ASHLAND CITY COUNCIL
STUDY SESSION MINUTES
Monday, December 15, 2025

Mayor Graham called the meeting to order at 5:02 p.m.

Council Present: Mayor Graham, Councilors Dahle, DuQuenne, Hansen, Kaplan, and Sherrell
Council Absent: Councilor Bloom
Staff Present:

Sabrina Cotta	City Manager
Brandon Goldman	Community Development Director
Bryn Morrison	Interim Finance Director
Miranda Iwamoto	Accounting Manager
Veronica Allen	Associate Planner
Chad Woodward	Climate and Energy Analyst
Linda Reid	Housing Program Manager
Scott Fleury	Public Works Director
Kerrick Gooden	Administrative Coordinator

I. **Call to Order**

II. **Reports and Presentations**

a. Audit Presentation

Morrison and Iwamoto introduced the audit presentation (see attached). Morrison explained that Oregon municipalities are required to file an annual financial report and audit with the Oregon Secretary of State Audits Division, conducted by an independent CPA or public accountant. The city contracted with Baker Tilly (formerly Moss Adams) for this service.

Amanda Moore and Kim Reno from Baker Tilly presented the audit results. Moore, a Principal with 25 years of experience working with state and local governments, and Reno, who has worked primarily in government audits for 12 years, provided an overview of the engagement team and services provided.

The services involved auditing financial statements per generally accepted auditing standards (GAS), reviewing the Annual Comprehensive Financial Report (ACFR) for adherence to accounting principles, evaluating for GFOA Certificate of Excellence, performing compliance testing under Oregon minimum standards, and conducting a single audit of federal grant programs (currently delayed).

The auditors reported that the city received an unmodified (clean) opinion on the financial statements, with no reportable findings under Oregon minimum standards or governmental auditing standards. The single audit report was pending. Two past adjustments were discussed: one related to accounts receivable estimates from the prior year (which has since been corrected) and another related to the implementation of GASB (Governmental Accounting Standards Board) 101 for compensated absences.

The auditors also highlighted upcoming accounting standards that will become effective next year, including GASB 103 (which will significantly change the Management Discussion and Analysis section) and GASB 104 (related to certain capital assets).

A question was asked about the allowance for doubtful accounts, noting the $2.7 million of uncollectible receivables across utility funds that had been reported to Council. Moore clarified that this was mentioned in the prior year's governance letter and recommended annual evaluation of accounts receivable ongoing. Moore confirmed there were no proposed audit adjustments related to litigation based on the annual attorney letter review.

It was clarified that the audit is submitted directly to the Oregon Secretary of State Audits Division with no formal approval required from Council. This presentation serves to inform and allow Council members to ask questions, reassuring the public of the audit's integrity and independence.

b. *Commission & Committee Workplans & Updates 2025/2026*
Note: all commission & committee workplans are in the agenda packet.

Social Equity and Racial Justice Advisory Committee (SERJAC)
Committee Co-Chairs Allison Mendel and Sean Smith joined by Gooden presented noting the committee's focus is on social equity and racial justice in Ashland.

Achievements for 2025 include partnering with the Public Arts Committee for the Lorraine Hansberry plaque at Railroad Park and collaborating with artist Micah Blacklight on the "Ancestors Future" sculpture planned for Ashland Creek Park. The committee has prioritized attending other committee meetings to engage with social equity issues and launched the City of Ashland Belonging Survey, with 259 responses so far. The survey runs through Martin Luther King Jr. Day, and QR codes linking to the survey will be distributed at the MLK Day celebration held at the Historic Ashland Armory.

Councilors expressed appreciation for the committee's cross-committee collaboration.

Housing and Human Services Advisory Committee
Committee Member Noah Werthaiser presented in place of Chair Echo Fields with Reid's assistance. Werthaiser described the committee's ongoing tasks including rent burden education, resource fairs, CDBG consolidated planning, nonprofit affordable housing tax exemption programs, and Affordable Housing Trust Fund award programs. The committee prioritized goals related to homelessness and programs for ALICE populations (Asset Limited, Income Constrained, Employed) who fall in the gap between qualifying for assistance and earning enough to survive.

Councilors discussed challenges in maintaining a proposed resource map and explored permitting RVs as housing, citing Portland's successful model with permits and inspections for hookups but not inspecting the RVs. The committee agreed to investigate this, estimating a 5–6-month timeline for recommendations. Council agreed to formally add this to the committee's work plan for the coming year, with the possibility of council liaisons assisting with research to expedite the process.

