14,542,685	14,542,685	4,028,789	-	4,028,789	(10,513,896)
Transfers out *	-	-	(2,978,031)	-	(2,978,031)	(2,978,031)
Total other financing sources (uses)	14,542,685	14,542,685	1,050,758	-	1,050,758	(13,491,927)
Net change in fund balance	357,761	357,761	(360,749)	(283,775)	(644,524)	(1,002,285)
Fund balance, beginning	1,701,979	1,701,979	4,796,385	4,435,636	4,796,385	3,094,406
Fund balance, ending	\$ 2,059,740	\$ 2,059,740	\$ 4,435,636	\$ 4,151,861	\$ 4,151,861	\$ 2,092,121

*The variance with budget is due to an accounting correction for moving budgeted beginning fund balance to a new fund, and is not a budgetary violation per ORS.

Required Supplementary Information

Notes To Required Supplementary Information

Changes to Actuarial Assumptions – OPEB (Single Employer Plan). The fiscal year 2025 OPEB liability was determined by an actuarial valuation as of the July 1, 2024, valuation date, calculated based on the following discount rate and actuarial assumptions, and was then projected forward to the measurement date: Inflation - 2.40%, salary increases - 3.40%, discount rate - 3.93%. Withdrawal, retirement, and mortality rates were based on the December 31, 2023, Oregon PERS valuation. Election rates assumed that 100% of active members that are eligible for explicit benefits were assumed to receive those benefits and 45% of all other eligible employees. 60% of male members and 35% of female members will elect spouse coverage. The lapse rate was 5%. The actuarial cost method assumes the entry age is normal.

Changes to actuarial assumptions – OPEB (PERS). The Retirement Health Insurance Account (RHIA) asset was determined by an actuarial valuation as of the December 31, 2022, date projected forward to the measurement date of June 30, 2024. The discount rate used was 6.90%, the inflation rate was 2.40%, and projected salary increases were 3.40%. All assumptions, methods and plan provisions used in the calculations are described in the Oregon PERS system wide GASB 75 reporting summary dated January 20, 2023, which can be found at [OPEB Plan Schedules of Employer Allocations and OPEB Amounts by Employer](#). Additional information on the actuarial assumptions is included in the 2022 Experience Study report, which reviewed experience for the four-year period ended on December 31, 2022.

Actuarial assumptions – Pension Liability (PERS). The total pension liability was determined by an actuarial valuation as of the December 31, 2022, date projected forward to the measurement date of June 30, 2024. The discount rate used was 6.90%, the inflation rate was 2.40%, and projected salary increases were 3.40%. All assumptions, methods and plan provisions used in the calculation are described in the Oregon PERS system wide GASB 68 reporting summary dated January 30, 2024, which can be found at [Cost-Sharing Multiple-Employer Defined Benefit Pension Plan Schedules of Employer Allocations and Pension Amounts by Employer](#). Additional information on the actuarial assumptions is included in the 2022 Experience Study report, which reviewed experience for the four-year period ended on December 31, 2022.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

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

SUPPLEMENTARY INFORMATION

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

CITY OF ASHLAND, OREGON
Combining Balance Sheet
All Non-Major Funds
June 30, 2025

	Governmental Fund Types									Permanent Fund Type Cemetery	Total Other Governmental
	SDC Street Fund	Housing Fund	Tourism Fund	CDBG Fund	Airport Fund	Capital Improvements Fund	SDC Parks Fund	Parks Capital Improvements Fund	Debt Service Fund	Trust Fund	
Assets											
Cash and cash equivalents	\$ 2,926,147	\$ 212,334	\$ 901,262	\$ 26,379	\$ 427,991	\$ 595,615	\$ 478,859	\$ 3,199,223	\$ 1,096,167	\$ -	\$ 9,863,977
Receivables (net of allowance for uncollectible)	4,651	54,451	125,559	12,116	14,429	41,026	1,050	180,663	9,199	3,862	447,005
Lease receivable	-	-	-	-	172,529	-	-	-	-	-	172,529
Prepaid items	-	-	-	-	1,195	-	-	-	3,565	-	4,760
Cash - restricted	-	-	-	-	-	-	-	-	-	991,239	991,239
Total assets	<u>\$ 2,930,798</u>	<u>\$ 266,785</u>	<u>\$1,026,821</u>	<u>\$ 38,495</u>	<u>\$ 616,144</u>	<u>\$ 636,641</u>	<u>\$ 479,909</u>	<u>\$ 3,379,885</u>	<u>\$ 1,108,931</u>	<u>\$ 995,101</u>	<u>\$ 11,479,510</u>
Liabilities											
Accounts payable	\$ -	\$ 84,857	\$ 104,200	\$ 1,876	\$ 12,522	\$ 149,533	\$ -	\$ 40,563	\$ -	\$ -	\$ 393,550
Retainage payable	-	-	-	-	-	73,543	-	-	-	-	73,543
Total liabilities	<u>-</u>	<u>84,857</u>	<u>104,200</u>	<u>1,876</u>	<u>12,522</u>	<u>223,076</u>	<u>-</u>	<u>40,563</u>	<u>-</u>	<u>-</u>	<u>467,093</u>
Deferred Inflows of Resources:											
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	7,515	-	7,515
Unavailable revenue - special assessments	-	54,452	-	-	-	40,829	-	-	-	-	95,281
Unavailable revenue - lease receivable	-	-	-	-	172,529	-	-	-	-	-	172,529
	<u>-</u>	<u>54,452</u>	<u>-</u>	<u>-</u>	<u>172,529</u>	<u>40,829</u>	<u>-</u>	<u>-</u>	<u>7,515</u>	<u>-</u>	<u>275,325</u>
Fund Balances:											
Non Spendable:											
Perpetual care	-	-	-	-	-	-	-	-	-	995,101	995,101
Prepaid items	-	-	-	-	1,195	-	-	-	3,565	-	4,760
Restricted for:											
CDBG restriction	-	-	-	36,619	-	-	-	-	-	-	36,619
Systems development charges	2,930,798	-	-	-	-	-	479,909	-	-	-	3,410,707
Airport	-	-	-	-	429,898	-	-	-	-	-	429,898
Tourism	-	-	922,621	-	-	-	-	-	-	-	922,621
Debt service	-	-	-	-	-	-	-	-	1,097,851	-	1,097,851
Committed for:											
Housing Fund	-	127,476	-	-	-	-	-	-	-	-	127,476
Parks activities	-	-	-	-	-	-	-	3,339,322	-	-	3,339,322
Capital projects funds	-	-	-	-	-	372,737	-	-	-	-	372,737
Total fund balances	<u>2,930,798</u>	<u>127,476</u>	<u>922,621</u>	<u>36,619</u>	<u>431,093</u>	<u>372,737</u>	<u>479,909</u>	<u>3,339,322</u>	<u>1,101,416</u>	<u>995,101</u>	<u>10,737,092</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,930,798</u>	<u>\$ 266,785</u>	<u>\$1,026,821</u>	<u>\$ 38,495</u>	<u>\$ 616,144</u>	<u>\$ 636,641</u>	<u>\$ 479,909</u>	<u>\$ 3,379,885</u>	<u>\$ 1,108,931</u>	<u>\$ 995,101</u>	<u>\$ 11,479,510</u>

Supplementary Information

CITY OF ASHLAND, OREGON Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2025

	Special Revenue Funds									Permanent Fund	
	SDC Street Fund	Housing Fund	Tourism Fund	CDBG Fund	Airport Fund	Capital Improvements Fund	SDC Parks Fund	Parks Capital Improvements Fund	Debt Service Fund	Cemetery Nonexp. Trust Fund	Total Nonmajor Governmental Funds
REVENUES											
Taxes	\$ -	\$ -	\$ 922,661	\$ -	\$ -	\$ -	\$ -	\$ 759,009	\$ 203,011	\$ -	\$ 1,884,681
Intergovernmental	-	-	-	191,762	-	-	-	-	-	-	191,762
Charges for services	-	-	-	-	191,287	-	-	-	1,261,595	23,828	1,476,710
System development charges	214,998	-	-	-	-	-	42,508	-	-	-	257,506
Interest on investments	125,608	12,894	42,129	-	17,903	37,072	19,999	169,874	25,929	47,111	498,519
Miscellaneous	-	-	-	-	2,000	-	-	-	-	-	2,000
Total revenues	340,606	12,894	964,790	191,762	211,190	37,072	62,507	928,883	1,490,535	70,939	4,311,178
EXPENDITURES											
General government	-	238,060	1,024,286	191,762	-	-	-	-	-	-	1,454,108
Highway and streets	-	-	-	-	77,607	-	-	-	-	-	77,607
Debt service											
Principal	-	-	-	-	-	-	-	-	1,716,052	-	1,716,052
Interest	-	-	-	-	-	-	-	-	90,310	-	90,310
Capital Outlay											
General government	-	-	-	-	39,975	1,706,323	-	-	-	-	1,746,298
Highways and streets	116,431	-	-	-	-	-	-	-	-	-	116,431
Parks and recreation	-	-	-	-	-	-	-	552,625	-	-	552,625
Total expenditures	116,431	238,060	1,024,286	191,762	117,582	1,706,323	-	552,625	1,806,362	-	5,753,431
Excess (deficiency) of revenues over expenditures	224,175	(225,166)	(59,496)	-	93,608	(1,669,251)	62,507	376,258	(315,827)	70,939	(1,442,253)
OTHER FINANCING SOURCES (USES)											
Proceeds from debt issuance	536,427	-	-	-	-	-	-	-	-	-	536,427
Transfers in	-	100,000	-	-	-	1,064,446	-	-	366,940	500	1,531,886
Transfers out	-	-	-	-	-	-	-	(608,188)	-	(47,111)	(655,299)
Total other financing sources (uses)	536,427	100,000	-	-	-	1,064,446	-	(608,188)	366,940	(46,611)	1,413,014
Net change in fund balance	760,602	(125,166)	(59,496)	-	93,608	(604,805)	62,507	(231,930)	51,113	24,328	(29,239)
Fund balance, beginning	2,170,196	252,642	982,117	36,619	337,485	977,542	417,402	3,571,252	1,050,303	970,773	10,766,331
Fund balance, ending	\$ 2,930,798	\$ 127,476	\$ 922,621	\$ 36,619	\$ 431,093	\$ 372,737	\$ 479,909	\$ 3,339,322	\$ 1,101,416	\$ 995,101	\$ 10,737,092

CITY OF ASHLAND, OREGON
SDC Street Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
System development charges	\$ 300,000	\$ 300,000	\$ 324,118	\$ 214,998	\$ 539,116	\$ 239,116
Interest on investments	-	-	146,587	125,608	272,195	272,195
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>470,705</u>	<u>340,606</u>	<u>811,311</u>	<u>511,311</u>
EXPENDITURES						
General government						
Materials and services	50,000	50,000	1,165	-	1,165	48,835
Capital outlay	3,104,875	3,104,875	1,277,375	116,431	1,393,806	1,711,069
Contingency	94,647	94,647	-	-	-	94,647
Total expenditures	<u>3,249,522</u>	<u>3,249,522</u>	<u>1,278,540</u>	<u>116,431</u>	<u>1,394,971</u>	<u>1,854,551</u>
Excess of revenues over expenditures	<u>(2,949,522)</u>	<u>(2,949,522)</u>	<u>(807,835)</u>	<u>224,175</u>	<u>(583,660)</u>	<u>2,365,862</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	3,104,875	3,104,875	-	536,427	536,427	(2,568,448)
Transfer in	-	-	2,978,031	-	2,978,031	2,978,031
Total other financing sources (uses)	<u>3,104,875</u>	<u>3,104,875</u>	<u>2,978,031</u>	<u>536,427</u>	<u>3,514,458</u>	<u>409,583</u>
Net change in fund balance	155,353	155,353	2,170,196	760,602	2,930,798	2,775,445
Fund balance, beginning	<u>3,002,755</u>	<u>3,002,755</u>	<u>-</u>	<u>2,170,196</u>	<u>-</u>	<u>(3,002,755)</u>
Fund balance, ending	<u>\$ 3,158,108</u>	<u>\$ 3,158,108</u>	<u>\$ 2,170,196</u>	<u>\$ 2,930,798</u>	<u>\$ 2,930,798</u>	<u>\$ (227,310)</u>

CITY OF ASHLAND, OREGON
Housing Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Interest on investments	\$ 2,000	\$ 2,000	\$ 12,519	\$ 12,894	\$ 25,413	\$ 23,413
Total revenues	2,000	2,000	12,519	12,894	25,413	23,413
EXPENDITURES						
General government						
Materials and services	423,798	423,798	100,000	238,060	338,060	85,738
Total expenditures	423,798	423,798	100,000	238,060	338,060	85,738
Excess of revenues over expenditures	(421,798)	(421,798)	(87,481)	(225,166)	(312,647)	109,151
OTHER FINANCING SOURCES (USES)						
Transfers in	200,000	200,000	100,000	100,000	200,000	-
Total other financing sources (uses)	200,000	200,000	100,000	100,000	200,000	-
Net change in fund balance	(221,798)	(221,798)	12,519	(125,166)	(112,647)	109,151
Fund balance, beginning	221,798	221,798	240,123	252,642	240,123	18,325
Fund balance, ending	\$ -	\$ -	\$ 252,642	\$ 127,476	\$ 127,476	\$ 127,476

CITY OF ASHLAND, OREGON
Tourism Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Taxes	\$ 1,961,197	\$ 1,961,197	\$ 853,267	\$ 922,661	\$ 1,775,928	\$ (185,269)
Interest on investments	24,000	24,000	48,827	42,129	90,956	66,956
Total revenues	<u>1,985,197</u>	<u>1,985,197</u>	<u>902,094</u>	<u>964,790</u>	<u>1,866,884</u>	<u>(118,313)</u>
EXPENDITURES						
General government						
Personnel services	145,677	170,677	78,730	86,120	164,850	5,827
Materials and services	2,322,676	2,297,676	833,329	938,166	1,771,495	526,181
Contingency	74,050	74,050	-	-	-	74,050
Total expenditures	<u>2,542,403</u>	<u>2,542,403</u>	<u>912,059</u>	<u>1,024,286</u>	<u>1,936,345</u>	<u>606,058</u>
Net change in fund balance	(557,206)	(557,206)	(9,965)	(59,496)	(69,461)	487,745
Fund balance, beginning	<u>1,015,037</u>	<u>1,015,037</u>	<u>992,082</u>	<u>982,117</u>	<u>992,082</u>	<u>(22,955)</u>
Fund balance, ending	<u>\$ 457,831</u>	<u>\$ 457,831</u>	<u>\$ 982,117</u>	<u>\$ 922,621</u>	<u>\$ 922,621</u>	<u>\$ 464,790</u>

CITY OF ASHLAND, OREGON
Community Development Block Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Intergovernmental	\$ 378,962	\$ 378,962	\$ 65,563	\$ 191,762	\$ 257,325	\$ (121,637)
Total revenues	<u>378,962</u>	<u>378,962</u>	<u>65,563</u>	<u>191,762</u>	<u>257,325</u>	<u>(121,637)</u>
EXPENDITURES						
General government						
Personal services	69,654	69,654	35,915	32,527	68,442	1,212
Material and services	345,927	345,927	29,648	159,235	188,883	157,044
Total general government	<u>415,581</u>	<u>415,581</u>	<u>65,563</u>	<u>191,762</u>	<u>257,325</u>	<u>158,256</u>
Total expenditures	<u>415,581</u>	<u>415,581</u>	<u>65,563</u>	<u>191,762</u>	<u>257,325</u>	<u>158,256</u>
Net change in fund balance	(36,619)	(36,619)	-	-	-	36,619
Fund balance, beginning	<u>36,619</u>	<u>36,619</u>	<u>36,619</u>	<u>36,619</u>	<u>36,619</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,619</u>	<u>\$ 36,619</u>	<u>\$ 36,619</u>	<u>\$ 36,619</u>

CITY OF ASHLAND, OREGON
Airport Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Intergovernmental	\$ 4,697,500	\$ 4,697,500	\$ 2,627,951	\$ -	\$ 2,627,951	\$ (2,069,549)
Charges for services	345,000	345,000	186,238	191,287	377,525	32,525
Interest on investments	6,000	6,000	4,810	17,903	22,712	16,712
Miscellaneous	-	-	2,000	2,000	4,000	4,000
Total revenues	<u>5,048,500</u>	<u>5,048,500</u>	<u>2,820,999</u>	<u>211,190</u>	<u>3,032,188</u>	<u>(2,016,312)</u>
EXPENDITURES						
General government:						
Materials and services	190,849	190,849	79,867	77,607	157,474	33,375
Capital outlay	4,915,000	4,915,000	2,802,643	39,975	2,842,618	2,072,382
Contingency	5,726	5,726	-	-	-	5,726
Total expenditures	<u>5,111,575</u>	<u>5,111,575</u>	<u>2,882,510</u>	<u>117,582</u>	<u>3,000,092</u>	<u>2,111,483</u>
Net change in fund balance	(63,075)	(63,075)	(61,511)	93,608	32,097	95,172
Fund balance, beginning	<u>86,831</u>	<u>86,831</u>	<u>398,996</u>	<u>337,485</u>	<u>398,996</u>	<u>312,165</u>
Fund balance, ending	<u>\$ 23,756</u>	<u>\$ 23,756</u>	<u>\$ 337,485</u>	<u>\$ 431,093</u>	<u>\$ 431,093</u>	<u>\$ 407,337</u>

CITY OF ASHLAND, OREGON
Capital Improvements Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Intergovernmental	\$ 900,000	\$ 2,058,100	\$ 1,158,200	\$ -	\$ 1,158,200	\$ (899,900)
Charges for services	-	-	159,264	-	159,264	159,264
Interest on investments	20,000	20,000	57,194	37,072	94,266	74,266
Total revenues	<u>920,000</u>	<u>2,078,100</u>	<u>1,374,658</u>	<u>37,072</u>	<u>1,411,730</u>	<u>(666,370)</u>
EXPENDITURES						
General government						
Public Works Department	1,953,074	4,075,620	2,095,540	1,706,323	3,801,863	273,757
Total expenditures	<u>1,953,074</u>	<u>4,075,620</u>	<u>2,095,540</u>	<u>1,706,323</u>	<u>3,801,863</u>	<u>273,757</u>
Excess (deficiency) of revenues over expenditures	<u>(1,033,074)</u>	<u>(1,997,520)</u>	<u>(720,882)</u>	<u>(1,669,251)</u>	<u>(2,390,133)</u>	<u>(392,613)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	-	-	600,000	-	600,000	600,000
Transfers in	200,000	1,164,446	100,000	1,064,446	1,164,446	-
Transfers out *	-	-	(320,568)		(320,568)	(320,568)
Total other financing sources (uses):	<u>200,000</u>	<u>1,164,446</u>	<u>379,432</u>	<u>1,064,446</u>	<u>1,443,878</u>	<u>279,432</u>
Net change in fund balance	<u>(833,074)</u>	<u>(833,074)</u>	<u>(341,450)</u>	<u>(604,805)</u>	<u>(946,255)</u>	<u>(113,181)</u>
Fund balance, beginning	<u>1,035,362</u>	<u>1,035,362</u>	<u>1,318,992</u>	<u>977,542</u>	<u>1,318,992</u>	<u>283,630</u>
Fund balance, ending	<u>\$ 202,288</u>	<u>\$ 202,288</u>	<u>\$ 977,542</u>	<u>\$ 372,737</u>	<u>\$ 372,737</u>	<u>\$ 170,449</u>

*The variance with budget is due to an accounting correction for moving budgeted beginning fund balance to a new fund, and is not a budgetary violation per ORS

CITY OF ASHLAND, OREGON
SDC Parks Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
Revenues:						
System development charges	\$ 100,000	\$ 100,000	\$ 79,140	\$ 42,508	\$ 121,648	\$ 21,648
Interest on investments	-	-	17,694	19,999	37,693	37,693
Total revenues	100,000	100,000	96,834	62,507	159,341	59,341
Expenditures:						
General government:						
Capital outlay	373,532	373,532	-	-	-	373,532
Contingency	11,206	11,206	-	-	-	11,206
Total expenditures	384,738	384,738	-	-	-	384,738
Excess (deficiency) of revenues over expenditures	(284,738)	(284,738)	96,834	62,507	159,341	444,079
Other financing sources (uses):						
Transfer in	-	-	320,568	-	320,568	320,568
Total other financing sources (uses)	-	-	320,568	-	320,568	320,568
Net change in fund balance	(284,738)	(284,738)	417,402	62,507	479,909	764,647
Fund balance, beginning	284,878	284,878	-	417,402	-	(284,878)
Fund balance, ending	\$ 140	\$ 140	\$ 417,402	\$ 479,909	\$ 479,909	\$ 479,769

CITY OF ASHLAND, OREGON
Parks Capital Improvements Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Taxes	\$ 1,647,093	\$ 1,647,093	\$ 808,875	\$ 759,009	\$ 1,567,884	\$ (79,209)
Intergovernmental	7,500,000	7,531,000	101,000	-	101,000	(7,430,000)
Interest on investments	60,000	60,000	176,970	169,874	346,844	286,844
Miscellaneous	50,000	50,000	-	-	-	(50,000)
Total revenues	<u>9,257,093</u>	<u>9,288,093</u>	<u>1,086,845</u>	<u>928,883</u>	<u>2,015,728</u>	<u>(7,272,365)</u>
EXPENDITURES						
General government:						
Capital outlay	15,341,100	15,372,100	880,674	552,625	1,433,299	13,938,801
Total expenditures	<u>15,341,100</u>	<u>15,372,100</u>	<u>880,674</u>	<u>552,625</u>	<u>1,433,299</u>	<u>13,938,801</u>
Excess (deficiency) of revenues over expenditures	<u>(6,084,007)</u>	<u>(6,084,007)</u>	<u>206,171</u>	<u>376,258</u>	<u>582,429</u>	<u>6,666,436</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	8,200,000	8,200,000	-	-	-	(8,200,000)
Transfers out	(1,217,080)	(1,217,080)	(608,892)	(608,188)	(1,217,080)	-
Total other financing sources (uses):	<u>6,982,920</u>	<u>6,982,920</u>	<u>(608,892)</u>	<u>(608,188)</u>	<u>(1,217,080)</u>	<u>(8,200,000)</u>
Net change in fund balance	898,913	898,913	(402,721)	(231,930)	(634,651)	(1,533,564)
Fund balance, beginning	<u>5,590,786</u>	<u>5,590,786</u>	<u>3,973,973</u>	<u>3,571,252</u>	<u>3,973,973</u>	<u>(1,616,813)</u>
Fund balance, ending	<u>\$ 6,489,699</u>	<u>\$ 6,489,699</u>	<u>\$ 3,571,252</u>	<u>\$ 3,339,322</u>	<u>\$ 3,339,322</u>	<u>\$ (3,150,377)</u>

