

GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

www.gmscpa.com

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

December 22, 2021

City Council
City of Woodburn
270 Montgomery St.
Woodburn, Oregon 97071

We have audited the financial statements of the City of Woodburn and the Woodburn Urban Renewal Agency (collectively, the City) as of and for the year ended June 30, 2021, and have issued our report thereon dated December 22, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 10, 2021, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, 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 respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of 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 entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, 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.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in the notes to the financial statements. There have been no

initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are depreciation, net pension liability, net OPEB liability and asset, and related deferred inflows and outflows. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

The financial statement disclosures are neutral, consistent and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Attached is a list of misstatements that we identified as a result of our audit procedures that were brought to the attention of, and were corrected by, management.

Disagreements with Management

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

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated December 22, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the City, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

We applied certain limited procedures to management's discussion and analysis, the City's PERS schedules and the City's OPEB schedules which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section, other financial schedules or statistical section which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

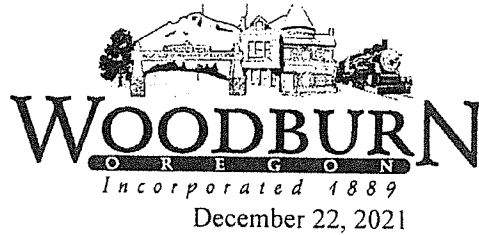
Very truly yours,

A handwritten signature in black ink, appearing to read "John Mueller". The signature is fluid and cursive, with a large initial "J" and "M".

CERTIFIED PUBLIC ACCOUNTANTS

Client: **88925 - City of Woodburn**
Engagement: **Audit 2021 - City of Woodburn**
Workpaper: **1400.01 - Copy of Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 2				
PBC - To break out City Gas Tax from State Gas Tax revenues		3701.02		
140-000 3361	State Gas Tax		73,363.04	
140-000 3171	City Gas Tax			73,363.04
Total			73,363.04	73,363.04
Adjusting Journal Entries JE # 3				
To record housing Rehab Loan Activity for FY 2021		3701.03		
137 2257	Deferred Revenue		32,948.97	
137 1163	Notes/Contracts Receivable			32,948.97
Total			32,948.97	32,948.97
Adjusting Journal Entries JE # 4				
To record FY 2021 Special Assessment Activity		3701.03		
360 2257	Deferred Revenue		3,524.61	
360 1123	Assessments Receivable			3,524.61
Total			3,524.61	3,524.61
Adjusting Journal Entries JE # 5				
To correct payroll accrual for FY 2021		3701.04		
901 1101	Cash		245,025.68	
901 2000	Payroll Clearing/Suspense			245,025.68
Total			245,025.68	245,025.68
Adjusting Journal Entries JE # 6				
To properly record balance of property tax receivable and deferred revenue		4202		
001 1111	Taxes Receivable		12,964.52	
001 1122	Accounts Receivable		13,309.27	
001 2257	Deferred Revenue		18,139.59	
250 1111	Taxes Receivable		6,982.58	
250 1122	Accounts Receivable		806.15	
720 1111	Taxes Receivable		7,160.49	
720 1122	Accounts Receivable		1,052.37	
001 1122	Accounts Receivable			44,413.38
250 1122	Accounts Receivable			2,636.91
250 2257	Deferred Revenue			5,151.82
720 1122	Accounts Receivable			3,484.33
720 2257	Deferred Revenue			4,728.53
Total			60,414.97	60,414.97
Adjusting Journal Entries JE # 7				
To reclass rents received		6101		
001-901-9971 5981.014	Reserve - Cascade Dr. Maintenance		2,000.00	
001-000 3625	Facilities Rent			2,000.00
Total			2,000.00	2,000.00
Adjusting Journal Entries JE # 8				
To transfer from PERS liability - difference collected vs paid		5204		
901 2231.521	PERS - City		223,572.63	
901-000 3665	Internal PERS Revenue			223,572.63
Total			223,572.63	223,572.63
Adjusting Journal Entries JE # 9				
To reclass equipment repair as capital assets		3701.06		
001-411-3199 5649	Other Equipment		4,433.50	
568-152-1921 5641	Office Furniture & Equip		4,433.50	
001-411-3199 5472.001	Fixture Repair			4,433.50
568-152-1921 5315	Computer Supplies			4,433.50
Total			8,867.00	8,867.00



Grove, Mueller & Swank, P.C.
475 Cottage Street NE, Suite 200
Salem, OR 97301

This representation letter is provided in connection with your audit of the financial statements of the City of Woodburn and the Woodburn Urban Renewal Agency (collectively, the City) as of June 30, 2021, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position and the respective changes in financial position, results of operations, and cash flows, where applicable, of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 22, 2021:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 10, 2021, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosures have been adjusted or disclosed.



- We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the City's accounts.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to the required supplementary information accompanying the financial statements:
 - We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
 - We believe the required supplementary information, including its form and content, is measured and fairly presented.
 - The methods of measurement or presentation have not changed from those used in the prior period.



- We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
- With respect to the supplementary information:
 - We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- With respect to your preparation of the financial statements and related notes, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the City and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the City's financial statements communicated by employees, former employees, vendors, regulators, or others.



- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements, and we have not consulted legal counsel concerning litigation, claims or assessments, except as disclosed to you.
- We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- With respect to federal award programs:
 - We are responsible for understanding and complying with and have complied with the requirements of Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (the Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards, or we acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of





measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

- If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and included in the SEFA made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- We have received no requests from a federal agency to audit one or more specific programs as a major program.
- We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the OMB Compliance Supplement, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal awards.
- We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance.
- We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.



- We have made available to you all documentation related to compliance with the direct material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies in internal control over compliance (including material weaknesses in internal control over compliance), subsequent to the date as of which compliance was audited.
- Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of the Uniform Guidance.
- We have taken appropriate action, including issuing management decisions, on a timely basis after receipt of subrecipients' auditor's reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements and have ensured that subrecipients have taken the appropriate and timely corrective action on findings.
- We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- We have charged costs to federal awards in accordance with applicable cost principles.
- We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- We are responsible for preparing and implementing a corrective action plan for each audit finding.