Public Arts Advisory Committee

Committee Chair Cassie Preskenis presented joined by Allen. The committee highlighted its support of local arts organizations such as the Fringe Festival and Mural Fest that were experiencing funding challenges, with agreements to acquire artwork from these events in exchange. The committee recommended funding for two Playwright Walk plaques, including the permanent marker at Railroad Park where the Say Their Names t-shirt memorial was located, featuring a Lorraine Hansberry quote. This project involved collaboration from OSF, the City, the Chamber, SOU, and philanthropists. Ongoing challenges include a limited budget and maintenance funding. The committee is focusing on the south end of Ashland for future art installations and continues the ODOT traffic signal box art project, addressing ODOT's replacement requirement.

Councilors praised the committee's work in supporting artists and bringing art to underserved areas of the city and noted the city's median strip upgrade project and confirmed the committee's interest in incorporating public art in these spaces as feasible.

Historic Preservation Advisory Committee

Committee Chair Shelby Scharen presented joined by Goldman, stated that the committee reviews land use actions and renovations in historic districts and holds biweekly review board meetings to advise community members on historic properties. With building activity slow, the committee expanded their Historic Preservation Week events in May by adding walking tours, a photo contest, and "Tombstone Tales" at Ashland Cemetery, attracting around 100 participants. Upcoming plans involve developing self-guided tour materials and possibly marking historic buildings. Additional achievements include advancing the restoration of the Butler-Perozzi Fountain in Lithia Park and participating in preserving the Community Building.

A question was asked about the committee's interest in documenting the history of the land donation that became Siskiyou Boulevard, and Sharon confirmed this would be appropriate for the committee to investigate. The Council agreed to add this to the committee's work plan.

Planning Commission

Chair Lisa Verner presented joined by Goldman, explained that the Commission serves as a quasi-judicial body with decision-making authority on land use and development proposals. The Commission recommended approval of the Climate Friendly Areas map and code amendments, which has now received its first application. The Commission will focus on the Croman Mill District (now called Ashland Mill) master plan update and numerous state-mandated legislative changes, including childcare siting. The Planning Commission has invited Council to a joint study session in January regarding manufactured home park zoning, along with the Housing and Human Services Committee.

Appreciation was expressed for the Commission's work and the substantial reading and regulatory knowledge required of members.

Climate and Environmental Policy Advisory Committee (CEPAC)
Outgoing Chair Bryan Sohl and Incoming Chair Mark Morrison presented alongside Woodward. Accomplishments for 2025 included the carbon fee ordinance (passed in January), the launch of a home energy score program with the Rogue Valley Realtors Association and updating the 2017 SEEP document with more achievable goals. Concerns were expressed about federal incentives for climate programs disappearing and membership challenges. The committee has mapped 2026 priorities to specific timelines, including outreach to low and middle-income households to market incentive programs, involvement in the Transportation System Plan, collaboration with city departments on electrifying operations, and focusing on climate adaptability and resilience.

Councilors thanked Sohl for his many years of service and praised the committee's passion and dedication.

Transportation Advisory Committee
Chair Linda Peterson Adams, accompanied by Fleury, highlighted the committee's efforts as they pursue the mission of ensuring the citizens of Ashland can safely and conveniently use their preferred modes of transportation. The committee established a working group to review citizen reports from both the See Click Fix app and the webpage contact form to provide more timely responses and create data points for prioritizing safety projects. TAC awaits the Transportation System Plan update process to begin and expressed disappointment over federal funding issues for the Safe Streets for All grant. The committee also reviews capital improvement projects, including the North Mountain Rehabilitation Project (Phase 1 starting January 5) and the Oak Street Rehabilitation Project design process. They've also monitored service cuts from Rogue Valley Transportation District due to state and federal funding reductions.