CITY OF ASHLAND, OREGON
Debt Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Taxes	\$ 417,276	\$ 417,276	\$ 205,116	\$ 203,011	\$ 408,127	\$ (9,149)
Charges for services	2,523,190	2,523,190	1,261,595	1,261,595	2,523,190	-
Interest on investments	18,000	18,000	30,993	25,929	56,922	38,922
Total revenues	<u>2,958,466</u>	<u>2,958,466</u>	<u>1,497,704</u>	<u>1,490,536</u>	<u>2,988,240</u>	<u>29,774</u>
EXPENDITURES						
Debt service						
Principal	3,343,000	3,377,686	1,661,607	1,716,052	3,377,659	27
Interest	177,736	214,347	124,037	90,310	214,347	-
Total expenditures	<u>3,520,736</u>	<u>3,592,033</u>	<u>1,785,644</u>	<u>1,806,362</u>	<u>3,592,006</u>	<u>27</u>
Excess (deficiency) of revenues over expenditures	<u>(562,270)</u>	<u>(633,567)</u>	<u>(287,940)</u>	<u>(315,826)</u>	<u>(603,766)</u>	<u>29,801</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	591,990	591,990	296,347	366,940	663,287	71,297
Total other financing sources (uses):	<u>591,990</u>	<u>591,990</u>	<u>296,347</u>	<u>366,940</u>	<u>663,287</u>	<u>71,297</u>
Net change in fund balance	29,720	(41,577)	8,407	51,114	59,521	29,801
Fund balance, beginning	<u>815,165</u>	<u>815,165</u>	<u>1,041,895</u>	<u>1,050,302</u>	<u>1,041,895</u>	<u>226,730</u>
Fund balance, ending	<u>\$ 844,885</u>	<u>\$ 773,588</u>	<u>\$ 1,050,302</u>	<u>\$ 1,101,416</u>	<u>\$ 1,101,416</u>	<u>\$ 327,828</u>

CITY OF ASHLAND, OREGON
Cemetery Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 26,000	\$ 26,000	\$ 23,512	\$ 23,828	\$ 47,340	\$ 21,340
Interest on investments	24,000	24,000	48,551	47,111	95,662	71,662
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>72,063</u>	<u>70,939</u>	<u>143,002</u>	<u>93,002</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	1,000	1,000	500	500	1,000	-
Transfers Out	(298,094)	(298,094)	(48,551)	(47,111)	(95,662)	202,432
Total other financing sources (uses):	<u>(297,094)</u>	<u>(297,094)</u>	<u>(48,051)</u>	<u>(46,611)</u>	<u>(94,662)</u>	<u>202,432</u>
Net change in fund balance	(247,094)	(247,094)	24,012	24,328	48,340	295,434
Fund balance, beginning	<u>946,395</u>	<u>946,395</u>	<u>946,761</u>	<u>970,773</u>	<u>946,761</u>	<u>366</u>
Fund balance, ending	<u>\$ 699,301</u>	<u>\$ 699,301</u>	<u>\$ 970,773</u>	<u>\$ 995,101</u>	<u>\$ 995,101</u>	<u>\$ 295,800</u>

CITY OF ASHLAND, OREGON
Parks and Recreation Fund (General Fund Sub-Fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
Other financing sources (uses):						
Transfers out	\$ -	\$ (631,966)	\$ -	\$ (631,966)	\$ (631,966)	\$ -
Total other financing sources (uses)	-	(631,966)	-	(631,966)	(631,966)	-
Net change in fund balance	-	(631,966)	-	(631,966)	(631,966)	-
Fund balance, beginning	-	631,966	631,966	631,966	631,966	-
Fund balance, ending	\$ -	\$ -	\$ 631,966	\$ -	\$ -	\$ -

CITY OF ASHLAND, OREGON
Reserve Fund (General Fund Sub-Fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Original	Final				
REVENUES						
Interest on investments	\$ 50,000	\$ 50,000	\$ 93,340	\$ 92,994	\$ 186,334	\$ 136,334
Total revenues	50,000	50,000	93,340	92,994	186,334	136,334
Net change in fund balance	50,000	50,000	93,340	92,994	186,334	136,334
Fund balance, beginning	1,784,761	1,784,761	1,794,212	1,887,552	1,794,212	9,451
Fund balance, ending	<u>\$ 1,834,761</u>	<u>\$ 1,834,761</u>	<u>\$ 1,887,552</u>	<u>\$ 1,980,546</u>	<u>\$ 1,980,546</u>	<u>\$ 145,785</u>
Reconciliation to GAAP fund balance				\$ (1,980,546)		
Reserve fund to the General Fund				<u>\$ -</u>		

CITY OF ASHLAND, OREGON
Parks Equipment Fund (General Fund Sub-Fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual	Variance with Final Budget
	Biennium Budget Amounts Original	Final				
Other financing sources (uses):						
Transfer out	\$ -	\$ (473,607)	\$ -	\$ (473,607)	\$ (473,607)	\$ -
Total other financing sources (uses)	-	(473,607)	-	(473,607)	(473,607)	-
Net Change in Fund Balance	-	(473,607)	-	(473,607)	(473,607)	-
Fund balance, Beginning	473,607	473,607	473,607	473,607	473,607	-
Fund balance, Ending	<u>\$ 473,607</u>	<u>\$ -</u>	<u>\$ 473,607</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ASHLAND, OREGON
Water Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 253,350	\$ 693,933	\$ 947,283	\$ 947,283
Charges for services	17,604,000	17,604,000	8,580,508	8,991,029	17,571,537	(32,463)
Interest on investments	400,000	400,000	748,049	832,320	1,580,369	1,180,369
Miscellaneous	51,000	51,000	10,926	2,938	13,864	(37,136)
Total revenues	18,055,000	18,055,000	9,592,833	10,520,220	20,113,053	2,058,053
Expenditures:						
Cost of services:						
Public Works - Water Conservation	581,198	581,198	87,694	87,300	174,994	406,204
Public Works - Water Operations	71,567,892	71,567,892	6,868,448	8,521,377	15,389,825	56,178,067
Public Works - Water Debt	1,472,514	1,472,514	330,331	685,696	1,016,027	456,487
Contingency	436,793	436,793	-	-	-	436,793
Total expenditures	74,058,397	74,058,397	7,286,473	9,294,373	16,580,845	57,477,552
Excess (deficiency) of revenues over (under) expenditures	(56,003,397)	(56,003,397)	2,306,360	1,225,847	3,532,208	59,535,605
Other financing sources (uses):						
Loan proceeds	46,570,810	46,570,810	-	-	-	(46,570,810)
Transfer out*	(100,000)	(100,000)	(911,082)	(50,000)	(961,082)	(861,082)
Total other financing sources (uses)	46,470,810	46,470,810	(911,082)	(50,000)	(961,082)	(47,431,892)
Net change in fund balance	(9,532,587)	(9,532,587)	1,395,278	1,175,847	2,571,125	12,103,712
Fund balance, beginning	12,341,551	12,341,551	16,220,569	17,615,847	16,220,569	3,879,018
Fund balance, ending	\$ 2,808,964	\$ 2,808,964	\$ 17,615,847	\$ 18,791,694	\$ 18,791,694	\$ 15,982,730

*The variance with budget is due to an accounting correction for moving budgeted beginning fund balance to a new fund, and is not a budgetary violation per ORS

Reconciliation to net position:

SDC Water fund balance	\$ 976,559
Deferred outflow - pension	721,376
Deferred outflow - OPEB	91,428
Capital assets, net	29,289,019
Compensated absences	(161,630)
OPEB implicit rate liability	(355,756)
Net pension liability	(1,739,245)
Deferred inflow - pension	(316,470)
Deferred inflow- OPEB	(39,624)
Accrued interest	(42,112)
GO bonds payable	(570,000)
Revenue debt payable	(7,704,849)
Total net position	\$ 38,940,390

CITY OF ASHLAND, OREGON
SDC Water Fund (Water Fund Sub-Fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
System development charges	\$ 350,000	\$ 350,000	\$ 230,531	\$ 192,551	\$ 423,082	\$ 73,082
Interest on investments	-	-	43,829	45,257	89,086	89,086
Total revenues	<u>350,000</u>	<u>350,000</u>	<u>274,360</u>	<u>237,808</u>	<u>512,168</u>	<u>162,168</u>
Expenditures:						
Cost of Services						
Materials and services	150,000	150,000	-	-	-	150,000
Capital outlay	8,659,843	8,659,843	5,331	24,513	29,844	8,629,999
Debt	410,512	410,512	163,756	203,092	366,847	43,665
Contingency	274,121	274,121	-	-	-	274,121
Total expenditures	<u>9,494,476</u>	<u>9,494,476</u>	<u>169,087</u>	<u>227,605</u>	<u>396,691</u>	<u>9,097,785</u>
Other financing sources (uses):						
Proceeds from debt issuance	15,139,204	15,139,204	-	-	-	(15,139,204)
Transfer in	-	-	861,082	-	861,082	861,082
Total other financing sources (uses)	<u>15,139,204</u>	<u>15,139,204</u>	<u>861,082</u>	<u>-</u>	<u>861,082</u>	<u>(14,278,122)</u>
Net change in fund balance	5,994,728	5,994,728	966,355	10,203	976,559	(5,018,169)
Fund balance, beginning	<u>1,183,793</u>	<u>1,183,793</u>	<u>-</u>	<u>966,355</u>	<u>-</u>	<u>(1,183,793)</u>
Fund balance, ending	<u>\$ 7,178,521</u>	<u>\$ 7,178,521</u>	<u>\$ 966,355</u>	<u>\$ 976,559</u>	<u>\$ 976,559</u>	<u>\$ (6,201,962)</u>

Supplementary Information

CITY OF ASHLAND, OREGON Wastewater Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ 98,752	\$ 98,752	\$ 98,752
Charges for services	12,710,000	12,710,000	6,368,033	6,185,122	12,553,155	(156,845)
Interest on investments	160,000	160,000	250,103	293,537	543,640	383,640
Miscellaneous	-	-	3,939	43	3,982	3,982
Total revenues	<u>12,870,000</u>	<u>12,870,000</u>	<u>6,622,075</u>	<u>6,577,454</u>	<u>13,199,529</u>	<u>329,529</u>
Expenditures:						
Cost of services:						
Public Works - Wastewater Operations	20,381,099	20,381,099	7,557,731	5,946,006	13,503,738	6,877,361
Public Works - Wastewater Debt	342,928	342,928	172,155	170,773	342,928	(0)
Contingency	356,466	356,466	-	-	-	356,466
Total expenditures	<u>21,080,493</u>	<u>21,080,493</u>	<u>7,729,886</u>	<u>6,116,779</u>	<u>13,846,666</u>	<u>7,233,827</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,210,493)</u>	<u>(8,210,493)</u>	<u>(1,107,811)</u>	<u>460,675</u>	<u>(647,137)</u>	<u>7,563,356</u>
Other financing sources (uses):						
Loan proceeds	8,647,571	8,647,571	1,242,621	505,802	1,748,423	(6,899,148)
Transfer out*	-	-	(2,235,338)	-	(2,235,338)	(2,235,338)
Total other financing sources (uses)	<u>8,647,571</u>	<u>8,647,571</u>	<u>(992,717)</u>	<u>505,802</u>	<u>(486,915)</u>	<u>(9,134,486)</u>
Net change in fund balance	<u>437,078</u>	<u>437,078</u>	<u>(2,100,528)</u>	<u>966,477</u>	<u>(1,134,051)</u>	<u>(1,571,129)</u>
Fund balance, beginning	<u>4,407,490</u>	<u>4,407,490</u>	<u>8,707,001</u>	<u>6,606,473</u>	<u>8,707,001</u>	<u>4,299,511</u>
Fund balance, ending	<u>\$ 4,844,568</u>	<u>\$ 4,844,568</u>	<u>\$ 6,606,473</u>	<u>\$ 7,572,950</u>	<u>\$ 7,572,950</u>	<u>\$ 2,728,382</u>

*The variance with budget is due to an accounting correction for moving budgeted beginning fund balance to a new fund, and is not a budgetary violation per ORS

Reconciliation to net position:

SDC Wastewater fund balance	\$ 2,726,658
Deferred outflow - pension	533,587
Deferred outflow - OPEB	117,340
Capital assets, net	35,457,202
Compensated absences	(114,354)
OPEB implicit rate liability	(467,237)
Net pension liability	(1,286,484)
Deferred inflow - pension	(234,087)
Deferred inflow- OPEB	(50,689)
Accrued interest	(180,617)
GO bonds payable	(135,000)
Revenue bonds payable	(8,544,951)
Total net position	<u><u>\$ 35,394,318</u></u>

CITY OF ASHLAND, OREGON
SDC Wastewater Fund (Wastewater Fund Sub-Fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
System development charges	\$ 300,000	\$ 300,000	\$ 286,207	\$ 248,826	\$ 535,033	\$ 235,033
Interest on investments	-	-	105,866	112,113	217,979	217,979
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>392,073</u>	<u>360,939</u>	<u>753,012</u>	<u>453,012</u>
Expenditures:						
Cost of Services						
Capital outlay	1,650,525	1,650,525	255,321	6,371	261,692	1,388,833
Contingency	49,516	49,516	-	-	-	49,516
Total expenditures	<u>1,700,041</u>	<u>1,700,041</u>	<u>255,321</u>	<u>6,371</u>	<u>261,692</u>	<u>1,438,349</u>
Other financing sources (uses):						
Proceeds from debt issuance	1,381,369	1,381,369	-	-	-	(1,381,369)
Transfer in	-	-	2,235,338	-	2,235,338	2,235,338
Total other financing sources (uses)	<u>1,381,369</u>	<u>1,381,369</u>	<u>2,235,338</u>	<u>-</u>	<u>2,235,338</u>	<u>853,969</u>
Net change in fund balance	(18,672)	(18,672)	2,372,090	354,568	2,726,658	2,745,330
Fund balance, beginning	<u>1,585,034</u>	<u>1,585,034</u>	<u>-</u>	<u>2,372,090</u>	<u>-</u>	<u>(1,585,034)</u>
Fund balance, ending	<u>\$ 1,566,362</u>	<u>\$ 1,566,362</u>	<u>\$ 2,372,090</u>	<u>\$ 2,726,658</u>	<u>\$ 2,726,658</u>	<u>\$ 1,160,296</u>

CITY OF ASHLAND, OREGON
Stormwater Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Charges for services	\$ 1,575,000	\$ 1,575,000	\$ 803,492	\$ 778,512	\$ 1,582,004	\$ 7,004
Interest on investments	32,000	32,000	97,996	95,489	193,485	161,485
Total revenues	<u>1,607,000</u>	<u>1,607,000</u>	<u>901,488</u>	<u>874,003</u>	<u>1,775,491</u>	<u>168,491</u>
Expenditures:						
Cost of services:						
Public Works - Stormwater Operations	3,408,275	3,408,275	837,566	821,213	1,658,779	1,749,496
Debt service	22,094	22,094	11,150	10,944	22,094	-
Contingency	64,479	64,479	-	-	-	64,479
Total expenditures	<u>3,494,848</u>	<u>3,494,848</u>	<u>848,716</u>	<u>832,157</u>	<u>1,680,873</u>	<u>1,813,975</u>
Excess (deficiency) of revenues over (under) expenditures	(1,887,848)	(1,887,848)	52,772	41,846	94,618	1,982,466
Other financing sources (uses):						
Proceeds from debt issuance	390,220	390,220	-	-	-	(390,220)
Total other financing sources (uses)	<u>390,220</u>	<u>390,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(390,220)</u>
Net change in fund balance	(1,497,628)	(1,497,628)	52,772	41,846	94,618	1,592,246
Fund balance, beginning	<u>2,036,637</u>	<u>2,036,637</u>	<u>2,042,119</u>	<u>2,094,891</u>	<u>2,042,119</u>	<u>5,482</u>
Fund balance, ending	<u>\$ 539,009</u>	<u>\$ 539,009</u>	<u>\$ 2,094,891</u>	<u>\$ 2,136,737</u>	<u>\$ 2,136,737</u>	<u>\$ 1,597,728</u>
Reconciliation to net position:						
SDC Stormwater				\$ 55,106		
Deferred outflow - pension				134,764		
Deferred outflow - OPEB				37,612		
Capital assets, net				403,678		
Compensated absences				(4,541)		
OPEB implicit rate liability				(156,137)		
Net pension liability				(324,918)		
Deferred inflow - pension				(59,122)		
Deferred inflow- OPEB				(16,150)		
Accrued interest				(207)		
GO bonds payable				(35,000)		
Total net position				<u>\$ 2,171,822</u>		

CITY OF ASHLAND, OREGON
SCD Stormwater Fund (Stormwater Fund Sub-Fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
System development charges	\$ 60,000	\$ 60,000	\$ 29,643	\$ 22,825	\$ 52,468	\$ (7,532)
Interest on investments	-	-	678	1,960	2,638	2,638
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>30,321</u>	<u>24,785</u>	<u>55,106</u>	<u>(4,894)</u>
Expenditures:						
Cost of services						
Capital outlay	64,908	64,908	-	-	-	64,908
Contingency	1,947	1,947	-	-	-	1,947
Total expenditures	<u>66,855</u>	<u>66,855</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,855</u>
Net change in fund balance	(6,855)	(6,855)	30,321	24,785	55,106	61,961
Fund balance, beginning	14,954	14,954	-	30,321	-	(14,954)
Fund balance, ending	<u>\$ 8,099</u>	<u>\$ 8,099</u>	<u>\$ 30,321</u>	<u>\$ 55,106</u>	<u>\$ 55,106</u>	<u>\$ 47,007</u>

Supplementary Information

CITY OF ASHLAND, OREGON Electric Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Intergovernmental	\$ 410,000	\$ 1,350,000	\$ 983,771	\$ 185,554	\$ 1,169,325	\$ (180,675)
Charges for services	36,554,204	36,554,204	16,906,546	15,924,806	32,831,352	(3,722,852)
Interest on investments	130,000	130,000	333,559	329,899	663,458	533,458
Miscellaneous	576,000	576,000	554,756	56,106	610,862	34,862
Total revenues	<u>37,670,204</u>	<u>38,610,204</u>	<u>18,778,632</u>	<u>16,496,365</u>	<u>35,274,997</u>	<u>(3,335,207)</u>
Expenditures:						
Cost of Services:						
Administration - Conservation	3,230,022	3,230,022	827,318	889,242	1,716,560	1,513,462
Electric - Operations	36,908,160	37,848,160	15,681,925	17,422,837	33,104,762	4,743,398
Electric - Debt	443,624	443,624	-	-	-	443,624
Contingency	1,136,604	1,136,604	-	-	-	1,136,604
Total expenditures	<u>41,718,410</u>	<u>42,658,410</u>	<u>16,509,243</u>	<u>18,312,079</u>	<u>34,821,322</u>	<u>7,837,088</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,048,206)</u>	<u>(4,048,206)</u>	<u>2,269,389</u>	<u>(1,815,714)</u>	<u>453,675</u>	<u>4,501,881</u>
Other financing sources (uses):						
Loan proceeds	3,000,000	3,000,000	-	-	-	(3,000,000)
Total other financing sources (uses)	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,000,000)</u>
Net change in fund balance	<u>(1,048,206)</u>	<u>(1,048,206)</u>	<u>2,269,389</u>	<u>(1,815,714)</u>	<u>453,675</u>	<u>1,501,881</u>
Fund balance, beginning	<u>6,080,192</u>	<u>6,080,192</u>	<u>7,168,134</u>	<u>9,437,523</u>	<u>7,168,134</u>	<u>1,087,942</u>
Fund balance, ending	<u>\$ 5,031,986</u>	<u>\$ 5,031,986</u>	<u>\$ 9,437,523</u>	<u>\$ 7,621,809</u>	<u>\$ 7,621,809</u>	<u>\$ 2,589,823</u>
Reconciliation to net position:						
Deferred outflow - pension				\$ 1,221,386		
Deferred outflow - OPEB				68,215		
Capital assets, net				6,628,497		
Compensated absences				(265,576)		
OPEB implicit rate liability				(231,713)		
Net pension liability				(2,944,774)		
Deferred inflow - pension				(535,826)		
Deferred inflow- OPEB				(30,083)		
Deferred revenue				53,587		
Total net position				<u>\$ 11,585,519</u>		

CITY OF ASHLAND, OREGON
Telecommunications Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Charges for services	\$ 5,428,847	\$ 5,428,847	\$ 2,789,598	\$ 2,680,273	\$ 5,469,871	\$ 41,024
Interest on investments	90,000	90,000	142,511	128,923	271,434	181,434
Miscellaneous	-	-	-	1,875	1,875	1,875
Total revenues	<u>5,518,847</u>	<u>5,518,847</u>	<u>2,932,109</u>	<u>2,811,071</u>	<u>5,743,180</u>	<u>224,333</u>
Expenditures:						
Cost of services:						
Personal services	2,133,731	2,133,731	847,016	890,794	1,737,811	395,920
Materials and services	3,713,090	3,713,090	1,769,777	1,936,667	3,706,444	6,646
Capital outlay	1,205,681	1,205,681	337,802	288,467	626,269	579,412
Contingency	175,405	175,405	-	-	-	175,405
Total expenditures	<u>7,227,907</u>	<u>7,227,907</u>	<u>2,954,595</u>	<u>3,115,929</u>	<u>6,070,524</u>	<u>1,157,383</u>
Net change in fund balance	(1,709,060)	(1,709,060)	(22,486)	(304,858)	(327,344)	1,381,716
Fund balance, beginning	<u>3,021,118</u>	<u>3,021,118</u>	<u>3,175,717</u>	<u>3,153,231</u>	<u>3,175,717</u>	<u>154,599</u>
Fund balance, ending	<u>\$ 1,312,058</u>	<u>\$ 1,312,058</u>	<u>\$ 3,153,231</u>	<u>\$ 2,848,373</u>	<u>\$ 2,848,373</u>	<u>\$ 1,536,315</u>

Reconciliation to net position:

Deferred outflow - pension	\$ 286,545
Deferred outflow - OPEB	12,828
Capital assets, net	511,239
Compensated absences	(46,911)
OPEB implicit rate liability	(44,290)
Net pension liability	(690,863)
Deferred inflow - pension	(125,708)
Deferred inflow - OPEB	(5,646)
Total net position	<u>\$ 2,745,567</u>

CITY OF ASHLAND, OREGON
Combining Balance Sheet
Internal Service Funds
For the Year Ended June 30, 2025

	Insurance Services Fund	Health Benefits Fund	Equipment Fund	Totals
ASSETS				
Current assets:				
Cash and investments	\$ 2,579,324	\$ -	\$ 7,598,137	\$ 10,177,461
Interest and accounts receivable, net	27,864	-	7,513	35,377
Notes receivable	6,142	-	-	6,142
Inventories	-	-	46,205	46,205
Total current assets	2,613,330	-	7,651,855	10,265,185
Non-Current assets:				
Capital assets, not being depreciated or amortized:	-	-	98,770	98,770
Capital assets, being depreciated or amortized:				
Non-Current capital assets	-	-	21,320,963	21,320,963
Accumulated depreciation	-	-	(14,419,817)	(14,419,817)
Capital assets, net	-	-	6,999,916	6,999,916
Total Assets	2,613,330	-	14,651,771	17,265,101
Deferred Outflows of Resources:				
Deferred Outflows - Pension	-	-	168,341	168,341
Deferred Outflows - OPEB	-	-	9,907	9,907
Total Deferred Outflows	-	-	178,248	178,248
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
Current liabilities:				
Accounts payable	2,708	-	53,838	56,546
Accrued salaries, vacation and payroll taxes	-	-	8,263	8,263
Compensated absences	-	-	10,326	10,326
Total current liabilities	2,708	-	72,428	75,135
Long-term liabilities:				
Compensated absences	-	-	30,979	30,979
Total OPEB Liabilities	-	-	33,028	33,028
Proportionate Share of Net Pension Liability	-	-	405,873	405,873
Total long-term liabilities	-	-	469,880	469,880
Total liabilities	2,708	-	542,308	545,015
Deferred Inflows of Resources				
Deferred Inflows - Pensions	-	-	73,852	73,852
Deferred Inflows - OPEB	-	-	4,379	4,379
Total Deferred Inflows	-	-	78,231	78,231
Net Position				
Net Investment in Capital Assets	-	-	6,999,916	6,999,916
Unrestricted	2,610,622	-	7,209,564	9,820,186
Total net position	\$ 2,610,622	\$ -	\$ 14,209,480	\$ 16,820,102