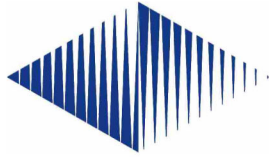
Scott Derickson, City Administrator

Anthony Turley, Finance Director

***CITY OF WOODBURN, OREGON
FEDERAL GRANT COMPLIANCE REPORT
Year Ended June 30, 2021***

CITY OF WOODBURN, OREGON
FEDERAL GRANT COMPLIANCE REPORT
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475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

***INDEPENDENT AUDITOR'S REPORT 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***

Honorable Mayor and
Members of the City Council
City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Woodburn, Oregon (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control over Financial Reporting

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

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


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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS
December 22, 2021



GROVE, MUELLER & SWANK, P.C.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and
Members of the City Council
City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

Report on Compliance for Each Major Federal Program

We have audited the City of Woodburn, Oregon's (the City's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Woodburn, Oregon complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.


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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Woodburn, Oregon, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 22, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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


CERTIFIED PUBLIC ACCOUNTANTS
December 22, 2021

CITY OF WOODBURN, OREGON
FEDERAL GRANT COMPLIANCE REPORT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

<i>Federal Grantor/Pass Through Grantor/ Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Federal Dept. or Pass Through Entity Identifying Number</i>	<i>Expenditures</i>	<i>Amount Paid to Subrecipients</i>
Department of Housing and Urban Development				
Passed through Business Oregon				
CDBG Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	B-16-MC-41-0004	\$ 1,511,060	\$ -
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-41-0004	76,966	76,966
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-41-0004	3,612	-
<i>Total CDBG Entitlement Grants Cluster</i>			1,591,639	76,966
<i>Total Department of Housing and Urban Development</i>			1,591,639	76,966
Department of Justice				
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0104	1,887	-
Department of Transportation				
Federal Transit Administration				
Passed through Oregon Department of Transportation				
Formula Grant for Rural Areas and Tribal Transit Program	20.509	Unknown	139,996	-
Transit Services Programs Cluster -				
Enhanced Mobility of Seniors and Individuals with	20.513	Unknown	41,353	-
Highway Safety Cluster				
State and Community Highway Safety	20.600	Unknown	174,528	-
<i>Total Department of Transportation</i>			355,877	-
Department of Treasury				
Coronavirus Relief Fund	21.019	1112	688,114	96,589
<i>Total Federal Expenditures</i>			<u>\$ 2,637,517</u>	<u>\$ 173,556</u>

CITY OF WOODBURN, OREGON
FEDERAL GRANT COMPLIANCE REPORT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

PURPOSE OF THE SCHEDULE

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Woodburn, Oregon (the City) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Circular A-87 *Cost Principles for State, Local and Indian Tribal Governments*, where applicable, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

INDIRECT COST RATE

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF WOODBURN, OREGON
FEDERAL GRANT COMPLIANCE REPORT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's opinion issued:	Unmodified
Internal control reporting:	
• Material weakness(es) identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Identification of major federal programs:

CFDA Numbers

Name of Federal Program or Cluster

14.218

CDBG Entitlements Grants Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

City of Woodburn



Annual Comprehensive Financial Report For the Year Ended June 30, 2021

CITY OF WOODBURN, OREGON

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

Year Ended June 30, 2021

***Prepared by City of Woodburn Finance
Department
Anthony Turley, Finance Director***

CITY OF WOODBURN, OREGON
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INTRODUCTORY SECTION



City of Woodburn
270 Montgomery Street
Woodburn, OR 97071
(503) 982-5222 / (503) 982-5244 FAX
www.ci.woodburn.or.us

December 22, 2021

To the Citizens of Woodburn, Honorable Mayor, City Council, and City Administrator:

It is my pleasure to submit the Comprehensive Annual Financial Report (Annual Financial Report) of the City of Woodburn, Oregon, for the fiscal year ended June 30, 2021.

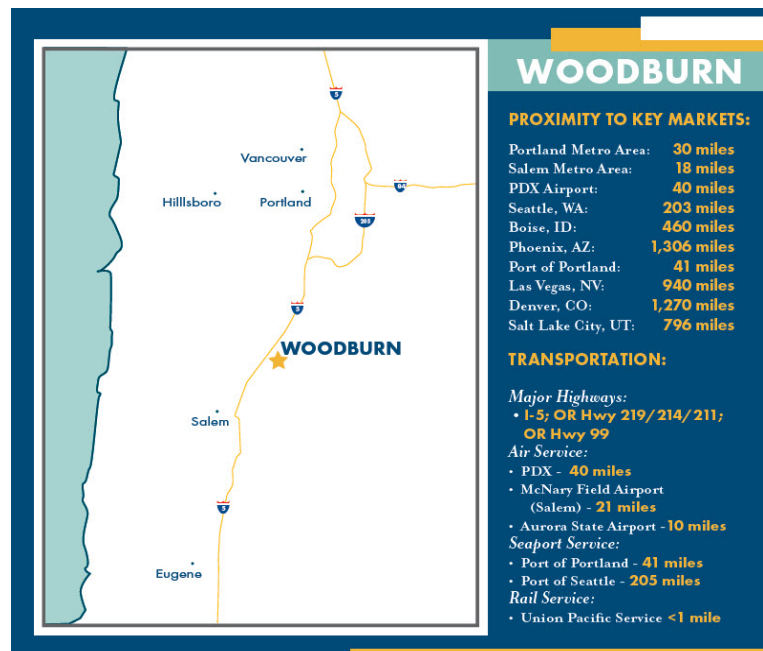
State law requires that an Annual Financial Report and component unit financial statements be published within six months of the fiscal year end and be audited in accordance with generally accepted auditing standards by independent certified public accountants. Independent auditors, Grove, Mueller & Swank, P.C., have issued an unmodified opinion on the City of Woodburn's financial statements for the fiscal year ended June 30, 2021. The independent auditors' report is presented in the Financial Section of this report. Responsibility for the completeness and reliability of the information contained in this report rests with the City's management and is based on an internal control structure designed for this purpose. The internal control structure is designed to provide reasonable, rather than absolute, assurance that these objectives are met, as the cost of the internal control should not exceed the related benefits.

In the Management's Discussion and Analysis (MD&A) section of this report, a narrative introduction, overview, and analysis of the basic financial statements is provided. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A.

CITY PROFILE

The City of Woodburn is a municipal corporation which operates under a Council-Manager form of government. Policy making and legislative authority are vested on the City Council which consists of an elected Mayor (two-year term position) and six councilors (four-year term positions). The City Council is responsible for passing ordinances, resolutions, adopting a budget, and hiring the City Administrator and City Attorney among other things. The City Administrator is responsible for carrying out Council ordinances and policies, managing the daily operations, and appointing department heads.