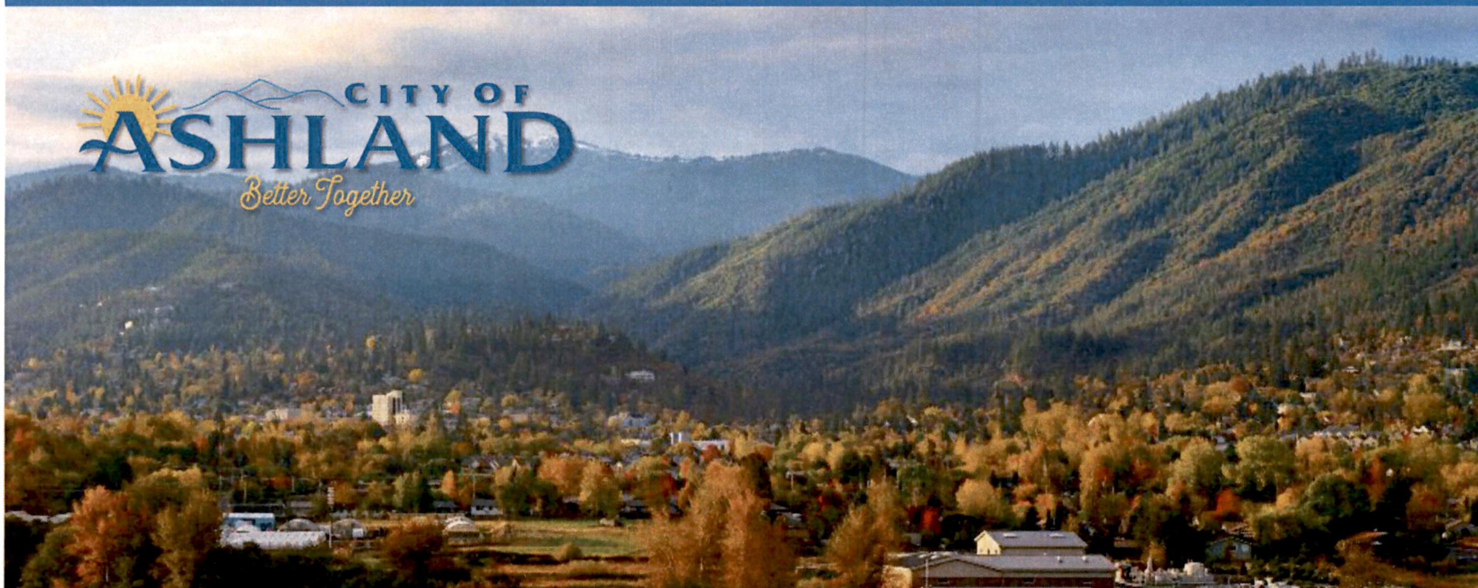
The importance of the monthly conversations with other committee chairs was acknowledged. These meetings foster collaboration and resource-sharing and enhance cooperation across committees, leading to aligned objectives and efficient progress on shared goals in Ashland.

III. **Adjournment of Study Session**

The meeting was adjourned at 6:53 p.m.

City Recorder Alissa Kolodzinski

Mayor Tonya Graham



Audit Presentation

Fiscal Year Ending June 30, 2025

December 15, 2025

Finance

Overview:

- ❖ Annual Comprehensive Financial Report (ACFR)
  - ❖ Transmittal Letter
  - ❖ Management Discussion & Analysis (MD&A)
  - ❖ Basic Financial Statements
    - ❖ Prepared by Auditors
  - ❖ Notes to the Financial Statements
  - ❖ Supplemental Reporting

Better Together

Finance

- Utility Account Adjustment -Allowance for Doubtful Accounts
- Presentation from Baker Tilly LLP
- Municipal Audit Committee letter of acceptance

Better Together

QUESTIONS?

Better Together

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City of Ashland, Oregon Audit Results

December 15, 2025

Communication with City Council

Agenda

1. Engagement Team
2. Nature of Services Provided
3. Auditor Opinions/Reports
4. Communications to Those Charged with Governance
5. New Standards

Engagement Team

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Nature of Services Provided

1 Audit the City financial statements in accordance with Generally Accepted Auditing Standards (GAAS) and Governmental Standards (GAGAS)

2 Assistance with, and technical review of each respective Annual Comprehensive Financial Report (ACFR) for compliance with Generally Accepted Accounting Principles (GAAP) as well as Government Finance Officers Association (GFOA) Certificate of Excellence requirements

3 Compliance testing/reporting under Oregon Minimum Audit Standards (OMS)

4 Single Audit of federal grant programs under Uniform Guidance – ON HOLD

5 Reporting – Overall audit plan, audit results, communicating internal controls findings and noncompliance

Audit Opinion/Reports

Financial Statements	Oregon Minimum Standards	Government Auditing Standards Report	Uniform Guidance
Unmodified (clean) opinion on financial statement	No reportable findings	No reportable findings	ON HOLD

Communications to Those Charged with Governance

- Planned scope and timing
- Significant accounting policies
- Management judgments & accounting estimates
- Passed adjustment
  - Two types in current year (prior year reversal related to AR and Compensated absences)
- Management's consultation with other accountants
- No disagreements with management
- No difficulties in performing the audit

New Standards

GASB Statement No. 101, Compensated Absences – Implemented in current year

GASB Statement No. 102, Certain Risk Disclosures – Implemented in current year

GASB Statement No. 103, Financial Reporting Model Improvements – effective for June 30, 2026, fiscal year

GASB Statement No. 104, Disclosure of Certain Capital Assets – effective for June 30, 2026, fiscal year

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