CITY OF ASHLAND, OREGON
Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Totals
Operating revenues:				
Service charges and fees	\$ 1,772,394	\$ -	\$ 4,984,205	\$ 6,756,599
Miscellaneous	7,703	-	138,552	146,255
Total revenues	<u>1,780,097</u>	<u>-</u>	<u>5,122,757</u>	<u>6,902,854</u>
Operating expenses:				
Cost of service	1,354,216	-	2,311,377	3,665,593
Depreciation	-	-	1,465,813	1,465,813
Total operating expenses	<u>1,354,216</u>	<u>-</u>	<u>3,777,190</u>	<u>5,131,406</u>
Operating income (loss)	<u>425,881</u>	<u>-</u>	<u>1,345,567</u>	<u>1,771,448</u>
Nonoperating income (expense):				
Interest income	81,682	-	359,062	440,744
Total nonoperating income (expense)	<u>81,682</u>	<u>-</u>	<u>359,062</u>	<u>440,744</u>
Other financing sources (uses):				
Transfer Out	-	(2,225,546)	-	(2,225,546)
Total other financing sources (uses)	<u>-</u>	<u>(2,225,546)</u>	<u>-</u>	<u>(2,225,546)</u>
Change in Net Position	507,563	(2,225,546)	1,704,629	(13,354)
Total Net Position - beginning	<u>2,103,059</u>	<u>2,225,546</u>	<u>12,504,851</u>	<u>16,833,456</u>
Total Net Position - ending	<u>\$ 2,610,622</u>	<u>\$ -</u>	<u>\$ 14,209,480</u>	<u>\$ 16,820,102</u>

CITY OF ASHLAND, OREGON
Combining Internal Service Fund
Statement of Cash Flows
For the Year Ended June 30, 2025

	Insurance Service Fund	Health Benefits Fund	Equipment Fund	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 7,709	\$ -	\$ -	\$ 7,709
Receipts from interfund services	1,772,394	-	5,204,154	6,976,548
Payments to suppliers	(1,106,260)	-	(2,452,913)	(3,559,173)
Payments to employees	(4,490)	-	(47,264)	(51,754)
Net cash from operating activities	<u>669,353</u>	<u>-</u>	<u>2,703,977</u>	<u>3,373,330</u>
Cash flows from noncapital financing activities:				
Transfers In (Out)	-	(2,225,546)	-	(2,225,546)
Net cash from noncapital financing activities	<u>-</u>	<u>(2,225,546)</u>	<u>-</u>	<u>(2,225,546)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	-	(2,773,219)	(2,773,219)
Net cash from capital and related financing activities	<u>-</u>	<u>-</u>	<u>(2,773,219)</u>	<u>(2,773,219)</u>
Cash flows from investing activities:				
Interest from investments and other income	81,682	-	359,062	440,744
Net increase (decrease) in cash and investments	<u>751,035</u>	<u>(2,225,546)</u>	<u>289,820</u>	<u>(1,184,691)</u>
Cash and investments, beginning of year	1,828,289	2,225,546	7,308,317	11,362,152
Cash and investments, end of year	<u>\$ 2,579,324</u>	<u>\$ -</u>	<u>\$ 7,598,137</u>	<u>\$ 10,177,461</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 425,881	\$ -	\$ 1,345,567	\$ 1,771,448
Depreciation and amortization	-	-	1,465,813	1,465,813
Change in assets and liabilities:				
(Increase) decrease in:				
Receivables	5	-	81,397	81,402
Net Pension Assets, Outflows/Inflows	-	-	(59,108)	(59,108)
OPEB, Outflows/Inflows	-	-	(19,259)	(19,259)
Inventories	253,433	-	(12,075)	241,358
Increase (decrease) in:				
Accounts payable and accrued liabilities	(9,966)	-	(116,070)	(126,036)
Other liabilities	-	-	17,712	17,712
Net cash from operating activities	<u>\$ 669,353</u>	<u>\$ -</u>	<u>\$ 2,703,977</u>	<u>\$ 3,373,330</u>
Schedule of non-cash capital and related financing activities:				
Unrealized gain (loss) on investments	1,786	-	6,046	7,832
Net noncash investing, capital and financing activities	<u>\$ 1,786</u>	<u>\$ -</u>	<u>\$ 6,046</u>	<u>\$ 7,832</u>

CITY OF ASHLAND, OREGON
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Insurance Services Fund
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Charges for services	\$ 3,393,052	\$ 3,393,052	\$ 1,875,033	\$ 1,772,394	\$ 3,647,427	\$ 254,375
Interest on investments	16,000	16,000	64,802	81,682	146,484	130,484
Miscellaneous	40,000	40,000	133,547	7,703	141,250	101,250
Total revenues	<u>3,449,052</u>	<u>3,449,052</u>	<u>2,073,382</u>	<u>1,861,779</u>	<u>3,935,161</u>	<u>486,109</u>
Expenditures:						
Cost of services:						
Materials and services	3,056,418	3,056,418	1,342,267	1,354,216	2,696,483	359,935
Contingency	97,632	97,632	-	-	-	97,632
Total expenditures	<u>3,154,050</u>	<u>3,154,050</u>	<u>1,342,267</u>	<u>1,354,216</u>	<u>2,696,483</u>	<u>457,567</u>
Net change in fund balance	295,002	295,002	731,115	507,563	1,238,678	943,676
Fund balance, beginning	<u>1,167,481</u>	<u>1,167,481</u>	<u>1,371,944</u>	<u>2,103,059</u>	<u>1,371,944</u>	<u>204,463</u>
Fund balance, ending	<u>\$ 1,462,483</u>	<u>\$ 1,462,483</u>	<u>\$ 2,103,059</u>	<u>\$ 2,610,622</u>	<u>\$ 2,610,622</u>	<u>\$ 1,148,139</u>

CITY OF ASHLAND, OREGON
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Health Benefits Fund
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual	Second Year Actual	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final	FY 2023-24	FY 2024-25		
Other financing sources (uses):						
Transfer Out	\$ -	\$ (2,225,546)	\$ -	\$ (2,225,546)	\$ (2,225,546)	\$ -
Total other financing sources (uses)	-	(2,225,546)	-	(2,225,546)	(2,225,546)	-
Net change in fund balance	-	(2,225,546)	-	(2,225,546)	(2,225,546)	-
Fund balance, beginning	-	-	2,225,546	2,225,546	2,225,546	2,225,546
Fund balance, ending	\$ -	\$ (2,225,546)	\$ 2,225,546	\$ -	\$ -	\$ 2,225,546

CITY OF ASHLAND, OREGON
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Equipment Fund
For the Year Ended June 30, 2025

	BN 2023-2025 Biennium Budget Amounts		First Year Actual FY 2023-24	Second Year Actual FY 2024-25	Total Actual for Budget Period	Variance with Final Budget Over/Under
	Original	Final				
Revenues:						
Charges for services	\$ 9,663,862	\$ 9,663,862	\$ 4,821,126	\$ 4,984,205	\$ 9,805,331	\$ 141,469
Interest on investments	200,000	200,000	384,736	359,062	743,798	543,798
Miscellaneous	154,000	154,000	66,200	138,552	204,752	50,752
Total revenues	<u>10,017,862</u>	<u>10,017,862</u>	<u>5,272,062</u>	<u>5,481,819</u>	<u>10,753,881</u>	<u>736,019</u>
Expenditures:						
Cost of services:						
Public Works - Maintenance	4,917,140	4,917,140	2,321,148	2,487,239	4,808,387	108,753
Public Works - Purchasing and Acquisition	7,963,000	7,963,000	2,607,214	2,663,150	5,270,364	2,692,636
Contingency	146,191	146,191	-	-	-	146,191
Total expenditures	<u>13,026,331</u>	<u>13,026,331</u>	<u>4,928,362</u>	<u>5,150,389</u>	<u>10,078,751</u>	<u>2,947,580</u>
Net change in fund balance	(3,008,469)	(3,008,469)	343,700	331,430	675,130	3,683,599
Fund balance, beginning	<u>7,197,226</u>	<u>7,197,226</u>	<u>6,914,623</u>	<u>7,258,323</u>	<u>6,914,623</u>	<u>(282,603)</u>
Fund balance, ending	<u>\$ 4,188,757</u>	<u>\$ 4,188,757</u>	<u>\$ 7,258,323</u>	<u>\$ 7,589,753</u>	<u>\$ 7,589,753</u>	<u>\$ 3,400,996</u>
Reconciliation to Net Position:						
Deferred Outflow - Pension				\$ 168,341		
Deferred Outflow - OPEB				9,907		
Capital assets, net				6,999,916		
Accrued compensated absences				(41,305)		
OPEB implicit rate liability				(33,028)		
Net Pension liability				(405,873)		
Deferred Inflow - Pension				(73,852)		
Deferred Inflow - OPEB				(4,379)		
Total Net Position				<u>\$ 14,209,480</u>		

CITY OF ASHLAND, OREGON
Capital Assets Used
In the Operation of Governmental Funds
By Source
June 30, 2025

Governmental funds capital assets:		
Right to use lease assets	\$	996,110
Right to use SBITA assets		717,698
Land		15,894,884
Buildings and improvements		48,612,363
Machinery and equipment		10,623,436
Improvements other than buildings		69,584,127
Construction in progress		8,819,273
Total capital assets	\$	155,247,891
Investments in governmental funds capital assets by source:		
General and capital projects funds		77,193,855
Special revenue funds		62,804,004
Leased to other agencies		15,250,032
Total investments in governmental funds capital assets	\$	155,247,891

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

CITY OF ASHLAND, OREGON
Schedule of Assets Used
In the Operation of Government Funds
By Function and Activity
June 30, 2025

Function and Activity	Lease & SBITA Assets	Land	Buildings	Machinery and Equipment	Improvements other than Buildings	Construction in Progress	Total
General government:							
Community development	\$ -	\$985,235	\$1,120,947	\$378,138	\$ -	\$ -	\$ 2,484,320
Public buildings	-	1,971,601	2,064,062	1,649,533	744,668	2,681,908	9,111,772
Leased to other agencies	-	253,000	9,429,303	1,609,780	3,957,949		15,250,032
Other - unclassified	1,378,451	2,660,200	4,811,890	489,808	1,487,326	-	10,827,675
Total general government	1,378,451	5,870,036	17,426,202	4,127,259	6,189,943	2,681,908	37,673,799
Public safety:							
Police	335,358	80,000	694,565	665,900	1,515,652	-	3,291,475
Fire	-	998,400	6,173,371	1,301,033	300,000	-	8,772,804
Total public safety	335,358	1,078,400	6,867,936	1,966,933	1,815,652	-	12,064,279
Highway and streets:							
Public thoroughfares	-	589,276	647,984	1,096,327	50,541,947	1,405,384	54,280,918
Total highways and streets	-	589,276	647,984	1,096,327	50,541,947	1,405,384	54,280,918
Airports	-	176,566	1,029,780	15,740	4,173,243	3,127,756	8,523,085
Culture and recreation	-	8,180,606	22,640,460	3,417,177	6,863,341	1,604,226	42,705,810
Total governmental funds capital assets	\$ 1,713,809	\$ 15,894,884	\$ 48,612,362	\$ 10,623,436	\$ 69,584,126	\$ 8,819,274	\$ 155,247,891

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

Supplementary Information

CITY OF ASHLAND, OREGON Schedule of Bond and Pledged Revenue Debt And Related Interest Transactions June 30, 2025

		Principal Transactions			Principal Transactions			Interest Transactions				
	Original Issue	Outstanding June 30, 2024	Issued	Matured	Adjusted	Paid	Outstanding June 30, 2025	Outstanding June 30, 2024	Matured	Paid	Outstanding June 30, 2025	
General Obligation Bonds												
Fire Station #2, issued November 1, 2011 interest at 2.00% to 4.00%	\$ 2,960,000	\$ 1,240,000	\$ -	\$ 160,000	\$ -	\$ 160,000	\$ 1,080,000	\$ -	\$ 45,538	\$ 45,538	\$ -	
Ashland Fiber Network Bonds, (Refinanced 2004) issued March 7, 2013 interest at 2.00% to 2.80%	11,675,000	1,245,000	-	1,245,000	-	1,245,000	-	-	17,430	17,430	-	
New Construction for Street, CIP, Water and Wastewater, issued March 7, 2013 interest at 2.00% to 2.50%	4,765,000	1,425,000	-	340,000	-	340,000	1,085,000	-	29,413	29,413	-	
Revenue Debt												
Water, DEQ loan - S14005 interest at 1.00%	3,515,200	3,048,216	-	105,725	-	105,725	2,942,491	-	30,482	30,482	-	
Wastewater, DEQ Loan - R11751 interest at 1.00%	1,645,280	1,049,045	-	111,965	-	111,965	937,080	-	15,177	15,177	-	
Medford Water Commission - Treatment Plant interest at 3.42%	2,620,084	1,434,404	-	115,680	-	115,680	1,318,724	-	48,076	48,076	-	
Water, DEQ loan - S16021 interest at 1.00%	3,725,658	3,725,658		282,025	-	282,025	3,443,633	-	111,338	111,338	-	
Wastewater, DEQ loan - R11754 interest at 1.00%	-	2,316,789	497,857	-	-	-	2,814,646	-	-	-	-	
Wastewater, DEQ loan - R11755 interest at 1.00%	-	4,785,280	7,945	-	-	-	4,793,225	-	-	-	-	
	<u>\$ 30,906,222</u>	<u>\$ 20,269,393</u>	<u>\$ 505,802</u>	<u>\$ 2,360,395</u>	<u>\$ -</u>	<u>\$ 2,360,395</u>	<u>\$ 18,414,800</u>	<u>\$ -</u>	<u>\$ 297,454</u>	<u>\$ 297,454</u>	<u>\$ -</u>	

OTHER INFORMATION

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

CITY OF ASHLAND, OREGON
STATISTICAL SECTION
Unaudited

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

Financial Trends	Page
These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	119 - 133
Revenue Capacity	
These tables contain information that may assist the reader is assessing the viability of the City's revenue sources.	134 - 142
Debt Capacity	
These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	143 - 149
Economic and Demographic Information	
These tables offer economic and demographic indicators that are commonly used for financial analysis that can help the reader understand the City's present and ongoing financial status.	150 - 151
Operating Information	
These tables contain service and infrastructure indicators that can help the reader understand how the information in the City's financial statements relate to the services the City provides and the activities it performs.	152 -156

Statistical Section

CITY OF ASHLAND, OREGON Statement of Net Position Total Primary Government Last ten years For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assets:										
Cash and cash equivalents	\$ 78,340,479	\$ 77,741,572	\$ 75,212,645	\$ 63,578,414	\$ 52,376,356	\$ 43,564,028	\$ 42,173,319	\$ 39,515,544	\$ 36,235,307	\$ 34,302,519
Receivables (net of allowance for uncollectible)	11,117,232	16,808,079	13,285,563	11,850,874	8,138,923	7,594,224	8,253,374	8,135,704	7,314,031	6,875,708
Lease receivable	-	172,237	175,324	329,803	-	-	-	-	-	-
Prepays items	137,792	273,839	729	121,300	27,396	1,615	-	-	-	-
Inventories	2,340,747	2,381,910	1,820,912	1,403,786	1,169,847	1,110,681	1,259,272	1,275,359	1,302,116	1,181,124
Deferred charges	-	-	-	-	-	-	-	-	68,734	178,703
Restricted assets:										
Cash and cash equivalents	991,239	965,257	943,439	929,433	916,328	951,447	984,463	967,771	954,262	943,355
Proportional share of net pension assets							-	-	-	-
RHIA assets	558,792	504,705	535,342	684,250	-	-	-	-	-	-
Receivables (net of allowance for uncollectible)	155,011	173,856	346,093	199,645	-	-	-	-	-	-
Lease receivable	172,530	-	-	-	-	-	-	-	-	-
Capital assets:										
Land	19,100,579	19,100,579	18,595,992	18,445,364	18,445,364	18,445,364	18,445,364	17,445,364	14,733,964	14,373,273
Construction in progress	30,056,526	28,174,511	19,366,231	10,498,925	10,086,940	12,734,933	10,467,215	5,648,364	5,049,759	8,810,424
Right to use lease assets	678,014	625,549	121,498	63,410	-	-	-	-	-	-
Right to use SBITA assets	488,433	717,698	-	-	-	-	-	-	-	-
Buildings and improvements	71,030,537	70,659,715	68,342,606	68,051,348	67,585,137	67,513,222	66,560,431	65,362,359	61,939,633	58,071,284
Machinery and equipment	34,045,452	31,145,943	28,902,515	25,923,664	25,059,700	24,604,426	23,311,261	20,929,013	20,275,179	19,404,748
Infrastructure	169,476,067	164,706,494	162,743,186	162,730,960	160,197,325	153,760,236	149,530,462	148,657,284	146,223,864	140,152,030
Accumulated depreciation	(171,692,465)	(165,539,142)	(159,465,330)	(154,066,108)	(148,171,268)	(142,900,367)	(137,184,134)	(131,265,122)	(125,204,692)	(119,389,812)
Total assets	246,996,965	248,612,801	230,926,746	210,745,068	195,832,048	187,379,809	183,801,027	176,671,640	168,892,157	164,903,356
Deferred Outflows of Resources:										
Deferred outflows - pensions	15,193,256	11,426,650	10,886,560	13,571,204	15,563,496	12,769,178	12,943,236	11,405,216	18,906,964	3,903,782
Deferred outflows - OPEB	985,378	944,357	1,308,192	1,243,347	1,546,046	1,514,245	1,629,190	264,798	-	-
Total deferred outflows	16,178,634	12,371,007	12,194,752	14,814,551	17,109,542	14,283,423	14,572,426	11,670,014	18,906,964	3,903,782

Statistical Section

CITY OF ASHLAND, OREGON Statement of Net Position Total Primary Government Last ten years For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Liabilities:										
Current liabilities:										
Accounts payable and other	\$ 4,957,603	\$ 6,375,450	\$ 6,105,858	\$ 4,517,931	\$ 6,032,985	\$ 6,506,876	\$ 7,403,730	\$ 7,114,423	\$ 6,002,038	\$ 9,384,143
Claims and judgment	-	-	95,788	50,000	50,000	50,000	-	-	-	-
Lease liability	185,136	107,284	-	-	-	-	-	-	-	-
SBITA liability	110,517	100,495	-	-	-	-	-	-	-	-
OPEB Liability	80,997	-	-	-	-	-	-	-	-	-
Bonds and notes	1,554,943	2,636,453	2,275,355	2,412,489	2,392,483	3,894,192	4,527,757	3,773,933	3,548,507	3,706,477
Accrued interest payable	363,473	252,249	232,692	101,758	117,871	154,235	218,523	230,728	180,176	204,769
Compensated absences	823,638	548,908	527,290	461,800	-	-	-	-	-	-
Noncurrent liabilities:										
Compensated absences	2,470,915	1,646,726	1,581,871	1,385,400	-	-	-	-	-	-
Proportional share of net pension liability	36,631,103	36,097,877	29,308,607	24,510,198	46,512,316	36,414,527	31,643,235	29,786,911	34,849,281	14,910,215
Transitional liability	247,130	351,617	425,748	486,668	544,768	603,272	-	-	-	-
Lease liability	444,750	378,006	121,498	63,410	-	-	-	-	-	-
SBITA liability	375,549	509,331	-	-	-	-	-	-	-	-
Net OPEB liability	3,922,525	3,685,572	3,794,219	4,045,104	3,866,114	3,564,521	3,840,269	2,929,241	1,857,483	1,751,480
Medical stipend	-	-	-	-	-	-	-	4,037,004	3,934,756	-
Claims and judgement	-	-	160,093	110,093	110,093	110,093	160,093	17,247	17,247	17,247
Bonds and notes	22,798,409	23,311,123	21,059,884	17,093,276	18,833,338	22,724,681	25,098,055	27,563,046	28,725,935	31,644,402
Total liabilities	74,966,685	76,001,091	65,688,904	55,238,127	78,459,968	74,022,397	72,891,662	75,452,533	79,115,423	61,618,733
Deferred Inflows of Resources:										
Deferred inflows - leases	172,529	346,093	521,417	529,448	-	-	-	-	-	-
Deferred inflows - pensions	6,665,334	4,501,323	11,101,794	19,958,970	1,332,496	2,817,239	4,052,489	2,695,736	2,118,535	3,463,962
Deferred inflows - OPEB	433,048	570,256	771,878	648,545	513,698	598,161	610,761	144,694	-	-
Total deferred inflows	7,270,911	5,417,674	12,395,089	21,136,963	1,846,194	3,415,400	4,663,250	2,840,430	2,118,535	3,463,962
Net position:										
Net investment in capital assets	127,573,302	122,373,306	115,149,961	112,141,798	111,977,377	107,538,941	101,504,787	95,440,283	90,743,265	86,071,068
Restricted for:										
Perpetual care: nonexpendable	995,101	970,773	946,762	930,895	917,499	954,825	1,035,856	970,304	955,356	895,931
RHIA asset	558,792	504,705	535,342	-	-	-	-	-	-	-
Grant restrictions	825,852	1,508,629	2,336,619	36,619	36,620	36,620	36,620	33,804	33,801	33,804
Asset forfeiture	40,537	38,606	36,755	35,699	35,497	35,217	34,459	23,972	32,313	25,784
TOT tourism	922,621	982,117	992,082	87,460	262,617	501,558	487,873	425,141	338,658	129,763
Airport	429,898	336,290	398,996	-	-	-	-	-	-	-
Opioid remediation	540,448	-	-	-	-	-	-	-	-	-
System development	7,158,826	5,956,363	6,395,019	6,558,206	6,466,819	6,019,144	6,348,034	6,089,130	6,194,373	7,086,198
Debt service	1,097,851	1,046,738	1,041,894	1,009,803	987,974	1,037,697	1,955,218	1,027,297	976,090	1,028,912
Donor restrictions	22,235	22,235	22,235	-	-	-	-	-	-	-
Library Levy	-	-	-	-	-	-	-	-	-	-
Unrestricted	40,772,539	45,825,284	37,181,841	28,386,220	11,951,025	8,101,433	9,415,693	6,038,760	7,291,307	8,452,983
Total net position	\$ 180,938,001	\$ 179,565,046	\$ 165,037,505	\$ 149,186,700	\$ 132,635,428	\$ 124,225,435	\$ 120,818,540	\$ 110,048,691	\$ 106,565,163	\$ 103,724,443