Woodburn is located in the Willamette Valley, halfway between the larger urban areas of Portland and Salem. The city was incorporated as Woodburn on February 20, 1889.



The City of Woodburn, with a population of 26,250, is Oregon's 23rd most populated city, and 3rd populated city in Marion County. The City provides a full range of municipal services, including but not limited to: police, water, wastewater, municipal court, public works (water, sewer, storm, and transportation), economic development, community planning and building inspections, transit, parks, recreation, aquatics, and library.

REPORTING ENTITY

The financial statements include information for the City of Woodburn and its blended component unit, the Urban Renewal Agency of the City of Woodburn.

BUDGET PROCESS

The Oregon Constitution and Oregon Revised Statutes 294 require an adopted balanced budget by July 1, and that the fiscal year for local governments is July 1 through June 30. The budget sets forth City Council's goals and objectives, and identifies the resources necessary to accomplish them. The legal level of budgetary control, as adopted by Council Resolution, is by fund, although department level detail is shown. Appropriations lapse at fiscal year-end and incomplete projects must be re-appropriated in the following fiscal year as part of the adoption of the annual budget.

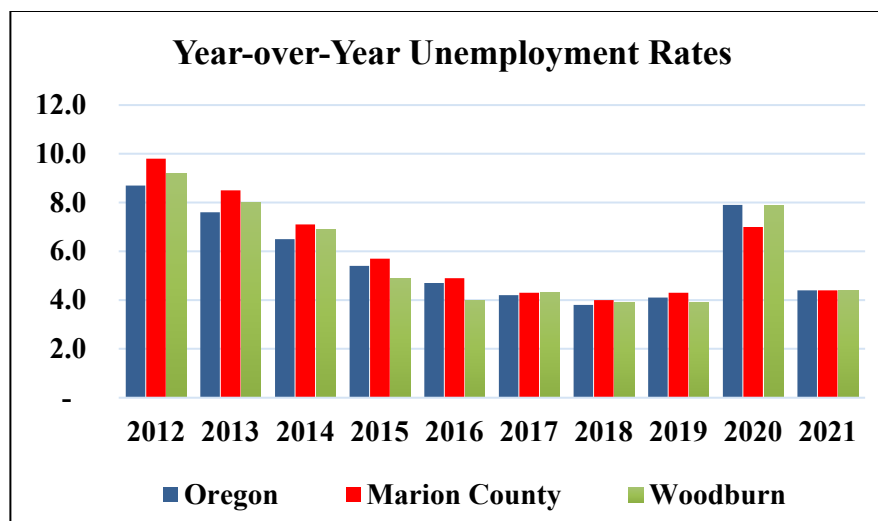
ECONOMIC ENVIRONMENT

Woodburn has high concentrations of employment across several traded-sector clusters. These clusters are key target industries for Woodburn and include:

- **Production Technology and Machinery:** manufacturing of machinery for food production, automatic sprinklers systems, bailing machines, hydraulic jacks, and other machinery production.
- **Plastics Manufacturing:** plastic and rubber products, chemical manufacturing, and plumbing fixtures. This cluster is strongly linked to production technology, machinery, and other chemical manufacturing.
- **Metal Product Manufacturing:** prefabricated metal building and component manufacturing, ornamental and architectural metal work manufacturing, bathtubs and sinks, metal pipe hangars, fire escapes, grills and grill work, and all other miscellaneous fabricated metal product manufacturing.
- **Food Processing and Manufacturing:** baked goods, fruit and vegetable canning, frozen foods, confectionary manufacturing, and other food related manufacturing.

Employment patterns in Woodburn, Marion County, and the Portland Region suggest that Woodburn has competitive advantages and opportunities for business development in these rapidly growing clusters:

- **Apparel Manufacturing:** cutting and sewing apparel, embroidering on textile products, carpet cutting and binding, sleeping bag manufacturing, hats and glove manufacturing, and other apparel manufacturing.
- **Distribution and E-Commerce:** wholesale trade, farm supplies and merchant wholesalers, refrigerated warehousing and storage, packaging and labeling services, or other warehouse and distribution.
- **Information Technology and Analytic Technology:** software publishers, electronic computer manufacturing, semiconductor manufacturing, laboratory instrument manufacturing.



Source: State of Oregon Employment Department

Oregon's unemployment rates have dropped dramatically over the last ten years. However, the COVID 19 pandemic has impacted the economy and resulted in increased unemployment. In October 2021, Oregon's year-over-year unemployment rate was 4.4 percent, and Woodburn's rate was 4.4 percent, which is slightly lower than the U.S. unemployment rate of 4.6 percent for the same period.

Factors contributing to Woodburn's low unemployment rates include people's; availability, quality, skills, education/experience, and wages. Within the Woodburn Urban Growth Boundary there are approximately 12,000 employees¹. Beyond Woodburn, as of October 2021, Salem Region has a labor force of 209,917 and the Portland Region of 1,362,892¹. This means that Woodburn businesses have access to a mix of highly educated skilled and unskilled workers from across the Salem and Portland Regions.

MAJOR ISSUES

Development of the FY 2021-22 budget continued the focus on delivery of services to the community with cautious projections due to rising costs in the areas listed below, and an external focus to create a community leadership academy and exploration of a non-profit development center in Woodburn. However, the city received an allocation of the American Rescue Plan Act (ARPA) that will help offset the impact to operations of the COVID-19 pandemic.

- COVID-19 Pandemic
- Wages,
- Public Employee Retirement System (PERS),
- Facility maintenance,
- Infrastructure needs, and
- Technology needs

The current budget includes set-asides for these anticipated costs. The future budgets will continue to be challenged with the need to balance delivery of service with fiscal prudence.

LONG-TERM FINANCIAL PLANNING

A five-year forecast is prepared for each primary operating fund based on current service levels and conservative assumptions. Staff uses the financial plans to make recommendations for utility rate setting, debt refinancing opportunities, capital project budgets, and projection of operating expenses. Revenues are also projected to ensure that operating and capital needs are met.

RELEVANT FINANCIAL POLICIES

The City of Woodburn completes an annual financial plan, which includes a review of the budget policies, fiscal strategy, and five-year forecast. Policy highlights include:

- Annual review to maintain fiscal responsibility, a balanced budget, and obtain policy direction.
- Identification of goals that maximize dedicated funding resources.
- Establishment of General Fund goals to set program priority, maximize City Council's discretion, establish a goal of cost efficiency, pursue new revenue sources, and identify potential new programs.
- Reserve and contingency policy target levels.
- Compensation and benefit policies which address wages, health care and retirement costs.
- Capital improvement guidelines to set the importance of full cost identification, planning, and funding.
- Debt management policies to ensure thorough analysis of options.
- Investment parameters that prioritize fiscal safety, legal compliance, and a market rate of return.
- Annual audit policy to ensure financial compliance.
- Resource reduction strategy to provide guidance in fiscally challenged periods.