Statistical Section

CITY OF ASHLAND, OREGON Statement of Net Position Governmental Activities Last ten years For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assets:										
Cash and cash equivalents	\$ 39,472,502	\$ 42,111,405	\$ 43,753,548	\$ 34,478,348	\$ 28,132,872	\$ 19,502,847	\$ 20,041,451	\$ 20,136,422	\$ 21,109,299	\$ 21,839,880
Receivables (net of allowance for uncollectible)	7,261,974	10,133,590	6,096,578	8,097,755	3,862,211	4,151,559	4,149,741	4,150,698	3,955,520	3,338,266
Lease Receivable	-	172,237	175,324	329,803	-	-	-	-	-	-
Prepaid items	137,792	273,839	729	40,390	17,246	1,615	-	-	-	-
Inventories	46,205	34,130	27,510	18,499	37,568	25,004	126,413	53,407	60,258	65,010
Internal balances	(9,391,852)	(8,109,156)	(6,601,681)	(5,181,075)	(4,035,200)	(3,784,001)	(3,022,208)	(736,580)	(690,424)	(113,519)
Restricted assets:										
Cash and cash equivalents	991,239	965,257	943,439	929,433	916,328	951,447	984,463	967,771	954,262	943,355
Proportional Share of Net Pension Assets	-	-	-	-	-	-	-	-	-	-
RHIA Assets	558,792	417,043	535,342	684,250	-	-	-	-	-	-
Receivables (net of allowance for uncollectible)	101,424	173,856	346,093	199,645	-	-	-	-	-	-
Lease Receivable	172,530	-	-	-	-	-	-	-	-	-
Capital assets:										
Land	15,993,654	15,993,654	15,489,067	15,338,439	15,338,439	15,338,439	15,338,439	14,338,439	12,827,039	12,466,348
Construction in progress	8,819,273	9,886,396	4,105,881	2,487,089	3,681,360	6,081,316	2,674,665	2,401,188	3,126,490	1,390,232
Right to use lease assets	678,014	625,549	113,648	61,239	-	-	-	-	-	-
Right to use SBITA assets	488,433	717,698	-	-	-	-	-	-	-	-
Buildings and improvements	48,930,873	48,560,051	46,242,942	45,951,684	45,485,473	45,413,558	44,460,767	43,262,695	39,839,969	35,982,031
Machinery and equipment	31,181,484	28,310,884	26,067,456	24,478,174	23,614,209	23,223,547	21,930,382	19,548,134	18,901,908	18,115,158
Infrastructure	70,028,532	65,258,959	63,295,651	63,295,651	60,950,409	56,350,836	56,295,205	56,217,158	56,008,878	55,745,615
Accumulated depreciation	(95,226,753)	(91,314,652)	(87,602,962)	(84,581,856)	(81,078,681)	(78,343,149)	(75,249,062)	(71,921,238)	(69,116,513)	(65,662,055)
Total assets	120,244,115	124,210,740	112,988,566	106,627,468	96,922,234	88,913,018	87,730,256	88,418,094	86,976,686	84,110,321
Deferred Outflows of Resources:										
Deferred outflows - pensions	12,295,598	9,121,893	8,734,709	10,447,497	12,487,017	10,245,060	10,384,712	9,165,705	14,980,658	3,088,480
Deferred outflows - OPEB	657,955	637,333	944,684	957,163	1,179,023	1,178,645	1,270,634	264,798	-	-
Total deferred outflows	12,953,553	9,759,226	9,679,393	11,404,660	13,666,040	11,423,705	11,655,346	9,430,503	14,980,658	3,088,480

CITY OF ASHLAND, OREGON
Statement of Net Position
Governmental Activities
Last ten years
For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Liabilities:										
Current liabilities:										
Accounts payable and other	\$ 2,656,731	\$ 4,066,720	\$ 3,035,056	\$ 2,496,701	\$ 3,616,270	\$ 4,407,662	\$ 4,369,603	\$ 4,460,514	\$ 4,038,455	\$ 6,921,351
Claims and judgments	12,974	-	95,788	50,000	50,000	50,000.00	-	-	-	-
Lease liability	185,136	107,284	-	-	-	-	-	-	-	-
SBITA liability	110,517	100,495	-	-	-	-	-	-	-	-
OPEB liability	66,248	-	-	-	-	-	-	-	-	-
Bonds and notes	504,861	1,791,058	1,723,000	1,681,000	1,655,000	1,623,000	2,311,000	1,835,936	1,682,087	730,000
Accrued interest payable	140,537	33,646	34,687	47,747	59,370	69,992	80,400	91,799	109,425	121,564
Compensated absences	675,385	436,335	410,329	358,250	-	-	-	-	-	-
Noncurrent liabilities:										
Compensated absences	2,026,156	1,309,004	1,230,986	1,074,750	-	-	-	-	-	-
Proportional share of net pension liability	29,644,819	28,816,935	23,515,431	18,868,645	37,318,104	29,216,371	25,517,913	24,037,793	27,571,024	11,796,223
Transitional liability	247,130	351,617	425,748	486,668	544,768	603,272	-	-	-	-
Lease liability	444,750	378,006	113,648	61,239	-	-	-	-	-	-
SBITA liability	375,549	509,331	-	-	-	-	-	-	-	-
Total OPEB liability	2,682,141	2,448,262	2,798,017	3,271,531	2,932,972	2,783,899	3,011,185	2,246,442	1,361,013	1,276,128
Medical stipend	-	-	-	-	-	-	-	4,037,004	3,934,756	-
Claims and judgement	-	-	160,093	110,093	110,093	110,093	160,093	17,247	17,247	17,247
Bonds and notes	6,858,691	6,827,124	3,998,000	5,721,000	7,402,000	9,057,000	10,205,000	12,516,000	12,817,735	15,401,707
Total liabilities	46,631,625	47,175,816	37,540,783	34,227,624	53,688,577	47,921,289	45,655,194	49,242,735	51,531,742	36,264,220
Deferred Inflows of Resources:										
Deferred inflows - leases	172,529	346,093	521,417	529,448	-	-	-	-	-	-
Deferred inflows - pension	5,394,121	3,593,405	8,894,097	15,364,980	1,069,097	2,260,347	3,251,423	2,215,143	1,754,236	2,740,515
Deferred inflows - OPEB	290,856	382,921	579,424	499,267	367,579	472,642	481,829	144,694	-	-
Total deferred inflows	5,857,506	4,322,419	9,994,938	16,393,695	1,436,676	2,732,989	3,733,252	2,359,837	1,754,236	2,740,515
Net position:										
Net investment in capital assets	72,327,489	68,235,335	61,877,035	59,628,420	58,934,209	57,384,547	52,934,396	49,494,440	47,087,949	41,905,622
Restricted for:										
Perpetual care: nonexpendable	995,101	970,773	946,762	930,895	917,499	954,825	1,035,856	970,304	955,356	895,931
RHIA Asset	558,792	417,043	535,342	684,250	-	-	-	-	-	-
Grant restrictions	825,852	1,508,629	2,336,619	36,619	36,620	36,620	36,620	33,804	33,801	33,804
Asset forfeiture	40,537	38,606	36,755	35,699	35,497	35,217	34,459	23,972	32,313	25,784
TOT tourism	922,621	982,117	992,082	87,461	262,617	501,558	487,873	425,141	338,658	129,763
Airport	429,897	336,290	398,996	-	-	-	-	-	-	-
Opioid remediation	540,448	-	-	-	-	-	-	-	-	-
System development	3,410,708	2,587,597	3,298,599	3,167,635	2,904,597	2,687,513	2,745,614	2,540,793	2,746,404	3,226,398
Debt service	1,097,851	1,046,738	1,041,894	1,009,803	987,974	1,037,697	1,955,218	1,027,297	976,090	1,028,912
Donor restrictions	22,235	22,235	22,235	-	-	-	-	-	-	-
Unrestricted	(462,996)	6,326,368	3,645,918	1,830,027	(8,615,992)	(12,955,532)	(9,232,880)	(8,269,726)	(3,499,205)	947,852
Total net position	\$ 80,708,534	\$ 82,471,730	\$ 75,132,237	\$ 67,410,809	\$ 55,463,021	\$ 49,682,445	\$ 49,997,156	\$ 46,246,025	\$ 48,671,366	\$ 48,194,066

CITY OF ASHLAND, OREGON
Statement of Net Position
Business Type Activities
Last ten years
For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assets:										
Cash and cash equivalents	\$ 38,867,976	\$ 35,630,166	\$ 31,459,097	\$ 29,100,066	\$ 24,243,484	\$ 24,061,181	\$ 22,131,868	\$ 19,379,122	\$ 15,126,008	\$ 12,462,639
Receivables (net of allowance for uncollectible)	3,855,258	6,674,489	7,188,985	3,753,119	4,246,712	3,442,665	4,103,633	3,985,006	3,358,511	3,537,442
Prepaid Expenses	-	-	-	80,910	10,150	-	-	-	-	-
Inventories	2,294,542	2,347,780	1,793,402	1,385,287	1,132,279	1,085,677	1,132,859	1,221,952	1,241,858	1,116,114
Deferred charges	-	-	-	-	-	-	-	-	68,734	178,703
Internal balances	9,391,852	8,109,156	6,601,681	5,181,075	4,035,200	3,784,001	3,022,208	736,580	690,424	113,519
RHIA assets	-	87,662	-	-	-	-	-	-	-	-
Receivables (net of allowance for uncollectible)	53,587	-	-	-	-	-	-	-	-	-
Restricted assets:	-	-	-	-	-	-	-	-	-	-
Proportional Share of Net Pension Assets	-	-	-	-	-	-	-	-	-	-
Capital assets:										
Land	3,106,925	3,106,925	3,106,925	3,106,925	3,106,925	3,106,925	3,106,925	3,106,925	1,906,925	1,906,925
Construction in progress	21,237,253	18,288,115	15,260,350	8,011,836	6,405,580	6,653,617	7,792,550	3,247,176	1,923,269	7,420,192
Lease Assets	-	-	7,850	2,171	-	-	-	-	-	-
Buildings and improvements	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,099,664	22,089,253
Machinery and equipment	2,863,968	2,835,059	2,835,059	1,445,490	1,445,491	1,380,879	1,380,879	1,380,879	1,373,271	1,289,590
Infrastructure	99,447,535	99,447,535	99,447,535	99,435,309	99,246,916	97,409,400	93,235,257	92,440,126	90,214,986	84,406,415
Accumulated depreciation	(76,465,711)	(74,224,490)	(71,862,368)	(69,484,252)	(67,092,587)	(64,557,218)	(61,935,072)	(59,343,884)	(56,088,179)	(53,727,757)
Total assets	126,752,850	124,402,061	117,938,180	104,117,600	98,879,814	98,466,791	96,070,771	88,253,546	81,915,471	80,793,035
Deferred Outflows of Resources:										
Deferred outflows - pension	2,897,658	2,304,757	2,151,851	3,123,707	3,076,479	2,524,118	2,558,524	2,239,511	3,926,306	815,302
Deferred outflows - OPEB	327,423	307,024	363,508	286,184	367,023	335,600	358,556	-	-	-
Total deferred outflows	3,225,081	2,611,781	2,515,359	3,409,891	3,443,502	2,859,718	2,917,080	2,239,511	3,926,306	815,302

CITY OF ASHLAND, OREGON
Statement of Net Position
Business Type Activities
Last ten years
For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Liabilities:										
Current liabilities:										
Accounts payable and other	\$ 2,287,895	\$ 2,308,729	\$ 3,070,802	\$ 2,435,430	\$ 2,416,715	\$ 2,099,214	\$ 3,034,127	\$ 2,653,909	\$ 1,963,580	\$ 2,938,144
OPEB Liability	14,749	-	-	-	-	-	-	-	-	-
Bonds and notes	1,050,082	845,395	552,355	731,489	737,483	2,271,192	2,216,757	1,937,997	1,866,420	2,976,477
Accrued interest payable	222,936	218,603	198,005	54,011	58,501	84,243	138,123	138,929	70,754	83,205
Compensated absences	148,253	112,574	116,962	-	-	-	-	-	-	-
Noncurrent liabilities:										
Compensated absences	444,759	337,722	350,885							
Proportional share of net pension liability	6,986,284	7,280,942	5,793,176	5,641,553	9,194,212	7,198,156	6,125,322	5,749,118	7,278,257	3,113,992
Lease Liability		-	7,850	-	-	-	-	-	-	-
OPEB Liability	1,240,384	1,237,310	996,202	773,573	933,142	780,622	829,084	682,799	496,470	-
Bonds and notes	15,939,718	16,483,998	17,061,884	11,372,276	11,431,338	13,667,681	14,893,055	15,047,046	15,908,200	16,242,695
Total liabilities	28,335,060	28,825,273	28,148,121	21,008,332	24,771,391	26,101,108	27,236,468	26,209,798	27,583,681	25,354,513
Deferred Inflows of Resources:										
Deferred inflows - pensions GASB 68	1,271,213	907,918	2,207,697	4,593,990	263,399	556,892	801,066	480,593	364,299	723,447
Deferred inflows - pensions GASB 73	142,192	187,335	192,454	149,278	146,119	125,519	128,932	-	-	-
Total deferred inflows	1,413,405	1,095,253	2,400,151	4,743,268	409,518	682,411	929,998	480,593	364,299	723,447
Net position:										
Net investment in capital assets	55,245,813	54,137,972	53,272,926	52,513,378	53,043,168	50,154,394	48,570,391	45,945,843	43,655,316	44,165,446
Prepaid and Inventories	-	-	-	-	1,142,429	-	-	-	-	-
Restricted for:	-	-	-	-	-	-	-	-	-	-
RHIA asset	-	87,662	-	-	-	-	-	-	-	-
System development	3,748,119	3,368,766	3,096,420	3,390,571	3,562,222	3,331,631	3,602,420	3,548,337	3,447,969	3,859,800
Debt service	-	-	-	-	-	-	-	-	-	-
Unrestricted	41,235,535	39,498,916	33,535,922	25,871,942	19,424,588	21,056,965	18,648,573	14,308,486	10,790,512	7,505,131
Total net position	\$ 100,229,467	\$ 97,093,316	\$ 89,905,268	\$ 81,775,891	\$ 77,172,407	\$ 74,542,990	\$ 70,821,384	\$ 63,802,666	\$ 57,893,797	\$ 55,530,377

Statistical Section

CITY OF ASHLAND, OREGON Changes in Net Position Total Primary Government Last ten years For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Program Revenues:										
Governmental Activities										
General government:										
Charges for services	\$ 14,140,538	\$ 15,082,747	\$ 13,864,123	\$ 14,529,258	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169	\$ 910,241	\$ 1,041,323
Operating grants and contributions	226,439	3,851,714	2,636,055	3,845,575	3,693,619	732,823	262,489	129,380	129,380	162,143
Public safety:										
Charges for services	3,819,371	4,079,900	3,293,663	3,375,819	2,292,505	2,675,547	2,548,153	1,606,504	1,688,843	1,563,986
Operating grants and contributions	601,817	795,512	867,441	542,165	1,109,305	1,279,769	1,623,913	104,913	582,508	438,074
Highways and streets:										
Charges for services	1,798,113	2,029,390	1,872,282	1,854,909	1,985,360	2,003,993	3,249,260	2,023,624	2,944,784	2,845,870
Operating grants and contributions	1,744,738	1,692,621	1,686,912	1,703,177	1,513,586	1,479,134	1,511,605	-	-	-
Parks and Recreation :										
Charges for Services	937,085	949,288	693,290	1,140,458	827,593	967,035	1,144,135	1,096,063	1,139,709	1,153,455
Operating grants and contributions	13,534	299,005	157,180	658,871	6,233,884	5,753,946	5,412,257	7,086,738	-	92
Capital grants and contributions	370,822	316,518	291,258	373,321						
Total Governmental Activities Program Revenues	23,652,457	29,096,695	25,362,204	28,023,553	21,266,793	17,055,348	17,508,476	12,438,391	7,395,465	7,204,943
Business-Type Activities										
Water:										
Charges for services	\$ 9,183,580	\$ 8,811,039	\$ 8,806,470	\$ 8,671,635	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860	\$ 7,639,625	\$ 6,937,651
Operating Grants and Contributions	693,933	253,350	26,250	-	-	-	-	-	-	-
Capital grants and contributions	-	975,101	-	-	-	-	-	-	-	14,898
Capital system development charges	-	-	-	-	-	-	-	-	-	277,247
Wastewater:										
Charges for services	6,433,948	6,654,240	6,522,527	6,389,693	6,441,907	6,298,894	6,156,129	6,025,937	5,606,470	5,201,264
Operating Grants and Contributions	98,752	-	-	-	-	-	-	-	-	-
Capital system development charges	-	-	-	-	-	-	-	-	-	107,655
Stormwater:										
Charges for services	801,337	833,135	815,699	827,134	756,488	744,379	738,913	731,273	-	-
Electric:										
Charges for services	15,924,806	16,906,546	18,204,624	17,692,125	16,715,771	16,478,238	16,182,698	15,917,213	14,913,883	14,600,751
Operating grants and contributions	185,554	983,771	12,618	50,308	509,585	222,556	80,914	259,094	126,497	395,149
Telecommunications:										
Charges for services	2,680,272	2,789,597	2,817,540	2,780,391	2,651,517	2,508,889	2,379,809	2,252,527	2,094,810	2,010,444
Total Business-Type Program Revenues	36,002,182	38,206,779	37,205,728	36,411,286	36,437,599	34,835,350	34,074,617	33,295,904	30,381,285	29,545,059
Total Program Revenues	\$ 59,654,639	\$ 67,303,474	\$ 62,567,932	\$ 64,434,839	\$ 57,704,392	\$ 51,890,698	\$ 51,583,093	\$ 45,734,295	\$ 37,776,750	\$ 36,750,002

Statistical Section

CITY OF ASHLAND, OREGON Changes in Net Position Total Primary Government Last ten years For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Program Expenses:										
Governmental Activities										
General government	14,437,072	15,068,713	11,793,416	11,210,672	6,342,601	6,475,196	5,131,091	7,543,912	5,496,540	6,914,541
Public safety	21,216,601	20,594,287	17,330,391	15,415,451	19,734,452	18,926,690	17,929,057	19,412,731	16,623,123	19,474,413
Highways and streets	7,369,660	5,648,528	5,531,089	4,752,682	4,158,101	4,126,947	5,448,730	4,404,007	5,783,911	5,490,894
Parks and Recreation	8,259,697	6,719,778	7,855,419	7,278,265	7,291,708	7,775,649	6,674,183	6,260,320	6,957,300	8,802,091
Interest on long-term debt	203,466	130,758	63,687	99,825	213,858	447,633	277,965	657,711	262,979	293,944
Total Governmental Activities Program Expenses	51,486,496	48,162,064	42,574,002	38,756,895	37,740,720	37,752,115	35,461,026	38,278,681	35,123,853	40,975,883
Business-Type Activities										
Water	7,176,334	6,923,593	6,124,844	6,695,187	7,189,625	7,112,003	5,933,108	6,171,718	6,308,939	7,271,424
Wastewater	6,419,682	6,252,285	6,094,777	6,185,341	6,603,551	6,610,862	6,425,838	6,426,131	6,550,650	6,838,563
Stormwater	781,297	983,601	563,138	755,433	925,293	921,169	703,372	243,016	-	-
Electric	17,557,111	16,291,560	15,166,781	16,052,914	16,927,962	16,430,442	14,788,411	15,878,525	15,324,892	16,708,504
Telecommunications	2,768,674	2,811,885	2,064,955	2,279,124	2,228,550	2,239,378	2,018,513	1,837,333	2,158,040	2,557,101
Total Business-Type Program Expenses	34,703,098	33,262,925	30,014,494	31,967,999	33,874,981	33,313,854	29,869,242	30,556,723	30,342,521	33,375,592
Total Program Expenses	86,189,594	81,424,989	72,588,496	70,724,894	71,615,701	71,065,969	65,330,268	68,835,404	65,466,374	74,351,475
Net (Expense) Revenue:										
Governmental Activities	(27,834,039)	(19,065,369)	(17,211,798)	(10,733,342)	(16,473,927)	(20,696,767)	(17,952,550)	(25,840,290)	(27,728,388)	(33,770,940)
Business-Type Activities	1,299,084	4,943,854	7,191,234	4,443,287	2,562,618	1,521,496	4,205,375	2,739,181	38,764	(3,830,533)
	<u>(26,534,955)</u>	<u>(14,121,515)</u>	<u>(10,020,564)</u>	<u>(6,290,055)</u>	<u>(13,911,309)</u>	<u>(19,175,271)</u>	<u>(13,747,175)</u>	<u>(23,101,109)</u>	<u>(27,689,624)</u>	<u>(37,601,473)</u>
General Revenues:										
Property taxes	13,907,424	13,776,092	13,311,802	13,033,738	12,539,166	12,206,619	11,772,192	11,373,320	10,907,541	10,452,785
Utility users tax	3,360,709	3,564,189	3,811,011	3,720,652	3,532,748	3,446,443	3,378,833	5,179,602	4,871,486	4,763,832
Users taxes	6,983,801	7,152,517	7,035,726	5,745,429	5,709,188	5,976,996	7,287,844	5,479,524	5,708,277	5,603,646
Unrestricted interest earnings	3,446,502	3,584,654	1,399,236	274,362	288,335	781,048	1,341,448	708,809	346,860	187,447
Miscellaneous	209,473	571,603	315,765	67,146	251,865	171,054	736,708	5,241,962	7,615,593	5,919,329
OSF Donated Capital	-	-	-	-	-	-	-	-	3,440,453	-
Transfers:										
Total general revenues and transfers	<u>27,907,909</u>	<u>28,649,056</u>	<u>25,873,540</u>	<u>22,841,327</u>	<u>22,321,302</u>	<u>22,582,160</u>	<u>24,517,025</u>	<u>27,983,217</u>	<u>32,890,210</u>	<u>27,277,039</u>
Change in net position	1,372,954	14,527,541	15,852,976	16,551,272	8,409,993	3,406,889	10,769,850	4,882,108	5,200,586	(10,324,434)
Net position - beginning, restated	179,565,046	165,037,505	149,184,529	132,635,428	124,225,435	120,818,546	110,048,691	105,166,583	101,364,577	114,269,521
Net position - ending	\$ 180,938,001	\$ 179,565,046	\$ 165,037,505	\$ 149,186,700	\$ 132,635,428	\$ 124,225,435	\$ 120,818,541	\$ 110,048,691	\$ 106,565,163	\$ 103,945,087

CITY OF ASHLAND, OREGON
Changes in Net Position
Governmental Activities
Last ten years
For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Program Revenues:										
General government:										
Charges for services	\$ 14,140,538	\$ 15,082,747	\$ 13,864,123	\$ 14,529,258	\$ 3,610,941	\$ 2,163,101	\$ 1,756,664	\$ 391,169	\$ 910,241	\$ 1,041,323
Operating grants and contributions	226,439	3,851,714	2,636,055	3,845,575	3,693,619	732,823	262,489	129,380	129,380	162,143
Public safety:										
Charges for services	3,819,371	4,079,900	3,293,663	3,375,819	2,292,505	2,675,547	2,548,153	1,606,504	1,688,843	1,563,986
Operating grants and contributions	601,817	795,512	867,441	542,165	1,109,305	1,279,769	1,623,913	104,913	58,208	438,074
Highways and streets:										
Charges for services	1,798,113	2,029,390	1,872,282	1,854,909	1,985,360	2,003,993	3,249,260	2,023,624	2,944,784	2,845,870
Operating grants and contributions	1,744,738	1,692,621	1,686,912	1,703,177	1,513,586	1,479,134	1,511,605	-	-	-
Parks and Recreation :										
Charges for Services	937,085	949,288	693,290	1,140,458	827,593	967,035	1,144,135	1,096,063	1,139,709	1,153,455
Operating Grants and Contributions	13,534	299,005	157,180	658,871	6,233,884	5,753,946	5,412,257	7,086,738	-	92
Capital Grants and Contributions	370,822	316,518	291,258	373,321	-	-	-	-	-	-
	<u>23,652,457</u>	<u>29,096,695</u>	<u>25,362,204</u>	<u>28,023,553</u>	<u>21,266,793</u>	<u>17,055,348</u>	<u>17,508,476</u>	<u>12,438,391</u>	<u>6,871,165</u>	<u>7,204,943</u>

CITY OF ASHLAND, OREGON
Changes in Net Position
Governmental Activities
Last ten years
For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Program Expenses:										
General government	14,437,072	15,068,713	11,793,416	11,210,672	6,342,601	6,475,196	5,131,091	7,543,912	5,496,540	6,914,541
Public safety	21,216,601	20,594,287	17,330,391	15,415,451	19,734,452	18,926,690	17,929,057	19,412,731	16,623,123	19,474,413
Highways and streets	7,369,660	5,648,528	5,531,089	4,752,682	4,158,101	4,126,947	5,448,730	4,404,007	5,783,911	5,490,894
Parks and Recreation	8,259,697	6,719,778	7,855,419	7,278,265	7,291,708	7,775,649	6,674,183	6,260,320	6,957,300	8,802,091
Interest on long-term debt	203,466	130,758	63,687	99,825	213,858	447,633	277,965	657,711	262,979	293,944
	<u>51,486,496</u>	<u>48,162,064</u>	<u>42,574,002</u>	<u>38,756,895</u>	<u>37,740,720</u>	<u>37,752,115</u>	<u>35,461,026</u>	<u>38,278,681</u>	<u>35,123,853</u>	<u>40,975,883</u>
Net (Expense) Revenue:										
General government	(70,095)	3,865,749	4,706,762	7,164,161	961,959	(3,579,272)	(3,111,938)	(7,023,363)	(4,456,919)	(5,711,075)
Public safety	(16,795,413)	(15,718,875)	(13,169,287)	(11,497,467)	(16,332,642)	(14,971,374)	(13,756,991)	(17,701,314)	(14,351,772)	(17,472,353)
Highways and streets	(3,826,809)	(1,926,517)	(1,971,895)	(1,194,596)	(659,155)	(643,820)	(687,865)	(2,380,383)	(2,839,127)	(2,645,024)
Parks and Recreation	(6,938,256)	(5,154,967)	(6,713,691)	(5,105,615)	(230,231)	(1,054,668)	(117,791)	1,922,481	(5,817,591)	(7,648,544)
Interest on long-term debt	(203,466)	(130,758)	(63,687)	(99,825)	(213,858)	(447,633)	(277,965)	(657,711)	(262,979)	(293,944)
	<u>(27,834,039)</u>	<u>(19,065,369)</u>	<u>(17,211,798)</u>	<u>(10,733,342)</u>	<u>(16,473,927)</u>	<u>(20,696,767)</u>	<u>(17,952,550)</u>	<u>(25,840,290)</u>	<u>(27,728,388)</u>	<u>(33,770,940)</u>
General Revenues:										
Property taxes	13,907,424	13,776,092	13,311,802	13,033,738	12,539,166	12,206,619	11,772,192	11,373,320	10,907,541	10,452,785
Utility users tax	3,360,709	3,564,189	3,811,011	3,720,652	3,532,748	3,446,443	3,378,833	5,179,602	4,871,486	4,763,832
Users taxes	6,983,801	7,152,517	7,035,726	5,745,392	5,706,995	4,359,308	5,661,545	3,851,111	3,702,721	3,343,859
Unrestricted interest earnings	1,607,004	1,862,063	724,687	131,348	95,482	262,664	806,851	369,819	188,869	110,363
Miscellaneous	161,904	-	-	-	186,994	57,016	84,260	5,104,961	7,454,484	5,781,258
OSF Donated Capital	-	-	-	-	-	-	-	-	3,440,453	-
Transfers:	50,000	50,000	50,000	50,000	193,118	50,000	-	-	-	350,000
Total general revenues and transfers	<u>26,070,842</u>	<u>26,404,862</u>	<u>24,933,226</u>	<u>22,681,130</u>	<u>22,254,503</u>	<u>20,382,050</u>	<u>21,703,681</u>	<u>25,878,813</u>	<u>30,565,554</u>	<u>24,802,097</u>
Change in net position	(1,763,197)	7,339,493	7,721,428	11,947,788	5,780,576	(314,717)	3,751,131	38,523	2,837,166	(8,968,843)
Net position - beginning, restated	82,471,730	75,132,237	67,410,809	55,463,021	49,682,445	49,997,162	46,246,025	46,207,502	45,834,200	57,162,909
Net position - ending	<u>\$ 80,708,533</u>	<u>\$ 82,471,730</u>	<u>\$ 75,132,237</u>	<u>\$ 67,410,809</u>	<u>\$ 55,463,021</u>	<u>\$ 49,682,445</u>	<u>\$ 49,997,156</u>	<u>\$ 46,246,025</u>	<u>\$ 48,671,366</u>	<u>\$ 48,194,066</u>

CITY OF ASHLAND, OREGON
Changes in Net Position
Business Type Activities
Last ten years
For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Program Revenues:										
Water:										
Charges for services	\$ 9,183,580	\$ 8,811,039	\$ 8,806,470	\$ 8,671,635	\$ 9,362,331	\$ 8,582,394	\$ 8,536,154	\$ 8,109,860	\$ 7,639,625	\$ 7,214,898
Operating Grants and Contributions	693,933	253,350	26,250	-	-	-	-	-	-	-
Capital grants and contributions	-	975,101	-	-	-	-	-	-	-	14,898
Capital system development charges	-	-	-	-	-	-	-	-	-	277,247
Wastewater:										
Charges for services	6,433,948	6,654,240	6,522,527	6,389,693	6,441,907	6,298,894	6,156,129	6,025,937	5,606,470	5,201,264
Operating Grants and Contributions	98,752	-	-	-	-	-	-	-	-	-
Capital system development charges	-	-	-	-	-	-	-	-	-	107,655
Stormwater:										
Charges for services	801,337	833,135	815,699	827,134	756,488	744,379	738,913	731,273	-	-
Electric:										
Charges for services	15,924,806	16,906,546	18,204,624	17,692,125	16,715,771	16,478,238	16,182,698	15,917,213	14,913,883	14,600,751
Operating grants and contributions	185,554	983,771	12,618	50,308	509,585	222,556	80,914	259,094	126,497	395,149
Telecommunications:										
Charges for services	2,680,272	2,789,597	2,817,540	2,780,391	2,651,517	2,508,889	2,379,809	2,252,527	2,094,810	2,010,444
	36,002,182	38,206,779	37,205,728	36,411,286	36,437,599	34,835,350	34,074,617	33,295,904	30,381,285	29,822,306
Program Expenses:										
Water	7,176,334	6,923,593	6,124,844	6,695,187	7,189,625	7,112,003	5,933,108	6,171,718	6,308,939	7,271,424
Wastewater	6,419,682	6,252,285	6,094,777	6,185,341	6,603,551	6,610,862	6,425,838	6,426,131	6,550,650	6,838,563
Stormwater	781,297	983,601	563,138	755,433	925,293	921,169	703,372	243,016	-	-
Electric	17,557,111	16,291,560	15,166,781	16,052,914	16,927,962	16,430,442	14,788,411	15,878,525	15,324,892	16,708,504
Telecommunications	2,768,674	2,811,885	2,064,955	2,279,124	2,228,550	2,239,378	2,018,513	1,837,333	2,158,040	2,557,101
	34,703,098	33,262,925	30,014,494	31,967,999	33,874,981	33,313,854	29,869,242	30,556,723	30,342,521	33,375,592
Net (Expense) Revenue:										
Water	2,701,179	3,115,897	2,707,876	1,976,448	2,172,706	1,470,391	2,603,046	1,938,142	1,330,686	235,619
Wastewater	113,018	401,955	427,750	204,352	(161,644)	(311,968)	(269,709)	(400,194)	(944,180)	(1,529,644)
Stormwater	20,040	(150,466)	252,561	71,701	(168,805)	(176,790)	35,541	488,257	-	-
Electric	(1,446,751)	1,598,757	3,050,461	1,689,519	297,394	270,352	1,475,201	297,782	(284,512)	(1,712,604)
Telecommunications	(88,402)	(22,288)	752,585	501,267	422,967	269,511	361,296	415,194	(63,230)	(546,657)
	1,299,084	4,943,854	7,191,234	4,443,287	2,562,618	1,521,496	4,205,375	2,739,181	38,764	(3,553,286)
General Revenues:										
Users taxes	-	-	-	37	2,193	1,617,688	1,626,299	1,628,413	2,005,556	2,259,787
Unrestricted interest earnings	1,839,498	1,722,591	674,549	143,014	192,853	518,384	534,597	338,990	157,991	77,084
Miscellaneous	47,569	571,603	315,765	67,146	64,871	114,038	652,448	137,001	161,109	138,071
	-	-	-	-	-	-	-	-	-	-
Transfers:	(50,000)	(50,000)	(50,000)	(50,000)	(193,118)	(50,000)	-	-	-	-
Total general revenues and transfers	1,837,067	2,244,194	940,314	160,197	66,799	2,200,110	2,813,344	2,104,404	2,324,656	2,474,942
Change in net position	3,136,151	7,188,048	8,131,548	4,603,484	2,629,417	3,721,606	7,018,719	4,843,585	2,363,420	(1,355,591)
Net position - beginning, restated	97,093,316	89,905,268	81,773,720	77,172,407	74,542,990	70,821,384	63,802,666	58,959,081	55,638,032	56,993,623
Net position - ending	\$ 100,229,467	\$ 97,093,316	\$ 89,905,268	\$ 81,775,891	\$ 77,172,407	\$ 74,542,990	\$ 70,821,385	\$ 63,802,666	\$ 58,001,452	\$ 55,638,032

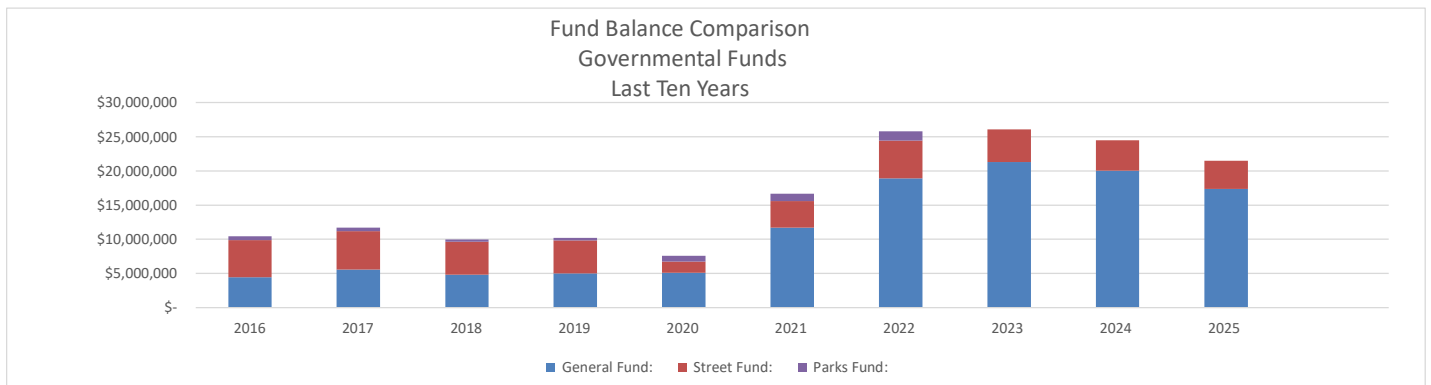
CITY OF ASHLAND, OREGON
Changes in Fund Balances
Governmental Funds
Last ten years
For the year ended June 30

Revenues:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Taxes	\$ 28,525,043	\$ 28,317,480	\$ 28,081,188	\$ 26,351,633	\$ 25,709,598	\$ 23,718,755	\$ 24,250,159	\$ 23,320,298	\$ 21,503,597	\$ 20,473,799
Fees, licenses and permits	1,101,054	1,591,398	1,068,226	1,539,283	2,411,618	1,095,600	859,045	838,832	1,306,346	835,278
Intergovernmental	3,140,930	7,390,218	6,172,835	7,416,171	7,871,451	4,389,728	4,049,917	3,679,646	2,493,399	2,394,661
Charges for services	14,182,959	13,911,826	13,024,626	13,644,784	11,841,302	12,490,539	12,426,073	11,984,766	13,030,993	13,548,958
System development charges	257,506	403,258	201,318	205,404	445,753	3,319	8,924	78,232	232,171	232,752
Special assessments	4,915	943	1,455	2,171	7,024	99,557	99,436	17,535	101,006	32,831
Fines and forfeitures	182,961	301,364	220,916	171,689	273,630	418,514	588,070	545,835	365,365	180,638
Interest on investments	1,607,004	1,862,063	724,686	131,348	99,762	419,911	344,270	257,293	188,869	110,363
Miscellaneous	174,751	833,404	232,665	116,628	140,233	111,735	1,499,847	1,062,344	292,318	208,355
Total revenues	49,177,123	54,611,955	49,727,916	49,579,111	48,800,371	42,747,658	44,125,741	41,784,781	39,514,064	38,017,635
Expenditures:										
General government	14,981,967	15,021,494	12,090,973	12,456,908	10,959,515	11,416,567	12,499,041	11,377,907	10,760,734	10,488,718
Public safety	21,011,105	21,083,552	18,233,164	16,847,789	17,552,424	17,818,233	18,052,832	17,005,350	15,305,740	14,846,892
Highways and streets	4,783,478	4,318,586	4,070,868	2,971,624	2,773,399	2,468,937	3,462,082	2,577,597	3,338,576	3,067,591
Parks and recreation	7,028,526	5,933,249	7,657,789	7,970,793	6,455,077	6,919,520	6,574,529	6,303,621	7,150,182	6,214,551
Capital outlay	5,466,905	11,824,984	1,033,529	1,337,619	1,337,619	4,291,183	906,840	951,063	872,683	1,434,986
Debt service	2,104,545	2,111,482	1,836,909	1,847,011	1,847,480	2,394,041	2,068,345	1,910,697	1,907,003	1,844,645
Principal	2,007,970	1,972,457	1,681,000	1,655,000	1,623,000	1,836,000	1,835,935	1,537,000	1,631,885	1,541,836
Interest	96,575	139,025	155,909	192,011	224,480	558,041	232,410	373,697	275,118	302,016
Total expenditures	55,376,527	60,293,345	44,923,232	43,431,744	40,925,514	45,308,481	43,563,669	40,126,235	39,334,918	37,897,383
Excess (deficiency) of revenues over expenditures	(6,199,404)	(5,681,390)	4,804,684	6,147,367	7,874,857	(2,560,823)	562,073	1,658,546	179,146	120,252
Other financing sources (uses):										
Proceeds from debt issuance	536,427	4,628,789	-	-	-	-	-	-	-	870,000
Proceeds from lease and SBITA	376,131	1,230,767	-	-	-	-	-	-	-	-
Interfund loans forgiveness	-	-	-	-	-	-	-	(840,544)	-	-
Transfers in	4,277,088	4,316,542	1,145,396	12,859,685	716,519	515,488	734,143	622,954	396,205	612,162
Transfers out	(2,001,542)	(4,266,542)	(1,095,396)	(9,722,479)	(872,825)	(365,488)	(791,098)	(1,572,954)	(146,205)	(262,162)
Total other financing sources (uses)	3,188,104	5,909,556	50,000	3,137,206	(156,306)	150,000	(56,955)	(1,790,544)	250,000	1,220,000
Net change in fund balance	\$ (3,011,300)	\$ 228,166	\$ 4,854,684	\$ 9,284,573	\$ 7,718,551	\$ (2,410,823)	\$ 505,118	\$ (131,998)	\$ 429,146	\$ 1,340,252
Non-capital expenditures:										
Total expenditures (Debt excluded)	\$ 55,376,527	\$ 60,293,345	\$ 44,923,232	\$ 43,431,744	\$ 40,925,514	\$ 45,308,481	\$ 43,563,669	\$ 40,126,235	\$ 39,334,918	\$ 37,897,383
Less: capital assets expenditures	(4,723,555)	(11,824,984)	(2,692,278)	(1,884,529)	(1,337,619)	(5,018,236)	(2,288,414)	(5,269,130)	(5,822,754)	(1,139,673)
Non-capital expenditures:	\$ 50,652,972	\$ 48,468,361	\$ 42,230,954	\$ 41,547,215	\$ 39,587,895	\$ 40,290,245	\$ 41,275,255	\$ 34,857,105	\$ 33,512,164	\$ 36,757,710
Ratio of debt service to noncapital expenditures	4.15%	4.36%	4.35%	4.45%	4.67%	5.94%	5.01%	5.48%	5.69%	5.02%

Statistical Section

CITY OF ASHLAND, OREGON Fund Balances, Governmental Funds Last ten years For the year ended June 30

General Fund:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Nonexpendable:										
Prepaid Items	\$ 133,032	\$ 15,647	\$ 729	\$ 40,390	\$ 17,246	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:										
Asset forfeiture	40,537	38,606	36,755	35,699	35,497	35,217	34,459	23,972	32,313	25,784
Grant restrictions	789,233	1,472,010	2,300,000	-	-	-	-	-	-	-
Opioid Remediation	540,448	-	-	87,461	262,617	501,558	487,873	425,141	338,658	129,763
Transient occupancy tax - tourism	-	-	-	-	-	-	-	-	-	-
Library services	-	-	-	-	-	-	-	-	-	-
Donor restrictions	22,235	22,235	22,235	22,235	22,235	22,235	22,235	22,235	22,235	22,235
Committed for:										
Parking surcharge	370,085	370,085	370,085	391,600	397,017	397,017	370,085	370,085	370,085	370,085
Public art	36,639	61,734	78,367	43,075	69,020	43,075	21,392	19,919	99,324	109,938
Future downtown parking supply	-	-	-	693,292	573,166	413,558	241,326	-	-	-
Affordable housing	-	-	-	-	-	-	-	-	166,351	166,351
Unassigned, reported in:										
General Fund	15,420,353	18,070,531	18,470,651	17,577,388	10,339,463	3,680,245	3,824,249	3,968,680	4,527,421	3,636,527
Total General Fund	17,352,562	20,050,848	21,278,824	18,891,140	11,716,261	5,092,905	5,001,619	4,830,032	5,556,387	4,460,683
Street Fund:										
Restricted for:										
System development charges	-	-	2,978,031	2,882,757	2,659,497	2,522,973	2,641,068	2,511,605	2,431,470	2,619,729
Committed reported in:										
Special revenue funds	4,151,861	4,435,636	1,818,354	2,653,184	1,212,943	(841,788)	2,174,869	2,323,501	3,231,966	2,795,238
Total Street Fund	4,151,861	4,435,636	4,796,385	5,535,941	3,872,440	1,681,185	4,815,937	4,835,106	5,663,436	5,414,967
Parks Fund:										
Committed reported in:										
Parks Activities	-	-	-	-	-	1,362,768	1,107,369	788,308	386,186	313,140
Total Parks Fund	-	-	-	-	-	1,362,768	1,107,369	788,308	386,186	313,140
All Other Governmental Funds:										
Nonexpendable:										
Cemetery perpetual care	995,101	970,773	946,762	930,895	917,499	954,825	984,914	970,304	955,357	944,552
Prepaid Items	4,760	4,760	-	-	-	-	-	-	-	-
Restricted for:										
System development charges	3,410,708	2,587,597	320,568	284,878	245,100	164,540	104,546	29,187	314,934	606,669
Transient occupancy tax - tourism	922,621	982,117	992,082	-	-	-	-	-	-	-
Grant restrictions	36,619	36,619	36,619	36,619	36,620	36,620	36,620	33,804	33,801	33,804
Airport activities	429,897	336,290	398,996	298,171	264,126	376,568	235,659	202,017	-	138,905
Debt service	1,097,851	1,046,738	1,041,894	1,009,803	987,974	1,037,697	1,035,856	1,027,297	976,090	1,028,912
Committed for:										
Committed for parks activities	3,339,322	3,571,252	3,973,973	1,978,495	1,891,310	1,596,623	1,428,986	981,826	852,407	1,536,623
Committed for affordable housing	127,476	252,642	240,123	280,661	128,254	109,079	69,986	-	-	-
Committed for food and beverage	-	-	-	-	-	-	-	-	-	-
Committed for facilities	372,737	977,542	998,424	923,362	825,808	754,031	756,172	1,110,763	2,000,302	2,004,725
Special revenue funds	-	-	-	-	-	-	-	263,903	173,227	-
Total all other governmental funds	10,737,092	10,766,329	8,002,679	4,811,989	4,379,192	4,075,158	3,667,825	3,648,797	4,350,761	5,349,638
Total governmental funds	\$ 32,241,515	\$ 35,252,814	\$ 34,077,888	\$ 29,239,070	\$ 19,967,893	\$ 12,212,016	\$ 14,592,750	\$ 14,102,243	\$ 15,956,770	\$ 15,538,428



CITY OF ASHLAND, OREGON
Fund Balance Comparison
Last ten years
For the year ended June 30

Fund Balances	2025 Adopted	2024 Adopted	2023 Adopted	2022 Adopted	2021 Adopted	2020 Adopted	2019 Adopted	2018 Adopted	2017 Adopted	2016 Adopted
Budget										
General Fund	\$ 6,126,833	\$ 6,126,833	\$ 8,112,918	\$ 8,112,918	\$ 4,253,147	\$ 4,253,147	\$ 2,464,474	\$ 2,464,474	\$ 252,360	\$ 1,646,957
Parks and Recreation Fund	-	-	107,493	107,493	51,257	51,257	(24,876)	(24,876)	4,014	184,915
Tourism Fund	457,831	457,831	-	-	-	-	-	-	-	-
Housing Fund	-	-	200,000	200,000	404,668	404,668	-	-	-	-
Community Development Block Grant Fund	-	-	-	-	-	-	-	-	-	-
Reserve Fund	1,834,761	1,834,761	1,755,456	1,755,456	39,110	39,110	25,085	25,085	38,580	221,580
Street Fund	2,059,740	2,059,740	388,885	388,885	3,660,187	3,660,187	3,959,022	3,959,022	2,022,280	3,694,376
SDC Street Fund (new in 2024)	3,158,108	3,158,108	-	-	-	-	-	-	-	-
Airport Fund	23,756	23,756	189,853	189,853	411,018	411,018	143,947	143,947	70,236	71,735
Capital Improvements Fund	202,288	202,288	-	-	181,635	181,635	1,705,906	1,705,906	1,536,953	1,363,411
Parks Capital Improvements Fund	6,489,699	6,489,699	671,338	671,338	1,368,972	1,368,972	(743,870)	(743,870)	308,617	(674,924)
SDC Parks Fund (new in 2024)	140	140	-	-	-	-	-	-	-	-
Debt Service Fund	844,885	844,885	1,151,196	1,151,196	1,419,738	1,419,738	1,208,002	1,208,002	849,354	803,151
Water Fund	2,808,964	2,808,964	10,185,545	10,185,545	19,600,412	19,600,412	8,954,820	8,954,820	2,072,024	4,711,984
SDC Water Fund (new in 2024)	7,178,521	7,178,521	-	-	-	-	-	-	-	-
Wastewater Fund	4,844,568	4,844,568	4,869,632	4,869,632	15,233,131	15,233,131	6,872,543	6,872,543	2,193,032	2,803,471
SDC Wastewater Fund (new in 2024)	1,566,362	1,566,362	-	-	-	-	-	-	-	-
Stormwater Fund	539,009	539,009	244,445	244,445	1,226,864	1,226,864	1,544,630	1,544,630	-	-
SDC Stormwater Fund (new in 2024)	8,099	8,099	-	-	-	-	-	-	-	-
Electric Fund	5,031,986	5,031,986	5,239,763	5,239,763	761,698	761,698	819,118	819,118	368,237	537,900
Telecommunications Fund	1,312,058	1,312,058	2,064,506	2,064,506	1,268,142	1,268,142	200,299	200,299	327,302	172,269
Central Services Fund	-	-	-	-	51,207	51,207	490,440	490,440	16,549	232,353
Insurance Services Fund	1,462,483	1,462,483	882,745	882,745	243,352	243,352	623,899	623,899	136,638	318,938
Health Benefits Fund	-	-	470,270	470,270	923,953	923,953	84,755	84,755	33,370	(291,630)
Equipment Fund	4,188,757	4,188,757	4,833,802	4,833,802	47,091	47,091	2,385,539	2,385,539	1,968,694	1,657,459
Parks Equipment Fund	-	-	477,347	477,347	215,744	215,744	164,364	164,364	40,000	192,000
Cemetery Trust Fund	699,301	699,301	835,327	835,327	923,964	923,964	984,270	984,270	974,046	948,546
Total Budget	\$ 50,838,149	\$ 50,838,149	\$ 42,680,521	\$ 42,680,521	\$ 52,285,290	\$ 52,285,290	\$ 31,862,367	\$ 31,862,367	\$ 13,212,286	\$ 18,594,491