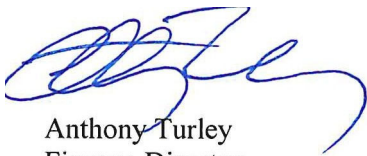
¹ Source: State of Oregon Employment Department, August 2019 Employment and Unemployment in Oregon Counties

DISTINGUISHED BUDGET PRESENTATION AWARD/EXCELLENCE IN FINANCIAL REPORTING AWARD

The City of Woodburn received GFOA's Distinguished Budget Presentation Award for its FY 2021-22 annual budget document. This is the 10th consecutive year that the City of Woodburn has achieved the prestigious award of a distinguished presentation. The Distinguished Budget Presentation award is the highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by a government and its management. In order to receive the award, a governmental unit must publish a budget document that meets program criteria as a policy document, a communications medium, an operations guide, and a financial plan. For the 2nd time the City was awarded the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the FY2019-20 Annual Financial Report. This marks the second year in a row the City has earned the reward.

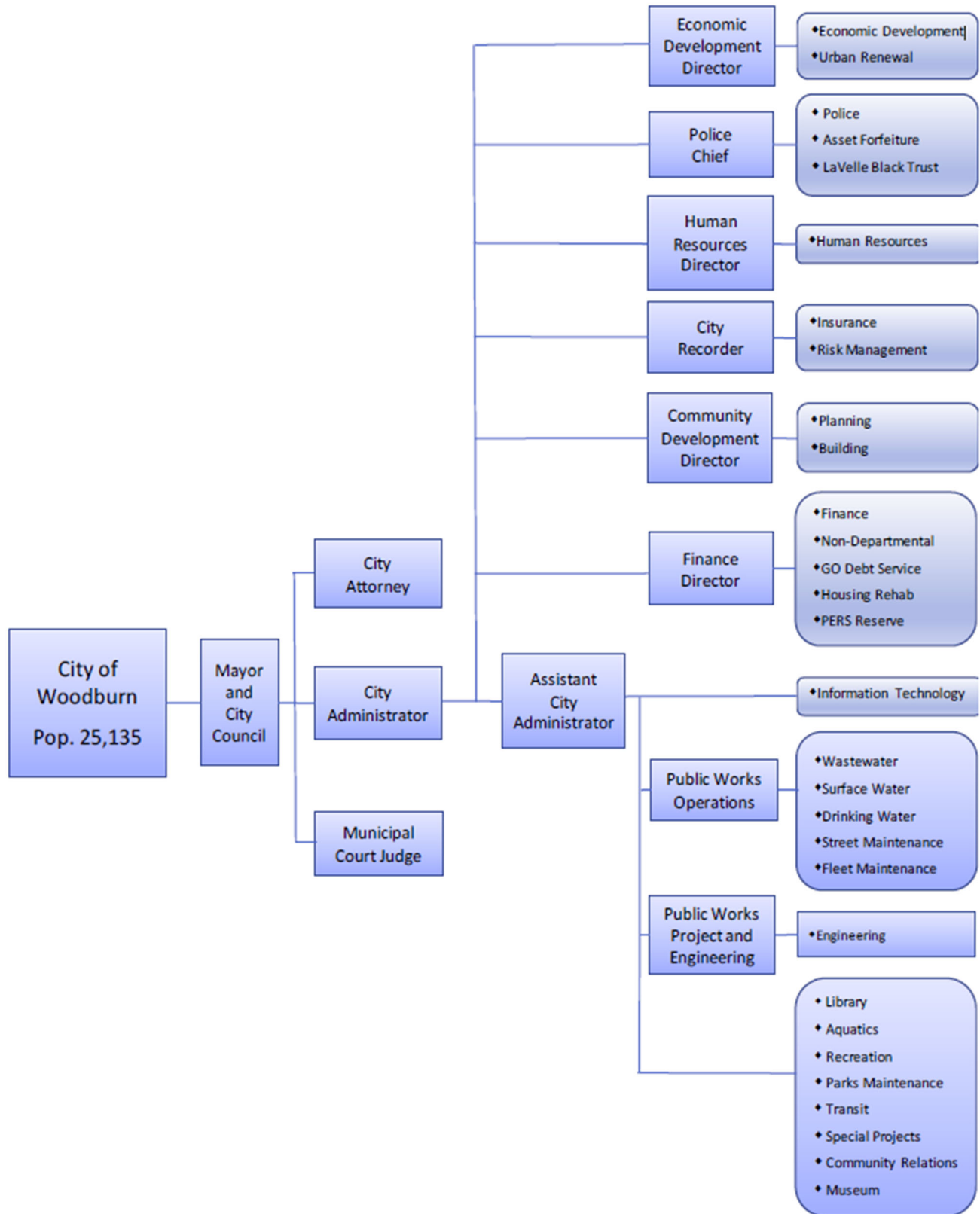
ACKNOWLEDGMENTS

This is the second year the City of Woodburn has prepared a Comprehensive Annual Financial Report, which goes beyond the preparation of financial reports to include sections for statistics and continuing disclosure. I would like to thank the entire Finance staff, especially Casey Little and Rosie Sanchez, for the excellent service they provide throughout the year which is reflected in this Comprehensive Annual Financial Report. This report is evidence of their dedication and many hours of hard work. I would also like to thank the City Council and City Administrator for the leadership and support they have provided in developing this Annual Financial Report.

A handwritten signature in blue ink, appearing to read 'ATurley', is positioned above the printed name and title.

Anthony Turley
Finance Director

ORGANIZATION OF THE CITY OF WOODBURN



Source: City of Woodburn, FY 2020-21 Adopted Budget - Functional Organization Chart



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Woodburn
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

MAYOR AND COUNCIL MEMBERS

<i>Name</i>	<i>Term Expires</i>
<i>Mayor</i>	
Eric Swenson	December 31, 2022
<i>Council Members</i>	
Debbie Cabrales	December 31, 2024
Robert Carney	December 31, 2022
Mary Beth Cornwell	December 31, 2022
Ben Puente Jr.	December 31, 2024
Sharon Schaub	December 31, 2022
Ali Swanson	December 31, 2024

The above individuals may be contacted at the address below.