CITY OF ASHLAND, OREGON
Fund Balance Comparison
Last ten years
For the year ended June 30

Fund Balances	2025 Actual	2024 Actual	2023 Actual	2022 Actual	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
General Fund	\$ 15,372,017	\$ 17,057,723	\$ 18,379,038	\$ 10,051,736	\$ 9,481,988	\$ 5,053,649	\$ 4,963,179	\$ 4,792,507	\$ 4,687,675	\$ 3,603,674
Parks and Recreation Fund*	-	631,966	631,966	3,338,633	1,793,398	1,074,422	842,878	661,453	209,332	254,306
Housing Fund	127,476	252,642	240,123	236,323	128,254	109,079	69,986	263,903	-	-
Tourism Fund	922,621	982,117	992,082	-	-	-	-	-	-	-
Community Development Block Grant Fund	36,617	36,619	36,619	27,819	36,620	36,620	36,620	33,801	33,801	33,804
Reserve Fund	1,980,546	1,887,552	1,794,212	1,754,759	39,551	39,256	38,440	37,524	28,168	166,465
Street Fund	4,151,857	4,435,636	4,796,385	4,901,591	3,872,440	1,681,185	4,815,937	4,835,107	5,663,436	5,414,967
SDC Street	2,930,799	2,170,196	-	-	-	-	-	-	-	-
Airport Fund	431,093	337,485	398,996	300,402	264,126	376,568	235,659	202,016	173,227	138,905
Capital Improvements Fund	372,740	977,542	1,318,992	1,202,131	1,070,908	918,571	860,718	1,139,950	2,315,236	2,802,016
Parks Capital Improvements Fund	3,339,320	3,571,252	3,973,973	1,953,550	1,891,310	1,596,623	1,428,986	981,825	852,407	1,346,001
SDC Parks	479,909	417,402	-	-	-	-	-	-	-	-
Debt Service Fund	1,101,412	1,050,303	1,041,894	1,007,715	987,974	1,037,697	1,035,856	1,027,296	976,090	1,028,912
Water Fund	18,791,694	17,615,847	16,220,569	12,889,481	12,745,850	10,850,466	10,495,072	9,432,724	7,795,562	6,081,537
SDC Water Fund	976,558	966,355	-	-	-	-	-	-	-	-
Wastewater Fund	7,572,951	6,606,473	8,707,001	7,661,156	7,569,687	10,085,823	8,826,689	7,636,846	7,842,215	6,499,438
SDC Wastewater Fund	2,726,658	2,372,090	-	-	-	-	-	-	-	-
Stormwater Fund	2,136,737	2,094,891	2,042,119	1,769,548	1,777,615	1,795,164	1,866,537	1,768,991	-	-
SDC Stormwater Fund	55,106	30,321	-	-	-	-	-	-	-	-
Electric Fund	7,621,815	9,437,523	7,168,134	4,434,350	2,418,148	2,521,066	2,249,388	2,468,855	2,026,665	1,863,131
Telecommunications Fund	2,848,372	3,153,231	3,175,717	2,345,431	2,110,935	1,540,525	1,135,311	834,108	599,420	365,637
Central Services Fund (closed in FY22)	-	-	-	-	3,087,205	1,572,864	839,735	1,092,453	281,575	579,888
Insurance Services Fund	2,610,622	2,103,059	1,156,377	1,097,135	134,959	204,852	8,140	586,216	1,017,579	1,160,957
Health Benefits Fund*	-	2,225,546	2,225,546	1,916,791	1,463,355	1,212,173	932,375	4,695	396,418	140,764
Equipment Fund	7,589,751	7,258,323	10,626,313	6,101,488	3,868,239	3,851,597	3,328,444	3,579,502	3,404,966	3,134,593
Parks Equipment Fund*	-	473,607	473,607	413,249	401,324	288,346	264,491	126,854	176,854	58,834
Cemetery Trust Fund	995,101	970,773	946,761	929,433	917,499	954,825	984,914	970,305	955,357	944,553
Total Actual Ending Fund Balance	\$ 85,171,772	\$ 89,116,473	\$ 86,346,425	\$ 64,332,721	\$ 56,061,385	\$ 46,801,371	\$ 45,259,355	\$ 42,476,931	\$ 39,435,983	\$ 35,618,382

*These funds were inactive in fiscal year 2024 and will be closed in fiscal year 2025. The remaining fund balances will be transferred to the General Fund.

CITY OF ASHLAND, OREGON
Assessed and Estimated Actual
Value of Taxable Property
Last ten years - Unaudited

Fiscal Year Ended June 30,	Real Property	Mobile Home	Personal (1)	Utilities	Total	Property Tax Rate	Taxable ratio (True Cash Value to Assessed)
2025	\$ 3,251,185,039	\$ 8,726,283	\$ 30,330,160	\$ 37,921,561	3,328,163,043	4.29	62.8%
2024	3,165,332,262	8,446,257	32,092,317	40,734,095	3,246,604,931	4.29	57.2%
2023	3,060,020,771	8,204,099	29,932,643	43,807,000	3,141,964,513	4.29	55.8%
2022	2,957,535,236	7,927,850	32,239,590	43,250,100	3,040,952,776	4.36	68.1%
2021	2,849,800,218	7,695,981	37,736,900	40,040,300	2,935,273,399	4.36	65.7%
2020	2,745,946,271	7,428,132	39,388,970	39,719,700	2,832,483,073	4.47	65.2%
2019	2,648,762,575	7,176,174	40,011,240	42,200,100	2,738,150,089	4.43	69.5%
2018	2,550,677,170	6,701,376	37,518,450	38,356,118	2,633,253,114	4.44	66.9%
2017	2,458,564,994	6,700,924	37,949,290	34,169,600	2,537,384,808	4.40	68.2%
2016	2,367,355,356	6,526,881	40,417,280	31,573,600	2,445,873,117	4.41	70.0%

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

(1) Includes non-profit housing

Source: Jackson County Assessor tax roll property values



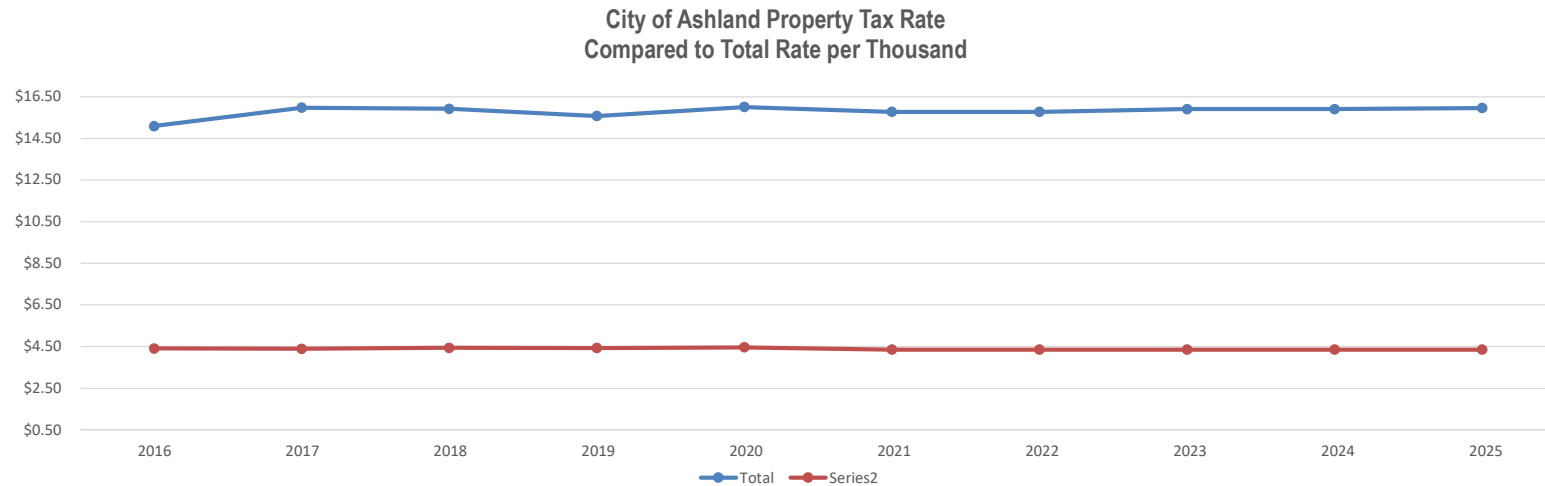
CITY OF ASHLAND, OREGON
Property Tax Rates
Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last ten years - Unaudited

Fiscal Year Ended June 30,	City of Ashland Permanent rate	City of Ashland Local Option Levies	City of Ashland Bonded Debt	City of Ashland Total Tax Rate	Jackson County Vector Control	Jackson County (1)	Rogue Valley Transit District	Net Jackson Co Tax Rate	Net General Government Tax Rate	Jackson County Education Service District	School District 5	RCC (2)	Net School Support Tax Rate	Total
2025	\$ 4.29	\$ -	\$ 0.06	\$ 4.35	\$ 0.04	\$ 2.77	\$ 0.31	3.12	7.47	\$ 0.35	\$ 7.51	\$ 0.64	8.50	15.96
2024	4.29	-	0.06	4.35	0.04	2.69	0.31	3.04	7.39	0.35	7.52	0.64	8.52	15.91
2023	4.29	-	0.21	4.35	0.04	2.68	0.31	3.05	7.40	0.35	7.52	0.64	8.51	15.91
2022	4.29	-	0.19	4.36	0.04	2.70	0.31	3.05	7.41	0.35	7.37	0.65	8.37	15.78
2021	4.29	-	0.07	4.36	0.04	2.70	0.31	3.05	7.41	0.35	7.37	0.65	8.37	15.78
2020	4.29	-	0.18	4.47	0.04	2.74	0.31	3.09	7.56	0.35	7.45	0.66	8.46	16.02
2019	4.24	-	0.19	4.43	0.04	2.75	0.31	3.10	7.53	0.35	7.05	0.65	8.06	15.58
2018	4.24	-	0.20	4.44	0.04	2.77	0.31	3.12	7.55	0.35	7.36	0.67	8.38	15.93
2017	4.20	-	0.20	4.40	0.04	2.79	0.31	3.14	7.54	0.35	7.43	0.67	8.45	15.98
2016	4.20	-	0.21	4.41	0.04	2.06	0.18	2.28	6.69	0.35	7.44	0.62	8.41	15.10

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

(2) Rogue Community College

Source: Jackson County Assessor and Tax Collector



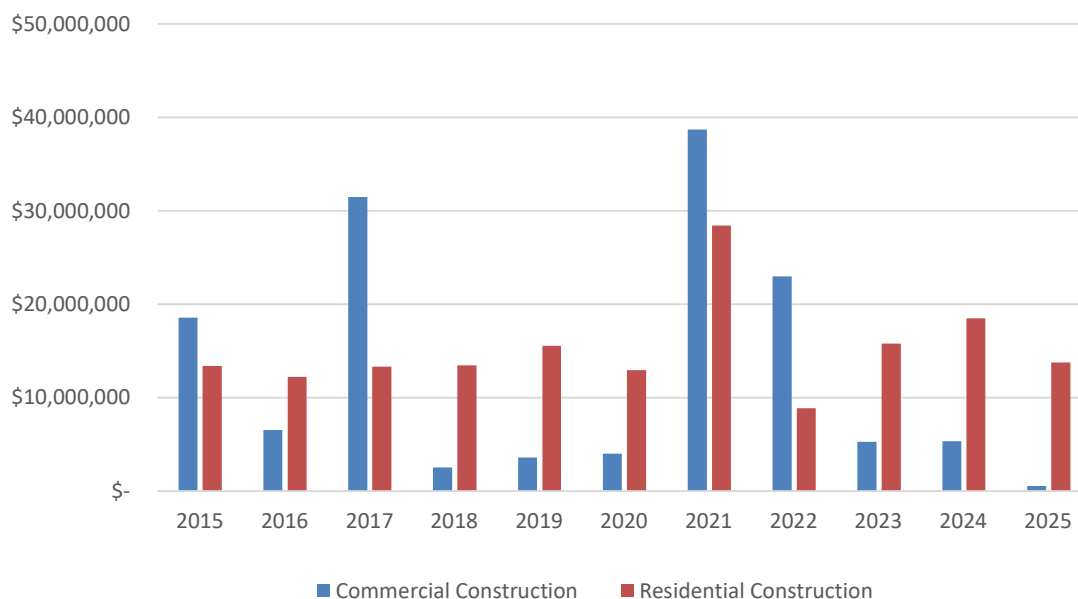
CITY OF ASHLAND, OREGON
Property Value and New Construction History
Last ten years - Unaudited

Fiscal Year Ended June 30,	Property Value (1)	Commercial Construction		Residential Construction	
		Number of Units	Value	Number of Units	Value
2025	\$ 3,328,163,043	2	\$ 561,890	56	\$ 13,757,591
2024	3,246,604,931	3	5,312,835	117	18,492,169
2023	3,141,964,513	4	5,246,940	49	15,808,170
2022	3,040,952,775	6	22,972,074	52	8,852,280
2021	2,935,273,399	8	38,688,145	182	28,399,687
2020	2,832,483,073	4	4,006,566	83	12,950,709
2019	2,738,150,089	3	3,576,094	94	15,513,154
2018	2,633,253,114	6	2,525,849	80	13,441,485
2017	2,537,384,808	7	31,479,266	70	13,313,136
2016	2,445,873,117	6	6,513,734	57	12,204,836

(1) Property value is assessed valuation

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

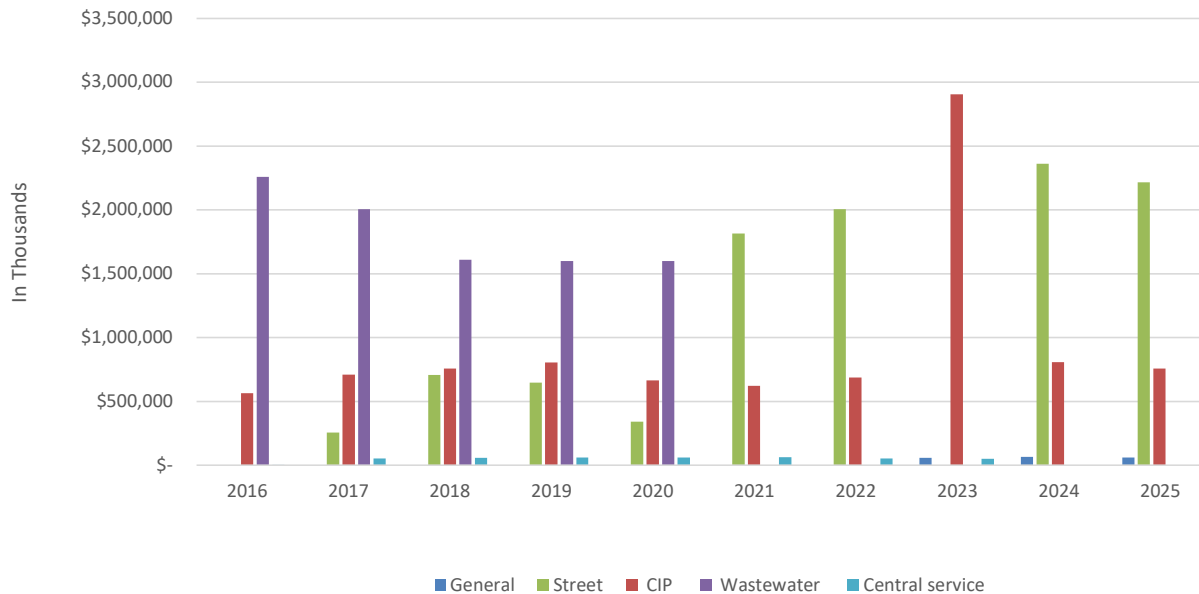
Commercial and Residential Construction
Last Ten Years



CITY OF ASHLAND, OREGON
Food and Beverage Tax Revenue by Fund
(amounts expressed in thousands)
Last ten years - Unaudited

Fiscal Year Ended June 30,	General Fund	Street Fund	Capital Improvement	Wastewater	Central Service	Total	Cumulative
2025	\$ 60,721	\$ 2,216,306	\$ 759,009	\$ -	\$ -	\$ 3,036,036	\$ 34,345,563
2024	64,710	2,361,914	808,875	-	-	3,235,499	31,309,527
2023	59,290	-	2,905,207	-	-	2,964,497	28,074,029
2022	54,971	2,006,445	687,139	-	-	2,748,555	25,109,532
2021	-	1,815,932	621,894	-	49,752	2,487,577	22,360,977
2020	-	340,565	664,577	1,600,000	53,166	2,658,308	19,873,400
2019	-	645,685	803,844	1,600,600	64,308	3,114,437	17,215,092
2018	-	708,397	758,101	1,608,600	60,648	3,135,746	14,100,655
2017	-	255,202	709,000	2,004,952	60,586	3,029,740	10,964,909
2016	-	-	565,000	2,260,000	58,000	2,883,000	7,935,169

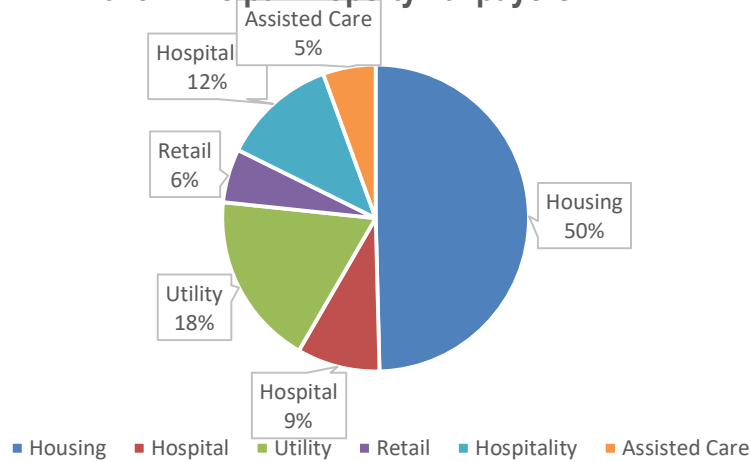
Food and Beverage Tax Revenues by Fund
Last Ten Years



CITY OF ASHLAND, OREGON
Principal Property Tax Payers
Current and ten years ago

Taxpayers	Type of Business	2025 Assessed Valuation	Percentage of Total Valuation
Pacific Rental Properties LLC	Housing	\$ 52,938,890	1.69%
Avista Corp	Utility	14,726,794	0.47%
Ashland Community Hospital	Hospital	12,464,970	0.40%
Charter Communications	Utility	11,334,618	0.36%
Ashlander Ashland LLC	Housing	9,693,690	0.31%
BHGAH AHH LLC	Hospitality	9,278,670	0.30%
Ashland Shopping Center	Retail	8,049,710	0.26%
Mark Antony Hist Propo LLC	Hospitality	8,028,220	0.26%
Skylark Real Property Group	Assisted Care	7,912,390	0.25%
Ayala Properties LLC	Housing	8,023,310	0.26%
All other		3,141,091,148	95.46%
Total		\$ 3,283,542,410	100.00%

2025 Principal Property Taxpayers

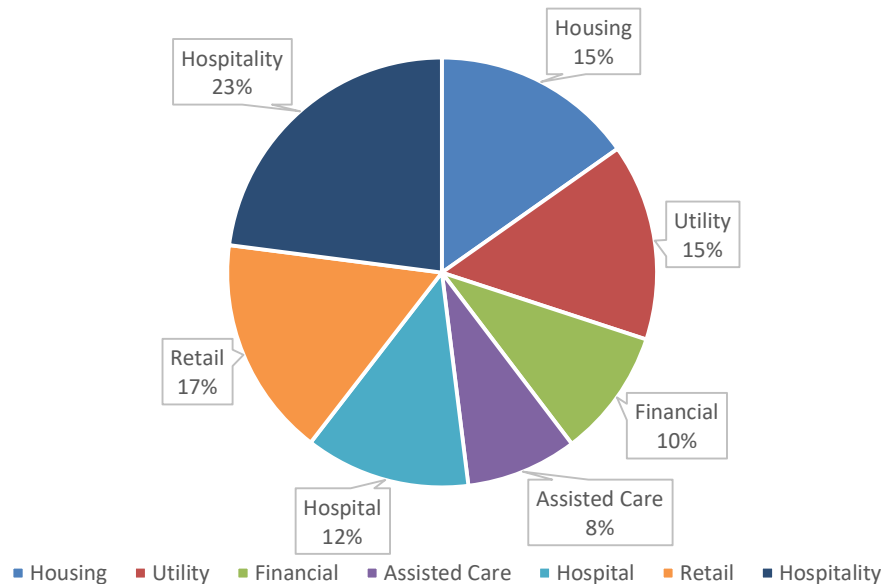


CITY OF ASHLAND, OREGON
Principal Property Tax Payers
Current and ten years ago

Taxpayers	Type of Business	2016 Assessed Valuation	Percentage of Total Valuation
Ronald L. Deluca	Housing	\$ 11,047,590	0.48%
Avista Corp.	Utility	10,740,000	0.47%
Ashland Community Hospital	Hospital	9,014,730	0.39%
Pacific Financial , Inc.	Financial	7,003,110	0.30%
Charter Communication	Retail	6,215,400	0.27%
Skylark Assisted Living	Assisted Care	6,067,120	0.26%
Ashland Shopping Center, LLC	Retail	5,815,390	0.25%
Mark Anthony Hist Prop LLC	Hospitality	5,799,800	0.25%
Bard's Inn	Hospitality	5,471,920	0.24%
Plaza Hospitality	Hospitality	5,379,140	0.23%
All other		2,236,765,195	96.86%
Total		\$2,309,319,395	100.00%

Source: Jackson County Assessor

2016 Principal Property Taxpayers



CITY OF ASHLAND, OREGON
Property Tax Levies and Collections
Last ten years - Unaudited

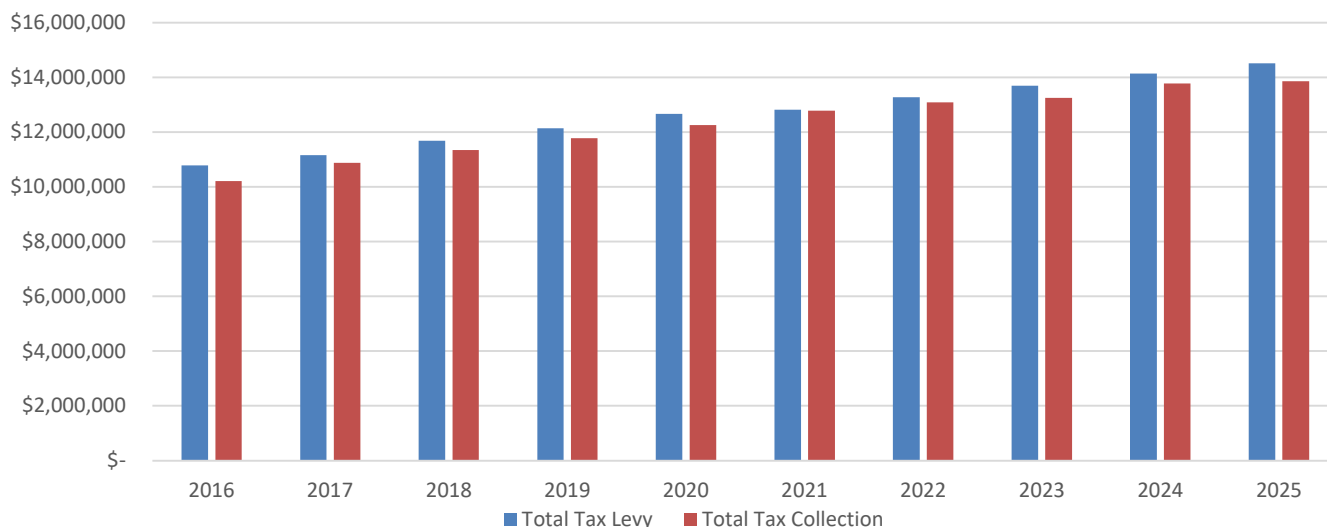
Fiscal Year Ended June 30,	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected	Delinquent Tax Collections (2)(3)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2025	\$ 14,512,131	\$ 13,632,030	93.94%	\$ 230,437	13,862,467	95.52%	551,895	4%
2024	14,136,855	13,494,721	95.46%	280,390	13,775,111	97.44%	527,773	4%
2023	13,688,352	12,939,489	94.53%	302,764	13,242,253	96.74%	459,800	3%
2022	13,274,448	12,798,283	96.41%	277,348	13,075,631	98.50%	432,757	3%
2021	12,812,936	12,082,698	94.30%	703,713	12,786,411	99.79%	442,276	4%
2020	12,656,862	11,970,900	94.58%	283,003	12,253,903	96.82%	717,417	6%
2019	12,133,433	11,465,438	94.49%	300,603	11,766,041	96.97%	741,442	6%
2018	11,686,504	11,077,325	94.79%	270,018	11,347,343	97.10%	744,932	6%
2017	11,165,588	10,584,077	94.79%	292,706	10,876,783	97.41%	718,956	6%
2016	10,782,252	10,204,495	94.64%	303,781	10,508,276	97.46%	698,038	6%

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

(2) Includes adjustments, rounding and discounts

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

Property Tax Levies and Collections



CITY OF ASHLAND, OREGON
General Governmental Tax Revenues
By Source
(amounts expressed in thousands)
Last ten years - Unaudited

Fiscal Year Ended June 30,	Combined Property Taxes	Electric Utility Franchise (1)	Utility Users Tax (1)	Other Franchise and Privilege Taxes	Transient Occupancy Tax	Food and Beverage Tax (2)	Water Surcharge Fee	Public Safety Fee	Marijuana Tax	Business & Other Related Business Tax	Total
2025	\$ 13,659	\$ 1,804	\$ 3,361	\$ 2,444	\$ 3,037	\$ 2,216	\$ 396	\$ 225	\$ 184	\$ 176	\$ 13,857
2024	13,781	1,777	3,564	2,175	2,758	3,235	395	224	169	239	28,317
2023	13,271	1,863	3,811	2,308	2,812	2,965	394	223	180	254	28,081
2022	12,798	1,773	3,721	2,083	2,568	2,749	394	222	188	274	26,770
2021	12,553	1,682	3,533	2,046	2,078	2,437	390	220	163	208	25,310
2020	12,254	1,660	3,446	2,047	2,239	1,005	387	218	228	235	23,719
2019	11,776	1,630	3,379	2,047	3,142	1,449	177	211	184	254	24,249
2018	11,347	1,598	3,330	1,967	2,910	1,466	175	69	207	234	23,303
2017	10,898	1,496	3,130	1,949	2,819	9,642	176	N/A	N/A	248	30,358
2016	10,508	1,466	3,077	1,604	2,055	565	171	N/A	N/A	237	19,683

(1) Derived from city-owned electric utility operations

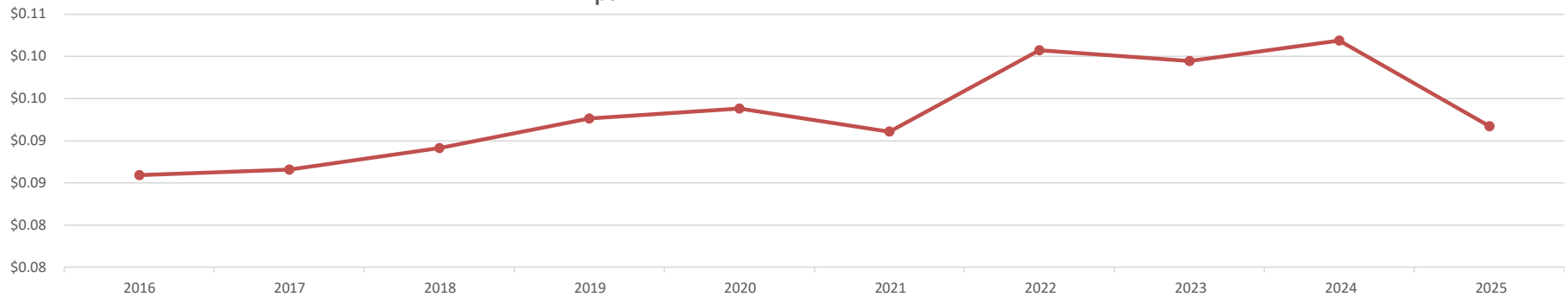
(2) Tax enacted July 1, 1993

Statistical Section

CITY OF ASHLAND, OREGON Electric Utility Usage In Kilowatt Hours (kWh) Last ten years - Unaudited

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Electric:										
Commercial	46,184,159	45,930,911	49,451,806	48,110,735	46,709,991	51,506,423	52,595,231	56,199,380	54,212,204	55,434,978
Governmental	20,953,900	20,695,731	21,404,566	20,849,376	18,491,383	20,121,422	25,722,896	20,663,724	16,881,982	17,084,620
Municipal	9,404,124	8,363,302	10,415,257	9,367,131	9,165,402	15,074,710	10,801,152	7,642,747	6,489,407	7,607,560
Residential	92,992,581	87,885,646	96,762,872	93,839,274	93,206,359	83,083,258	88,361,322	89,213,217	89,500,760	86,749,323
Electric usage total	169,534,764	162,875,590	178,034,501	172,166,516	167,573,135	169,785,813	177,480,601	173,719,068	167,084,353	166,876,481
Total electric revenue	\$ 15,551,573	\$ 16,596,925	\$ 17,707,341	\$ 17,344,168	\$ 15,264,002	\$ 15,928,428	\$ 16,440,849	\$ 15,486,694	\$ 14,465,963	\$ 14,338,555
Average consumption rate per kWh	\$ 0.092	\$ 0.102	\$ 0.099	\$ 0.101	\$ 0.091	\$ 0.094	\$ 0.093	\$ 0.089	\$ 0.087	\$ 0.086

Electric Utility Average Rate History per kWh



CITY OF ASHLAND, OREGON
Ratio Of Net General Obligation Bonded Debt To Assessed Value And
Net General Obligation Bonded Debt Per Capita
Last ten years - Unaudited

Fiscal Year Ended June 30,	Population (1)	Percentage Change	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Fund Monies Available	Enterprise Fund Monies Available	Debt Payable for Enterprise Revenues (4)	Net General Obligation Bonded Debt (5)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2025	21,579	0.41%	\$ 3,328,163,043	\$ 2,165,000	\$ 1,101,416	\$ 875,490	\$ 17,039,566	188,094	0.01%	8.72
2024	21,490	0.02%	3,246,604,931	3,910,000	1,050,303	875,490	17,329,392	1,984,207	0.06%	92.33
2023	21,485	0.37%	3,141,964,513	5,600,000	1,041,894	875,490	17,614,238	3,682,616	0.12%	171.40
2022	21,405	0.15%	3,040,952,775	5,835,000	1,007,715	875,490	12,103,765	3,951,795	0.13%	184.62
2021	21,374	1.98%	2,935,273,399	7,240,000	983,471	875,490	12,168,821	5,381,039	0.18%	251.76
2020	20,960	0.70%	2,832,483,073	8,615,000	1,030,682	875,490	15,938,873	6,708,828	0.24%	320.08
2019	20,815	0.56%	2,738,150,089	10,205,000	1,028,592	875,490	17,109,812	8,300,918	0.30%	398.80
2018	20,700	0.39%	2,633,253,114	11,760,000	1,025,376	875,490	16,985,043	9,859,134	0.37%	476.29
2017	20,620	1.05%	2,537,384,808	13,395,000	973,878	875,490	17,774,620	11,545,632	0.46%	559.92
2016	20,405	0.32%	2,445,873,117	14,880,000	855,545	875,490	19,219,172	13,148,965	0.54%	644.40

Source:

(1) Center for Population Research and Census, Portland State University. Estimates for the prior year are released each November, so the prior year estimate is used for the current year.

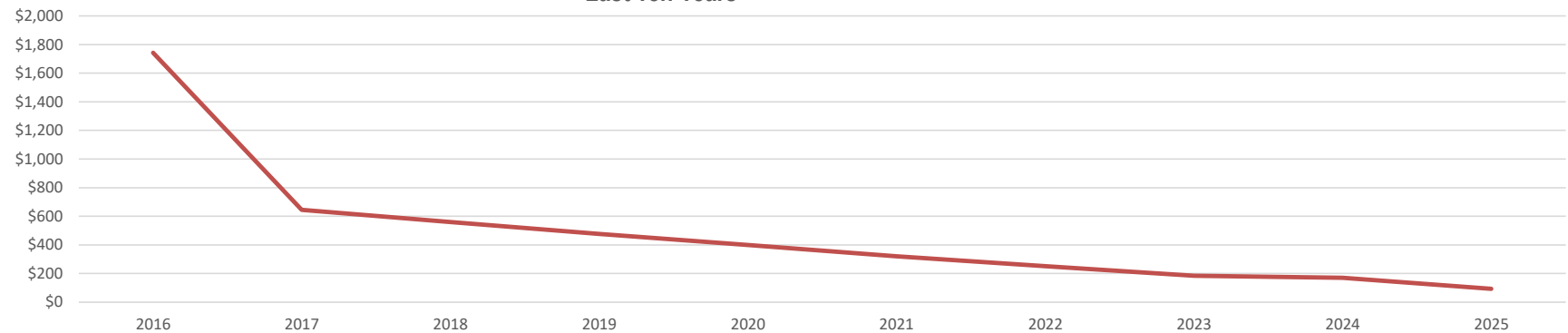
(2) Jackson County Assessor tax roll property value records

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

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

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

Net Bonded Debt Per Capita
Last Ten Years

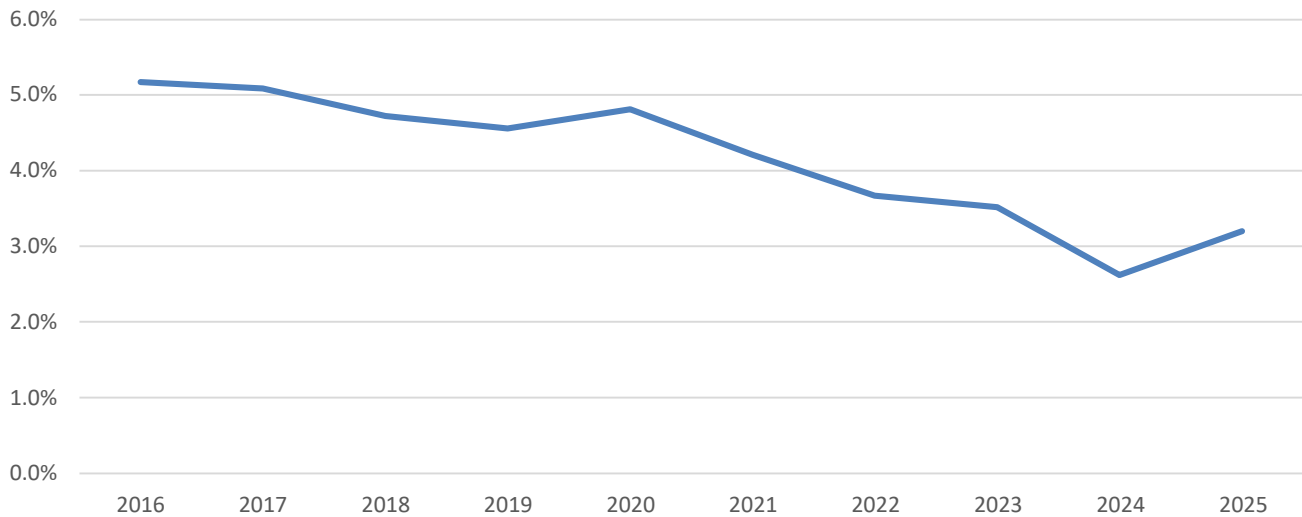


CITY OF ASHLAND, OREGON
Ratio Of Annual Debt Service Expenditures For
General Bonded Debt To Total General Expenditures
Last ten years - Unaudited

Fiscal Year Ended June 30,	Principal	Interest	Total Debt Service (1)	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2025	\$ 1,515,000	\$ 72,340	1,587,340	\$ 50,057,131	3.2%
2024	1,465,000	112,371	1,577,371	60,143,657	2.6%
2023	1,430,000	149,454	1,579,454	44,923,232	3.5%
2022	1,405,000	188,179	1,593,179	43,431,743	3.7%
2021	1,375,000	214,241	1,589,241	37,740,415	4.2%
2020	1,590,000	267,623	1,857,623	38,623,257	4.8%
2019	1,555,000	295,651	1,850,651	40,588,484	4.6%
2018	1,455,000	318,747	1,773,747	37,564,475	4.7%
2017	1,485,000	375,091	1,860,091	36,555,232	5.1%
2016	1,445,000	418,422	1,863,422	36,033,961	5.2%

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

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



CITY OF ASHLAND, OREGON
Pledged Revenue Coverage
Water and SDC Water Funds
Last ten years - Unaudited

Fiscal Year Ended June 30,	Gross Revenues (1)	Operating Expenses (2)	Fund Balance	Net Revenues Available for Debt Service	Debt Service Requirements (4)			
					Principal	Interest	Total	Coverage
2025	\$ 10,708,028	\$ 9,521,978	\$ 19,768,252	\$ 20,954,302	\$ 539,548	\$ 146,149	685,697	3.27%
2024	8,821,965	7,206,814	18,582,202	20,197,353	279,678	50,652	330,330	1.64%
2023	9,138,264	9,318,155	16,220,569	16,040,678	571,736	112,702	684,438	4.27%
2022	8,741,494	7,188,052	12,889,481	14,442,923	557,106	124,432	681,538	4.72%
2021	9,473,981	6,568,759	10,850,466	13,755,688	786,863	138,382	925,245	6.73%
2020	8,846,790	8,554,214	10,495,072	10,787,648	781,636	209,398	991,034	9.19%
2019	8,791,274	9,657,102	9,432,722	8,566,894	479,713	137,914	617,627	7.21%
2018	8,290,162	6,520,984	-	1,769,178	464,164	150,069	614,233	34.72%
2017	7,756,012	4,706,339	-	3,049,673	453,835	161,855	615,690	20.19%
2016	7,289,715	4,225,107	-	3,064,608	443,717	173,330	617,046	20.13%

(1) Total operating revenues, including System Development Charges

(2) Total operating expenses, not including interfund loans, capital outlay, existing debt, and franchise taxes paid

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

(4) Includes pledged revenue debt principal and interest amounts transferred to registered paying agent irrespective of actual bond maturities

CITY OF ASHLAND, OREGON
Ratios of Outstanding Debt by Type
Last ten years

Governmental Activities			Notes and Contracts				
Fiscal Year Ended June 30,	General Obligation Bonds	Percent of Assessed Value	Promissory Notes	Pledged Revenue Debt	Leases	SBITA	Per Capita (2)
2025	\$ 1,425,000	0.04%	\$ 1,373,336	\$ 4,565,216	\$ 629,886	\$ 486,066	392.95
2024	2,940,000	0.09%	1,649,393	4,028,789	-	-	401.03
2023	4,405,000	0.14%	1,316,000	-	-	-	266.28
2022	5,835,000	0.19%	1,567,000	-	-	-	343.42
2021	7,240,000	0.25%	1,817,000	-	-	-	429.14
2020	8,615,000	0.30%	2,065,000	-	-	-	509.54
2019	10,205,000	0.37%	2,311,000	-	-	-	601.30
2018	11,760,000	0.45%	2,591,936	-	-	-	693.33
2017	13,395,000	0.53%	1,104,821	-	-	-	703.19
2016	14,880,000	0.61%	1,251,707	-	-	-	790.58

Business - Type Activities

Fiscal Year Ended June 30,	General Obligation Bonds	Percent of Assessed Value	Pledged Revenue Debt and Notes	DEQ (3) Loans	Per Capita (2)
2025	\$ 740,000	0.02%	\$ 7,704,849	\$ 8,544,951	787.33
2024	970,000	0.03%	8,208,279	8,151,113	806.39
2023	1,195,000	0.04%	9,399,881	7,019,358	819.84
2022	1,605,000	0.05%	7,460,449	3,038,316	561.56
2021	2,005,000	0.07%	7,689,268	2,474,552	576.58
2020	5,721,796	0.20%	7,913,589	2,303,488	760.44
2019	7,607,299	0.28%	6,983,538	2,518,974	821.99
2018	9,429,200	0.36%	5,406,100	2,149,744	820.53
2017	11,077,669	0.44%	4,634,074	2,062,878	932.06
2016	12,777,871	0.52%	4,628,555	1,812,747	941.89

Total Outstanding Debt

Fiscal Year Ended June 30,	Total Outstanding Debt	Personal Income (4)	Debt as a Percentage of Personal Income
2025	\$ 25,469,304	unavailable	N/A
2024	25,947,574	unavailable	N/A
2023	23,335,238	1,140,759,000	2.0%
2022	19,505,765	1,106,035,000	1.8%
2021	21,225,820	1,305,836,000	1.6%
2020	26,618,873	998,618,000	2.7%
2019	29,625,811	961,355,000	3.1%
2018	31,336,980	953,023,000	3.3%
2017	32,274,442	908,939,000	3.6%
2016	35,350,879	829,501,000	4.3%

(1) OECDD - Oregon Economic and Community Development Department

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

(3) DEQ - Oregon Department of Environmental Quality

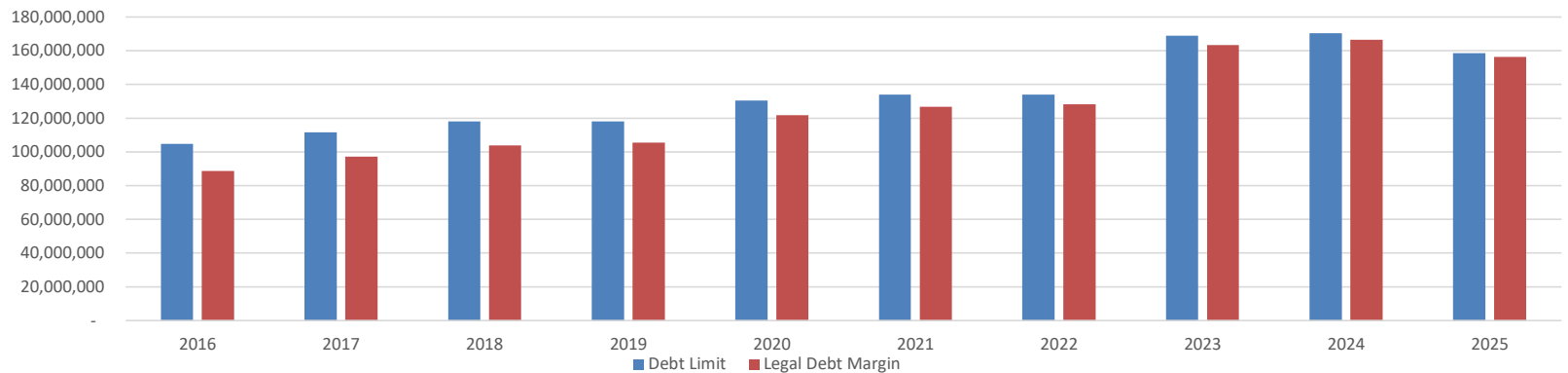
(4) Oregon Department of Revenue Personal Income Tax Statistics - 2024, 2025 not yet available

Statistical Section

CITY OF ASHLAND, OREGON Legal Debt Margin Last ten years For the year ended June 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
True Cash Value	\$5,284,425,918	\$ 5,675,558,552	\$ 5,628,841,736	\$ 4,466,314,678	\$ 4,466,314,678	\$ 4,346,499,745	\$ 3,937,719,581	\$ 3,937,719,581	\$ 3,722,306,182	\$ 3,493,732,448
Legal Debt Margin										
Debt limit (3% of true cash value)	158,532,778	170,266,757	168,865,252	133,989,440	133,989,440	130,394,992	118,131,587	118,131,587	111,669,185	104,811,973
Net Bonded Debt:										
Gross bonded debt	2,165,000	3,910,000	5,600,000	5,835,000	7,240,000	8,615,000	12,516,000	14,351,936	14,499,821	16,131,707
Less amounts exempted:										
Water	-	-	-	-	-	-	-	-	-	-
Special assessment	-	-	-	-	-	-	-	-	-	-
Re-funding	-	-	-	-	-	-	-	-	-	-
Water re-funding	-	-	-	-	-	-	-	-	-	-
Total debt applicable to margin	2,165,000	3,910,000	5,600,000	5,835,000	7,240,000	8,615,000	12,516,000	14,351,936	14,499,821	16,131,707
Legal Debt Margin	\$ 156,367,778	\$ 166,356,757	\$ 163,265,252	\$ 128,154,440	\$ 126,749,440	\$ 121,779,992	\$ 105,615,587	\$ 103,779,652	\$ 97,169,364	\$ 88,680,267

Legal Debt Margin Compared to Debt Limit Last Ten Years



**CITY OF ASHLAND, OREGON
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2025 - Unaudited**

True cash value	\$	5,284,425,918	
3% of true cash value		<u>0.03</u>	
			\$ 158,532,778
NET BONDED DEBT:			
Gross bonded debt		2,165,000	
Less amounts exempted:			
Water		<u>-</u>	
Water re-funding		<u>-</u>	
Total debt applicable to margin			<u>2,165,000</u>
LEGAL DEBT MARGIN			<u><u>\$ 156,367,778</u></u>

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

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

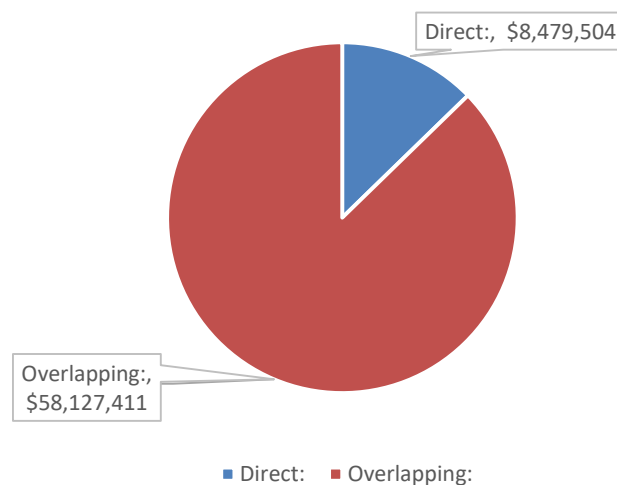
CITY OF ASHLAND, OREGON
Computation Of Direct And Overlapping Bonded Debt
June 30, 2025 - Unaudited