Staff

Scott Derickson, City Administrator
N. Robert Shields, City Attorney
Anthony Turley, Finance Director

City of Woodburn, Oregon
270 Montgomery Street
Woodburn, Oregon 97071

FINANCIAL SECTION



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

www.gmscpa.com

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Council Members
City of Woodburn
270 Montgomery Street
Woodburn, Oregon 97071

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) and the schedules of revenues, expenditures and changes in fund balance – budget and actual for the General fund ("the budgetary schedules"), the City's PERS schedules and the City's OPEB schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to management's discussion and analysis, PERS schedules and OPEB schedules described in the preceding paragraph in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary schedules described above were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The budgetary schedules have been subject 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 schedules are 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 supplementary information is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

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

Other Information

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

Other Reporting Required by Legal and Regulatory Requirements


Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021 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 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.

Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 22, 2021 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, A Shareholder
December 22, 2021

CITY OF WOODBURN

Year Ended June 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis of the City of Woodburn's Comprehensive Annual Financial Report (Annual Financial Report) presents a discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2021. The information presented here should be considered in conjunction with the financial statements included in this report.

FINANCIAL HIGHLIGHTS

Following are the financial highlights of the City for the fiscal year ended June 30:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Net position	\$ 152,299,861	\$ 140,295,337	\$ 12,004,524
Change in net position	12,004,524	8,677,469	3,327,055
Governmental activities net position	85,538,617	79,813,938	5,724,679
Business-type activities fund net position	66,761,244	60,481,399	6,279,845
Change in governmental net position	5,724,679	4,933,324	791,355
Change in proprietary fund net position	6,279,845	3,744,145	2,535,700

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The basic financial statements include three components: the government-wide financial statements, the fund financial statements, and notes to the financial statements. This report also contains required and other supplementary information.

Government-wide financial statements. The government-wide financial statements present the net position (*statement of net position*) and results of operations (*statement of activities*) of the City as a whole. Included are all governmental and business-type assets, deferred outflows, liabilities, deferred inflows, and activities of the City. The measurement focus and basis of accounting are the same for the entire City. The measurement focus is on all economic resources of the City, including current financial resources (assets) and non-current financial resources (capital assets) and the related current and non-current liabilities and equity accounts. Both government-wide statements are prepared using the accrual basis of accounting, which is similar to the methods used by most businesses and takes into account all revenues and expenses connected with the fiscal year, even if cash involved has not been received or paid.

The statement of net position presents information on all the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Increases or decreases in net position may indicate whether the City's financial position is improving or deteriorating.

The statement of activities presents the expenses incurred in providing services to the public and the revenues associated with those activities for both governmental and business-type activities. The statement of activities begins with expenses by function. To these functions are applied charges for services, operating grants and contributions and capital grants and contributions. The resulting sums, with some adjustments, represent charges to taxpayers and may equate to the nearest that governments can determine the "bottom line".

The government-wide financial statements are divided into two categories. Governmental activities are services funded through property taxes and intergovernmental revenues. The governmental activities for the City include general government, public safety, highways and streets, culture and recreation, and economic development. Business-type activities are operations funded primarily through charges to external users of goods and services. Business-type activities include water and sewer.

Fund Financial Statements. A fund is a fiscal and accounting entity with a self-balancing set of accounts that is used to segregate resources that are restricted to a particular activity. The use of funds deters commingling of resources designated for a specific purpose, prevents unauthorized transfer of surpluses, and ensures compliance with legal and contractual requirements. The City has two types of fund categories: governmental funds and proprietary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources and use the modified accrual basis of accounting. Operating statements include all sources and uses of financial resources, and display the excess of revenues and other financial sources over (under) expenditures and other uses. Included in the balance sheet are liquid assets and receivables that will be converted into cash currently and short-term liabilities, including payables to vendors and employees. Unmatured bond principal or liabilities for compensated absences not to be paid in the fiscal year are not included. Because the governmental fund statements do not encompass the long-term focus of the government-wide statements, reconciliations are provided on the subsequent page of the governmental fund statements. The emphasis is on major funds that account for the predominant assets and activities of all funds.

The City maintains sixteen individual governmental funds. Information is presented separately for the General Fund, Street Fund, and Urban Renewal Fund in the Governmental Fund Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balances. The other governmental funds are combined into a single, aggregated presentation. Information for these non-major governmental funds is provided in the form of *combining statements*.

Proprietary Funds. The City maintains two different types of proprietary funds: enterprise and internal service funds. These funds are used to show activities that operate more like those of commercial enterprises. Fees are charged for services provided, both to outside customers and to other units of the City. Enterprise funds are presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer activities. Internal service funds account for activities furnishing goods or services to other units of the government. Charges for these services are on a cost-reimbursement basis. The internal services funds include insurance and information services. The internal service funds are reported with governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Water Operations and Sewer Operations. The internal service funds are combined into a single column in the proprietary fund financial statements.

The City adopts an annual appropriated budget for all of its funds. Budgetary comparison statements, demonstrating compliance with this budget, have been provided.

Notes to the Financial Statements. The notes to the financial statements are an integral part of the basic financial statements and should be read along with them. The notes provide additional information necessary to communicate the financial position of the City.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information concerning the City.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City had \$176,353,099 in total assets, \$8,589,390 in total deferred outflows, \$29,962,430 in total liabilities and \$2,680,198 in total deferred inflows, resulting in combined net position of \$152,299,860 for governmental and business-type activities. The largest component of the City's net position reflects its net investment in capital assets (i.e., land, buildings, equipment and infrastructure, less any related debt outstanding that was needed to acquire or construct the assets). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental capital assets, net of depreciation, increased \$772,780 over the prior year mainly due the purchase of the Woodburn Family Resource Center, renovations on the community center and street improvements offset by current year depreciation.

Business-type capital assets, net of depreciation, decreased \$245,075 over the prior year due to construction projects in process offset by current year depreciation.

Total liabilities for both governmental and business-type activities decreased by \$14,271,952 from the prior year mainly due to payments on long-term debt and defeasance of the 2011 Wastewater Revenue and Refunding Bonds in the current year.

Overall, the City's financial net position increased by \$12,004,524 (10%).

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to the prior year.