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct:			
City of Ashland - Governmental Activities only	\$ 8,479,504	100.00%	\$ 8,479,504
Overlapping:			
Jackson County	2,326,153	11.83%	275,184
School District #5	72,928,102	78.71%	57,401,709
Rogue Community College	3,569,823	8.70%	310,575
Southern Oregon ESD	796,731	7.08%	56,409
Jackson County Housing Authority	700,474	11.83%	82,866
Rogue Valley Transit District	4,306	15.53%	669
	80,325,589		58,127,411
	<u>\$ 88,805,093</u>		<u>\$ 66,606,914</u>

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

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

**Direct Bonded Debt for Governmental
Activities and Applicable Overlapping Debt**



CITY OF ASHLAND, OREGON
Principal Employers
Current and ten years ago

<u>2025</u>		
Employer	Employees	Percentage of Total City Employment
Southern Oregon University	1139	10.5%
Oregon Shakespeare Festival	433	4.0%
Ashland Public Schools	337	3.1%
Asante Ashland Community Hospital	188	1.7%
City of Ashland	270	2.5%
Subtotal	2,367	22%

Estimated Total City Employment 10,830

<u>2016</u>		
Employer	Employees	Percentage of Total City Employment
Southern Oregon University	784	7.62%
Oregon Shakespeare Festival	676	5.59%
Ashland Community Hospital	290	3.05%
City of Ashland	305	2.54%
Subtotal	2,055	26.99%

Estimated Total City Employment 7,614

Source: Employer listed and Ashland Chamber of Commerce
[Your Chamber - Ashland's Economy](#)

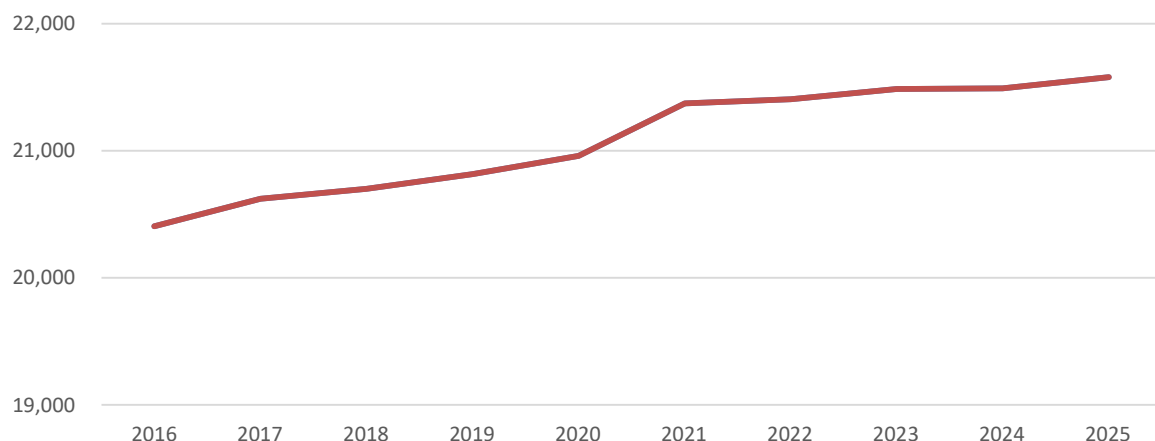
CITY OF ASHLAND, OREGON
Demographic Statistics
Last ten years - Unaudited

Fiscal Year Ended June 30	Population (1)	Percentage Change	Per Capita Income	Total Personal Income (2)	School Enrollment (3)	Jackson County Unemployment Rate (4)
2025	21,579	0.44%	N/A	Unavailable	2,549	5.8%
2024	21,490	0.02%	N/A	Unavailable	2,576	4.9%
2023	21,485	0.37%	N/A	Unavailable	2,557	4.3%
2022	21,405	0.15%	51,672	1,106,035,000	2,897	4.4%
2021	21,374	1.98%	61,095	1,305,836,000	3,022	5.9%
2020	20,960	0.70%	47,644	998,618,000	2,992	10.3%
2019	20,815	0.56%	46,186	961,355,000	2,976	4.6%
2018	20,700	0.39%	46,040	953,023,000	2,940	4.7%
2017	20,620	1.05%	44,080	908,939,000	2,921	4.8%
2016	20,405	0.32%	40,652	829,501,000	2,883	6.2%

Sources:

- (1) Center for Population and Research and Census, Portland State University
- (2) Adjusted Gross Income from Oregon Department of Revenue
- (3) Oregon Department of Education
- (4) US Bureau of Labor Statistics as of June

Population Growth Last Ten Years



CITY OF ASHLAND, OREGON
SCHEDULE OF MAJOR INSURANCE IN FORCE
as of 7/1/2025

Company	Coverage	Policy Period	Annual Aggregate/Each Occurrence	Premium
City County Insurance Services	General Liability			\$467,364.65
	Commercial General Liability	07/01/2025-07/01/2026	\$15,000,000 / \$5,000,000	Included above
	Public Officials Liability	07/01/2025-07/01/2026	\$15,000,000 / \$5,000,000	Included above
	Employment Practices	07/01/2025-07/01/2026	\$15,000,000 / \$5,000,000	Included above
	Automobile Liability			\$44,158.76
	Scheduled Autos	07/01/2025-07/01/2026	None / \$5,000,000	Included above
	Hired Autos/Non Owned	07/01/2025-07/01/2026	None / \$5,000,000	Included above
	Uninsured Motorist	07/01/2025-07/01/2026	None / \$5,000,000	Included above
	Auto Physical Damage			\$84,602.53
	Scheduled Autos	07/01/2025-07/01/2026	Per Filed Value	Included above
	Rented or Leased	07/01/2025-07/01/2026	Per Filed Value	Included above
	Newly Acquired Autos	07/01/2025-07/01/2026	Per Filed Value	Included above
	Property			\$278,153.85
	Buildings	07/01/2025-07/01/2026	Per Filed Value	Included above
	Mobile Equipment	07/01/2025-07/01/2026	Per Filed Value	Included above
	Boiler and Machinery	07/01/2025-07/01/2026	Replacement Cost of Machinery & Equipment not covered elsewhere	Included above
	Cyber Security	07/01/2025-07/01/2026	Per Loss / \$50,000	\$7,500.00
	Excess Earthquake	07/01/2025-07/01/2026	Each Occur. \$5,000,000	\$31,500.00
	Excess Flood	07/01/2025-07/01/2026	Each Occur. \$5,000,000	\$5,250.00
Travelers Casualty Ins Co of America	Crime (3-yr policy) \$14,037	07/01/2025-07/01/2028	\$1,000,000	\$4,679.00
ACE Property Casualty Ins Co	Airport Liability (3-yr policy) \$10,554	07/01/2025-07/01/2028	\$4,000,000 / \$4,000,000	\$3,518.00
Wright National Flood Ins. Co.	Flood	10/23/2024-10/23/2025	\$263,000	\$1,068.00
SAIF Corporation	Workers' Compensation	07/01/2025-07/01/2026	\$1,000,000	\$440,725.48
Safety National Casualty Corp.	Excess Workers' Compensation Bond	07/01/2025-07/01/2026	\$400,000	\$6,000.00
Philadelphia Indemnity Ins Co	Volunteer Accident Ins	07/01/2025-07/01/2026	\$100,000 max medical expense	\$1,601.00
ACE Group	Underground Storage Tank Pollution Liability	07/01/2025-07/01/2026	\$2,000,000 / \$1,000,000	\$2,111.00

* Estimated payroll

CITY OF ASHLAND, OREGON
Authorized City Employee by Function/Program
Last ten years
For the year ended June 30

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Administration	6.00	5.00	3.50	3.50	3.60	3.60	4.00	4.00	3.00	3.00
Human Resources	4.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Legal	2.16	2.16	2.16	2.16	3.00	3.00	3.00	3.00	3.00	3.00
Information Technology	5.50	10.00	7.00	7.00	8.40	8.40	9.00	9.00	8.75	8.75
Finance	16.00	16.00	16.00	16.00	16.75	16.75	16.75	16.75	16.75	16.75
Municipal Court	3.92	3.91	4.41	4.41	3.57	3.57	4.07	4.07	4.15	4.15
City Recorder/Treasurer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Police	38.00	39.00	35.00	35.00	39.50	39.50	40.00	40.00	36.75	36.75
Fire	45.00	46.00	35.00	35.50	37.00	37.00	37.40	37.40	37.60	37.60
Streets	10.40	9.60	8.10	8.10	8.53	8.53	8.35	8.35	10.70	10.70
Water	19.90	19.50	18.00	18.00	15.00	15.00	14.00	14.00	15.00	15.00
Wastewater	14.70	13.80	13.30	13.30	13.88	13.88	13.65	13.65	11.30	11.30
Stormwater	3.00	4.50	5.50	5.50	7.60	7.60	7.00	7.00	7.00	7.00
Public Works Administration	7.00	7.60	7.60	7.60	8.50	8.50	8.50	8.50	7.00	7.00
Facilities Maintenance / Cemetery	14.00	5.00	4.75	4.75	4.25	4.25	5.50	5.50	5.50	5.50
Fleet Maintenance	0.00	6.00	5.75	5.75	6.25	6.25	5.00	5.00	4.00	4.00
Planning	8.30	9.30	9.30	9.30	10.90	10.90	10.90	10.90	9.00	9.00
Building	4.70	4.70	4.70	4.70	4.10	4.10	4.10	4.10	4.00	4.00
Electric	17.50	17.00	17.50	17.50	17.50	17.50	17.00	17.00	17.00	17.00
Telecommunication	7.00	7.00	6.00	6.50	5.50	5.50	5.50	5.50	5.75	5.75
Conservation	3.00	3.00	3.00	3.00	3.00	3.00	5.00	5.00	4.00	4.00
Subtotal	231.08	233.07	209.57	210.57	219.82	219.82	221.72	221.72	214.25	214.25
Parks	39.00	37.00	34.75	34.75	39.75	39.75	37.25	37.25	48.00	48.00
Total	270.08	270.07	244.32	245.32	259.57	259.57	258.97	258.97	262.25	262.25

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

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Physical arrests, juvenile and adult	1,049	1,326	1,027	635	1,068	1,448	2,056	2,439	2,083	2,042
Traffic violations	1,347	1,175	756	487	1,001	1,737	2,830	2,849	2,155	2,065
Fire										
Fire alarm responses	108	904	104	92	223	1,119	1,024	994	1,004	819
Emergency medical responses	4,801	2,034	4,171	3,669	3,337	2,779	2,776	2,873	2,900	2,718
Non-emergency public service responses	585	2658	164	581	415	364	355	316	274	248
Fire & Life Safety code enforcements	196	392	328	624	1,299	600	616	746	486	507
Total calls for service	6,123	5,611	5,470	4,966	4,310	4,262	4,155	4,183	4,178	4,063
Total ambulance patient transports	3,829	3,763	3,239	2,749	2,341	1,967	2,016	2,069	1,972	1,942
Water										
Service connections	9,231	9,155	9,945	9,167	9,453	9,342	9,239	8,841	9,155	7,689
Daily average consumption in millions of gallons	3.17	2.96	3.43	2.84	2.80	3.00	3.00	3.00	2.70	4.10
Maximum daily capacity of plant in million gallons	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Sewer										
Service connections	9,211	8,927	8,867	8,670	8,787	8,551	8,426	8,440	8,394	8,414
Daily average treatment in million of gallons	1.89	1.89	2.17	2.10	2.10	2.10	2.10	2.15	2.20	2.20
Maximum daily capacity in millions of gallons	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Electric										
Service connections	12,504	12,410	12,424	12,402	13,505	13,249	13,205	12,817	11,864**	12,706
Telecommunications										
Cable TV	0	0	659	808	892	973	1,000	1,125	1,200	1,350
Cable modem	4,233	4,050	4,101	4,142	4,098	4,021	4,002	3,884	3,800	3,833
Potential station capacity	140	140	140	140	140	140	140	140	140	140

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

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

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Contact station	1	1	1	1	1	1	1	1	1	1
Patrol units (vehicles)	11	9	8	8	8	8	8	8	8	8
Sworn officers	27	31	29	28	29	29	30	32	28	28
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Firefighters	34	33	30	32	28	29	30	30	30	26
Streets¹										
Miles of paved streets	98.03	96.41	96.19	95.94	94.64	93.84	93.84	93.84	93	93
Miles of gravel streets	6.29	7.79	7.99	8.24	9.54	9.54	9.54	9.54	10	10
Miles of storm sewers	95.63	95.42	95.39	95.39	95.27	94.54	94.54	94.54	94	94
Water										
Miles of water mains	135.34	135.18	134.85	134.84	134.69	133.5	132.9	133	132	132.76
Hydrants	1298	1296	1292	1,290	1,288	1,281	1,269	1266	1263	1263
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Sewer										
Miles of sanitary sewers	113.68	113.68	113.33	113.33	113.24	113	110	111.7	110	110
Treatment plant	1	1	1	1	1	1	1	1	1	1

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

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

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Electric										
Street lights	1,973	1,965	1,957	1,956	1,948	1,927	1,888	1,884	1,865	1,865
Electrical transformers	2,262	2,245	2,241	2,230	2,119	2,099	2,087	2,071	2,052	2,049
Poles	3,619	3,618	3,609	3,607	3,605	3,603	3,603	3,601	3,600	3,600
Substations	3	3	3	3	3	3	3	3	3	3
Telecommunications										
Miles of fiber	82	75	65	65	60	60	60	60	25	25
Miles of coax	125	125	125	125	119	119	119	119	119	119
Parks and Recreation										
Community centers	3	3	3	3	3	3	3	3	3	3
Parks	20	20	18	18	18	18	18	18	19	19
Park acreage	811	811	797	797	797	797	797	772	772	831
Golf courses	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Ice skating rinks	1	1	1	1	1	1	1	1	1	1
Skateboard parks	1	1	1	1	1	1	1	1	1	1
Tennis courts	8	8	7	7	7	11	12	12	12	12
Trails (miles)	54	53	8	8	8	48	48	48	48	41
Health Care										
Hospital	1	1	1	1	1	1	1	1	1	1
Hospital beds	49	49	49	49	49	49	49	49	49	49
Education										
Elementary schools	4	4	4	4	4	4	4	4	4	4
Secondary schools	2	2	2	2	2	2	2	2	2	2
State universities	1	1	1	1	1	1	1	1	1	1

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

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

Report of Independent Auditors Required by Oregon State Regulations

The Mayor and City Council
City of Ashland, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Ashland, Oregon's basic financial statements, and have issued our report thereon dated November 26, 2025.

Compliance

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

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

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

Audit Comments and Disclosures Required by State Regulations

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

Internal Control Over Financial Reporting

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

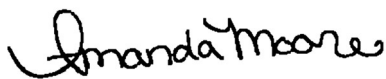
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

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

Purpose of this Report

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

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



Amanda Moore, Principal, for
Baker Tilly US, LLP
Medford, Oregon
November 26, 2025

GOVERNMENT AUDITING STANDARD COMPLIANCE REPORT

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

The Mayor and City Council
City of Ashland, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ashland, Oregon (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Ashland, Oregon's basic financial statements, and have issued our report thereon dated November 26, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Government Auditing Standard Compliance Report

Report on Compliance and Other Matters

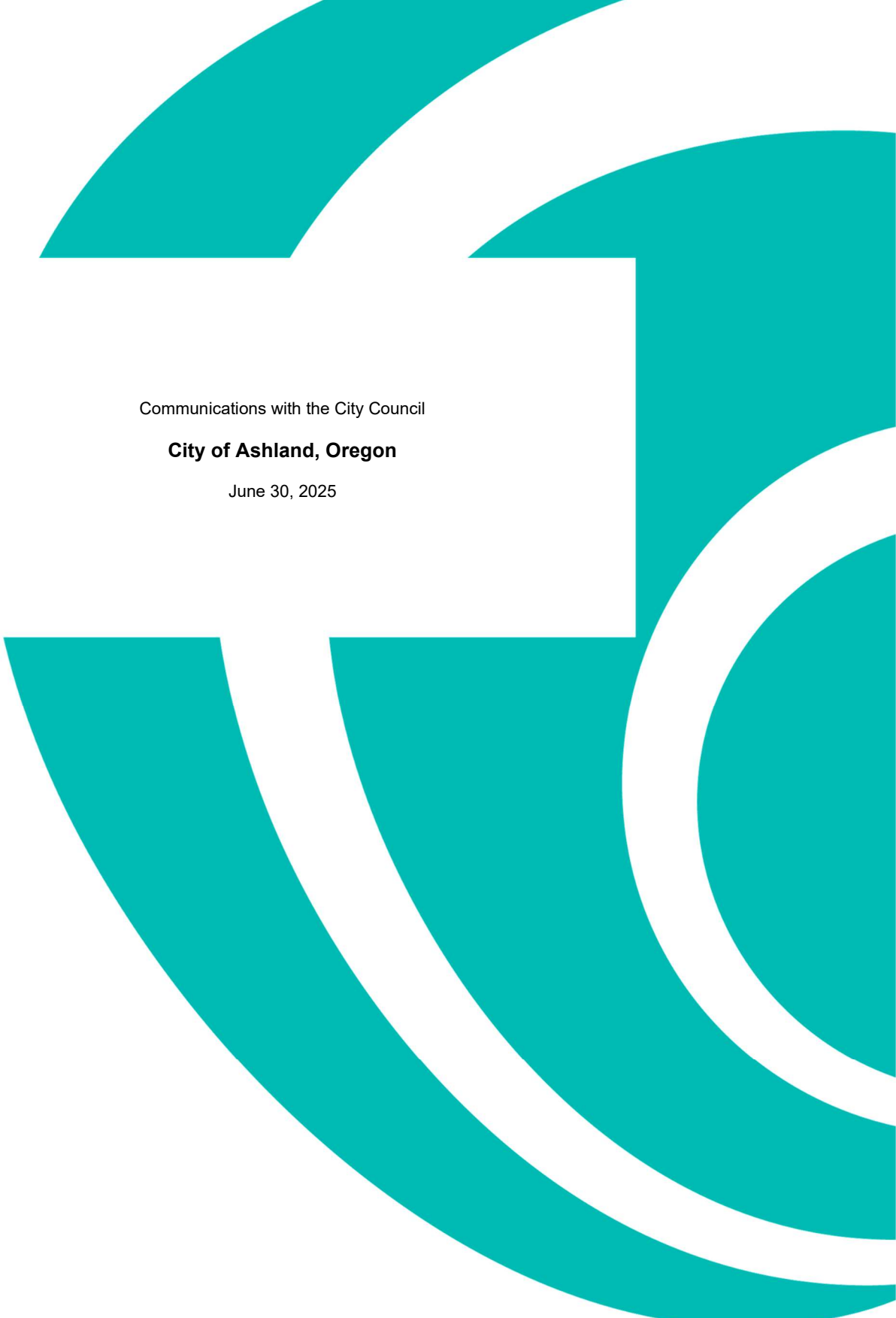
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

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

Baker Tilly US, LLP

Medford, Oregon
November 26, 2025



Communications with the City Council

City of Ashland, Oregon

June 30, 2025

Communications with the City Council

To the City Council
City of Ashland, Oregon

We have audited the financial statements of City of Ashland, Oregon (the "City") as of and for the year ended June 30, 2025, and have issued our report thereon dated November 26, 2025. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State

As stated in our engagement letter dated August 26, 2025, we are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with *accounting principles generally accepted in the United States of America*. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State and to design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we considered City's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

The supplementary information was subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

Other Information Included in the Annual Report

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the audited financial statements. We have read the information, and nothing came to our attention that caused us to believe that such information is materially inconsistent with the financial statements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in the engagement letter aside from releasing the single audit, which is delayed until the U.S. Office of Management and Budget publish the current compliance supplement.

Significant Audit Findings and Issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. The City implemented the following new accounting standards of the Governmental Accounting Standards Board (GASB):

- GASB 101 – Compensated Absences, which updates the recognition and measurement guidance for compensated absences. This increased the City's compensated absence liability to include sick leave.
- GASB 102 – Certain Risk Disclosures, which improves disclosures to provide users with timely information regarding certain concentrations or restraints. The updated disclosures are reflected in the City's financial statements.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Useful lives of capital assets
- Estimated liabilities for claims and judgments
- Post-employment benefit liability for retirement and health benefits
- Lease and Subscription-Based IT Arrangements
- Compensated Absences

Financial Statement Disclosures

The disclosures in the financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of the reporting entity and significant accounting policies in Note I to the financial statements. This disclosure reports the operations under the governance of the elected City Council, as well as the more significant policies used by the City in the preparation of the financial statements.
- The disclosure of cash and investment details in Note III.A to the financial statements. This disclosure provides the details of the amounts of cash and investments held in the various types of depositories and securities at year-end, as well as the details of the nature of the inherent risks the City is subject to.
- The disclosure of the City's long-term debt in Note III.E to the financial statements. This disclosure provides the details of the amounts and types of debt outstanding at year end, along with the repayment terms, significant covenants, and future maturities of principal and interest.
- Disclosure of post-employment healthcare benefits in Note IV.B to the financial statements. This required disclosure includes details on the post-retirement health care benefits the City provides its employees. The recorded liabilities for benefits included in the financial statements are an estimate based on assumptions regarding future healthcare trend rates and discount rates that attempt to match anticipated returns on the cash and investment resources used to make benefit payments, and many other actuarial assumptions.
- Disclosure of pension liability in Note IV.C to the financial statements. This required disclosure includes details on the pension the City provides its employees. The recorded liabilities for benefits included in the financial statements are an estimate based on assumptions regarding future personnel costs and discount rates that attempt to match anticipated returns on the cash and investment resources used to make benefit payments, and many other actuarial assumptions.

Significant Unusual Transactions

We encountered no significant unusual transactions during our audit of the City's financial statements.

Significant Difficulties Encountered in Performing the Audit

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of the City's financial statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with U.S. GAAP. There were no circumstances that affected the form and content of the auditor's report.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not note any corrected misstatements during the course of the engagement.

Uncorrected Misstatements: The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements as a whole. Uncorrected misstatements, or matters underlying those uncorrected misstatements, as of and for the year ended June 30, 2025, could potentially cause future-period financial statements to be materially misstated, even though we have concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Proposed Journal Entries

Electric Fund

Proposed Journal Entry # 1

To record reversing effect of prior year adjustment to accounts receivable balance for receivables that should have been sent to collections in 2023/2024, but were recorded in 2024/2025.

Net Position	81,120.00	
Bad Debt Expense		81,120.00
Total	81,120.00	81,120.00

Proposed Journal Entry # 2

To record effect of implementation of GASB 101, Compensated Absences.

Net Position	87,745.00	
Compensated Absences Expense		87,745.00
	87,745.00	87,745.00

Telecommunication Fund

Proposed Journal Entry # 3

To record reversing effect of prior year adjustment to accounts receivable balance for receivables that should have been sent to collections in 2023/2024, but were recorded in 2024/2025.

Net Position	14,560.00	
Bad Debt Expense		14,560.00
Total	14,560.00	14,560.00

Proposed Journal Entry # 4

To record effect of implementation of GASB 101, Compensated Absences.

Net Position	16,960.00	
Compensated Absences Expense		16,960.00
	16,960.00	16,960.00

Governmental Activities

Proposed Journal Entry # 5

To record effect of implementation of GASB 101, Compensated Absences.

Net Position	948,446.00	
Compensated Absences Expense		948,446.00
Total	948,446.00	948,446.00

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 26, 2025.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Significant Audit Findings or Issues

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

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

Baker Tilly US, LLP

Medford, Oregon
November 26, 2025

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.