	2021			2020			Change		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Cash and investments	\$ 27,875,820	\$ 18,848,197	\$ 46,724,017	\$ 22,189,818	\$ 27,305,966	\$ 49,495,784	\$ 5,686,002	\$ (8,457,769)	\$ (2,771,767)
Other assets	2,443,019	2,230,596	4,673,615	2,757,594	943,079	3,700,673	(314,575)	1,287,517	972,942
Capital assets	71,323,661	53,631,806	124,955,467	70,551,381	53,876,881	124,428,262	772,280	(245,075)	527,205
<i>Total Assets</i>	<i>101,642,500</i>	<i>74,710,599</i>	<i>176,353,099</i>	<i>95,498,793</i>	<i>82,125,926</i>	<i>177,624,719</i>	<i>6,143,707</i>	<i>(7,415,327)</i>	<i>(1,271,620)</i>
Deferred outflows	7,031,230	1,558,160	8,589,390	7,402,891	1,662,478	9,065,369	(371,661)	(104,318)	(475,979)
Other liabilities	2,772,776	1,741,914	4,514,690	2,910,379	6,049,501	8,959,880	(137,603)	(4,307,587)	(4,445,190)
Long-term liabilities	18,294,826	7,152,914	25,447,740	18,515,595	16,758,907	35,274,502	(220,769)	(9,605,993)	(9,826,762)
<i>Total Liabilities</i>	<i>21,067,602</i>	<i>8,894,828</i>	<i>29,962,430</i>	<i>21,425,974</i>	<i>22,808,408</i>	<i>44,234,382</i>	<i>(358,372)</i>	<i>(13,913,580)</i>	<i>(14,271,952)</i>
Deferred inflows	2,067,511	612,687	2,680,198	1,661,772	498,597	2,160,369	405,739	114,090	519,829
Net position:									
Net investment in capital assets	66,566,868	48,842,505	115,409,373	64,447,990	46,922,723	111,370,713	2,118,878	1,919,782	4,038,660
Restricted	16,222,715	6,751,461	22,974,176	12,238,720	17,249,531	29,488,251	3,983,995	(10,498,070)	(6,514,075)
Unrestricted	2,749,034	11,167,278	13,916,312	3,127,228	(3,690,855)	(563,627)	(378,194)	14,858,133	14,479,939
<i>Total Net Position</i>	<i>\$ 85,538,617</i>	<i>\$ 66,761,244</i>	<i>\$ 152,299,861</i>	<i>\$ 79,813,938</i>	<i>\$ 60,481,399</i>	<i>\$ 140,295,337</i>	<i>\$ 5,724,679</i>	<i>\$ 6,279,845</i>	<i>\$ 12,004,524</i>

Governmental Activities

The City's net position from governmental activities increased \$5,724,679 (7%) from June 30, 2020 to June 30, 2021 due to an increase in program revenues coupled with controlled program expenses.

Business-type Activities

The City's net position from business-type activities increased \$6,279,845 (10%) from June 30, 2020 to June 30, 2021 due mainly to the reduction of long-term debt associated with a defeasance coupled with an increase in capital grants and contributions and controlled expenses.

Statement of Activities

The following table reflects the condensed Statement of Activities compared to the prior year.

	2021			2020			Change		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues									
Program Revenues									
Charges for service	\$ 2,996,825	\$ 12,744,185	\$ 15,741,010	\$ 2,642,482	\$ 12,112,632	\$ 14,755,114	\$ 354,343	\$ 631,553	\$ 985,896
Operating grants and contributions	2,682,578	-	2,682,578	4,346,664	-	4,346,664	(1,664,086)	-	(1,664,086)
Capital grants and contributions	5,372,006	2,239,138	7,611,144	2,506,331	425,801	2,932,132	2,865,675	1,813,337	4,679,012
Total Program Revenues	11,051,409	14,983,323	26,034,732	9,495,477	12,538,433	22,033,910	1,555,932	2,444,890	4,000,822
General Revenues									
Property taxes	11,169,801	-	11,169,801	10,908,076	-	10,908,076	261,725	-	261,725
Franchise taxes	1,676,564	-	1,676,564	1,528,351	-	1,528,351	148,213	-	148,213
Other taxes	596,829	-	596,829	491,023	-	491,023	105,806	-	105,806
Intergovernmental	975,321	-	975,321	903,481	-	903,481	71,840	-	71,840
Other	338,670	215,496	554,166	561,074	693,058	1,254,132	(222,404)	(477,562)	(699,966)
Total General Revenues	14,757,185	215,496	14,972,681	14,392,005	693,058	15,085,063	365,180	(477,562)	(112,382)
Total Revenues	25,808,594	15,198,819	41,007,413	23,887,482	13,231,491	37,118,973	1,921,112	1,967,328	3,888,440
Expenses									
General government	2,547,469	-	2,547,469	4,673,660	-	4,673,660	(2,126,191)	-	(2,126,191)
Public safety	8,934,202	-	8,934,202	6,982,033	-	6,982,033	1,952,169	-	1,952,169
Highways and streets	2,525,497	-	2,525,497	2,113,284	-	2,113,284	412,213	-	412,213
Culture and recreation	3,753,726	-	3,753,726	4,139,885	-	4,139,885	(386,159)	-	(386,159)
Economic development	3,021,707	-	3,021,707	2,025,642	-	2,025,642	996,065	-	996,065
Interest on long-term debt	46,781	-	46,781	59,907	-	59,907	(13,126)	-	(13,126)
Water	-	3,316,915	3,316,915	-	2,679,610	2,679,610	-	637,305	637,305
Sewer	-	4,856,592	4,856,592	-	5,767,483	5,767,483	-	(910,891)	(910,891)
Total Expenses	20,829,382	8,173,507	29,002,889	19,994,411	8,447,093	28,441,504	834,971	(273,586)	561,385
Changes in Net Position Before Transfers	4,979,212	7,025,312	12,004,524	3,893,071	4,784,398	8,677,469	1,086,141	2,240,914	3,327,055
Transfers	745,467	(745,467)	-	1,040,253	(1,040,253)	-	(294,786)	294,786	-
Change in Net Position	5,724,679	6,279,845	12,004,524	4,933,324	3,744,145	8,677,469	791,355	2,535,700	3,327,055
Beginning Net Position	79,813,938	60,481,399	140,295,337	74,880,614	56,737,254	131,617,868	4,933,324	3,744,145	8,677,469
Ending Net Position	\$ 85,538,617	\$ 66,761,244	\$ 152,299,861	\$ 79,813,938	\$ 60,481,399	\$ 140,295,337	\$ 5,724,679	\$ 6,279,845	\$ 12,004,524

Governmental Activities. Total revenues for the City's governmental activities were \$25,808,594 for the fiscal year ended June 30, 2021. Approximately 43% of the total revenue for the governmental activities was derived from property taxes and approximately 43% of the total revenue was from program revenues. Total expenses for governmental activities were \$20,829,382 and net transfers in were \$745,467 resulting in a \$5,724,679 increase in net position. General government activities accounted for approximately 12% of the total governmental activities expense. Public safety, highways and streets, culture and recreation, and economic development expenses account for approximately 87% of the total, and interest on long-term debt was less than 1% of total governmental activities expenses.

Business-Type Activities. Revenues of business-type activities totaled \$15,198,819 for the current fiscal year. These activities generated \$14,983,323 in program revenues, and \$215,496 in interest earnings and miscellaneous revenues. The total expenses for business-type activities were \$8,173,507 and net transfers out were \$745,467 resulting in a \$6,279,845 increase in net position. Business-type activities for the City of Woodburn consist of operations for water and wastewater services.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted previously, the City uses fund accounting to segregate resources that are restricted to a particular activity. Fund balance represents the excess of the assets of the fund over its liabilities. Because the fund financial statements focus on current sources and uses of spendable resources, fund balances relating to each fund may be useful in assessing the government's net resources available.

Governmental Funds. At the end of the fiscal year, there was \$26,559,907 of fund balance of the governmental funds, an increase of \$5,292,746 from the prior year. The City's governmental funds include the General Fund and other non-major funds.

The General Fund is the chief operating fund of the City. At the end of the fiscal year, a fund balance of \$8,546,141 was reported by the General Fund. The fund balance increased by \$1,710,219 from the previous year due primarily to a decrease in transfers out with stable revenues and expenses.

Proprietary Funds. At the end of the current fiscal year, net position of the enterprise funds equaled \$66,761,244, an increase of \$6,279,845 from the prior year, and net position of the internal service funds equaled \$787,340, an increase of \$34,589 from the prior year.

The City reports two major proprietary funds, the Water Operations Fund and the Sewer Operations Fund. The Water Operations Fund had a net position of \$11,802,974, an increase of \$1,978,284 from previous year, mainly due to an increase in capital contributions and controlled operating expenses. The Sewer Operations Fund had a net position of \$54,958,270 an increase of \$4,301,561 from the previous year, due to an increase in capital contributions and controlled operating expenses.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues (budgetary basis), were under budgeted amounts by approximately 9%. General Fund expenditures ended \$6,864,809 below budgeted amounts primarily due to management efforts to contain costs throughout the fiscal year. There were three supplemental budgets that affected balances in the General Fund during the year, which increased materials and services by \$50,000, revenue by \$1,200,000, operating expenses by \$1,200,000, and decreased contingency by \$50,000.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities equaled \$71,323,661 and \$53,631,806 respectively, at the end of the current fiscal year, net of accumulated depreciation. This investment includes land, construction in process, buildings, equipment, and infrastructure. Additional information about the City's capital assets is presented on pages 33-34 in the notes to the financial statements.

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Land	\$ 23,056,538	\$ 23,056,538	\$ 1,783,816	\$ 1,783,816	\$ 24,840,354	\$ 24,840,354
Construction in progress	6,961,106	11,715,865	6,730,248	4,879,135	13,691,354	16,595,000
Buildings	22,315,462	17,255,382	62,748,380	62,748,380	85,063,842	80,003,762
Equipment	8,203,102	7,936,642	3,110,455	3,028,659	11,313,557	10,965,301
Infrastructure	46,547,618	44,632,537	32,362,730	32,362,730	78,910,348	76,995,267
Accumulated depreciation	(35,760,165)	(34,045,583)	(53,103,823)	(50,925,839)	(88,863,988)	(84,971,422)
Net capital assets	<u>\$ 71,323,661</u>	<u>\$ 70,551,381</u>	<u>\$ 53,631,806</u>	<u>\$ 53,876,881</u>	<u>\$ 124,955,467</u>	<u>\$ 124,428,262</u>

Long-term Debt. At the end of the current fiscal year, long-term debt outstanding for the governmental activities totaled \$5,562,450, compared to \$6,920,670 in the prior year. The decrease is due to scheduled debt repayments. For the business-type activities, total long-term debt equaled \$4,851,970 compared to \$18,853,610 in the prior year. The decrease is due to scheduled debt repayments and defeasance of all outstanding 2011 Wastewater Revenue and Refunds Bonds (Series A and B). Additional information about the City's long-term debt outstanding is presented on pages 35-37 in the notes to the financial statements.

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
General obligation bonds	\$ 1,762,000	\$ 2,301,000	\$ -	\$ -	\$ 1,762,000	\$ 2,301,000
Direct borrowings	2,999,000	3,808,000	-	-	2,999,000	3,808,000
Direct placement revenue bonds	-	-	4,790,000	17,266,543	4,790,000	17,266,543
Bond premium	-	-	-	1,519,698	-	1,519,698
Accrued compensated absences	801,450	811,670	61,970	67,369	863,420	879,039
	<u>\$ 5,562,450</u>	<u>\$ 6,920,670</u>	<u>\$ 4,851,970</u>	<u>\$ 18,853,610</u>	<u>\$ 10,414,420</u>	<u>\$ 25,774,280</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Oregon, much like the national economic environment, has steadily improved over the last few years. The low unemployment rates have positively impacted wages and Oregon's median household incomes have risen. The strong economy, coupled with steady population growth and Woodburn's 2015 approval of the Urban Growth Boundary, will result in an increase in local development and property tax revenue projections.

REQUESTS FOR INFORMATION

This financial report is designed to provide the City of Woodburn's citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional financial information should be addressed to the City of Woodburn, 270 Montgomery Street, Woodburn, Oregon 97071.

BASIC FINANCIAL STATEMENTS

CITY OF WOODBURN, OREGON
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and investments	\$ 27,875,820	\$ 18,848,197	\$ 46,724,017
Accounts receivable	1,261,362	966,668	2,228,030
Property taxes receivable	464,487	-	464,487
Assessment liens receivable	16,935	-	16,935
Loans receivable	464,765	-	464,765
Prepaid expenses	28,188	1,368,374	1,396,562
Internal balances	127,020	(127,020)	-
Non-depreciable capital assets	30,017,644	8,514,064	38,531,708
Other capital assets, net of depreciation	41,306,017	45,117,742	86,423,759
OPEB asset	80,262	22,574	102,836
<i>Total Assets</i>	101,642,500	74,710,599	176,353,099
DEFERRED OUTFLOWS			
Deferred outflows related to PERS	6,945,602	1,533,440	8,479,042
Deferred outflows related to OPEB	81,421	24,021	105,442
Deferred charges on refunding	4,207	699	4,906
<i>Total Deferred Outflows</i>	7,031,230	1,558,160	8,589,390
LIABILITIES			
Accounts payable	545,147	446,861	992,008
Accrued payroll liabilities	753,717	-	753,717
Deposits payable	-	155,109	155,109
Interest payable	9,332	11,156	20,488
Noncurrent liabilities:			
Due within one year:			
Long-term debt	1,144,000	1,104,000	2,248,000
Accrued compensated absences	320,580	24,788	345,368
Due in more than one year:			
Long-term debt	3,617,000	3,686,000	7,303,000
Accrued compensated absences	480,870	37,182	518,052
OPEB liability	497,090	149,651	646,741
Net pension liability	13,699,866	3,280,081	16,979,947
<i>Total Liabilities</i>	21,067,602	8,894,828	29,962,430
DEFERRED INFLOWS			
Deferred inflows related to PERS	1,951,473	578,686	2,530,159
Deferred inflows related to OPEB	116,038	34,001	150,039
<i>Total Deferred Inflows</i>	2,067,511	612,687	2,680,198
NET POSITION			
Net investment in capital assets	66,566,868	48,842,505	115,409,373
Restricted for:			
Debt service	23,929	-	23,929
Culture and recreation	474,759	-	474,759
Community development	2,045,910	-	2,045,910
Construction	13,678,117	6,751,461	20,429,578
Unrestricted	2,749,034	11,167,278	13,916,312
<i>Total Net Position</i>	\$ 85,538,617	\$ 66,761,244	\$ 152,299,861

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

CITY OF WOODBURN, OREGON
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 2,547,469	\$ 291,774	\$ -	\$ 821,592
Public safety	8,934,202	137,642	-	2,500
Highways and streets	2,525,497	50,622	1,871,027	1,368,024
Culture and recreation	3,753,726	166,835	733,705	3,179,890
Economic development	3,021,707	2,349,952	77,846	-
Interest on long-term debt	46,781	-	-	-
<i>Total Governmental activities</i>	20,829,382	2,996,825	2,682,578	5,372,006
Business-type activities:				
Water	3,316,914	4,330,970	-	1,038,064
Sewer	4,856,593	8,413,214	-	1,201,073
<i>Total Business-type activities</i>	8,173,507	12,744,184	-	2,239,137
<i>Total Activities</i>	\$ 29,002,889	\$ 15,741,009	\$ 2,682,578	\$ 7,611,143
General Revenues:				
Property taxes				
Franchise taxes				
Other taxes				
Intergovernmental				
Gain on disposition of assets				
Unrestricted investment earnings				
Miscellaneous				
<i>Total General Revenues</i>				
Transfers				
Change in Net Position				
Net Position - beginning of year				
Net Position - end of year				

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

***Net (Expenses) Revenues
and Changes in Net Position***

<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Totals</i>
\$ (1,434,103)	\$ -	\$ (1,434,103)
(8,794,060)	-	(8,794,060)
764,176	-	764,176
326,704	-	326,704
(593,909)	-	(593,909)
(46,781)	-	(46,781)
(9,777,973)	-	(9,777,973)
-	2,052,120	2,052,120
-	4,757,694	4,757,694
-	6,809,814	6,809,814
(9,777,973)	6,809,814	(2,968,159)
11,169,801	-	11,169,801
1,676,564	-	1,676,564
596,829	-	596,829
975,321	-	975,321
10,241	-	10,241
211,337	154,209	365,546
117,092	61,289	178,381
14,757,185	215,498	14,972,683
745,467	(745,467)	-
5,724,679	6,279,845	12,004,524
79,813,938	60,481,399	140,295,337
\$ 85,538,617	\$ 66,761,244	\$ 152,299,861

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

CITY OF WOODBURN, OREGON
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	<i>General</i>	<i>Other Governmental Funds</i>	<i>Total</i>
ASSETS			
Cash and investments	\$ 8,723,560	\$ 17,953,195	\$ 26,676,755
Accounts receivable	789,314	188,570	977,884
Property taxes receivable	396,433	264,717	661,150
Assessment liens receivable	-	16,935	16,935
Loans receivable	-	464,765	464,765
Prepaid items	24,888	3,300	28,188
Due from other funds	575,114	-	575,114
<i>Total Assets</i>	<u>\$ 10,509,309</u>	<u>\$ 18,891,482</u>	<u>\$ 29,400,791</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 234,314	\$ 254,002	\$ 488,316
Accrued payroll and payroll liabilities	753,718	-	753,718
Due to other funds	351,883	79,240	431,123
<i>Total Liabilities</i>	<u>1,339,915</u>	<u>333,242</u>	<u>1,673,157</u>
Deferred Inflows			
Unavailable revenue	623,253	544,474	1,167,727
Fund Balance			
Non-spendable	24,888	3,300	28,188
Restricted for:			
Debt service	-	23,929	23,929
Construction	-	13,673,975	13,673,975
Culture and recreation	-	474,759	474,759
Community development	-	1,546,952	1,546,952
Committed to:			
Public safety	-	15,267	15,267
Capital outlay	-	829,154	829,154
Planning and building	-	1,446,430	1,446,430
Unassigned	8,521,253	-	8,521,253
<i>Total Fund Balance</i>	<u>8,546,141</u>	<u>18,013,766</u>	<u>26,559,907</u>
<i>Total Liabilities, Deferred Inflows and Fund Balance</i>	<u>\$ 10,509,309</u>	<u>\$ 18,891,482</u>	<u>\$ 29,400,791</u>

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

CITY OF WOODBURN, OREGON**RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2021**

Fund Balances \$ 26,559,907

The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current period expenditures are reported as unavailable in governmental funds. 1,167,727

PERS net pension liability, OPEB asset and liability, deferred outflows of resources arising from contributions paid, changes in assumptions, and differences between expected and actual experience, and deferred inflows arising from changes in proportionate share of earnings in the current year are not financial resources in governmental funds, but are reported in the Statement of Net Position.

Net pension liability - PERS	(13,129,792)
OPEB liability	(475,682)
OPEB asset	77,174
Deferred outflows - PERS	6,663,540
Deferred outflows - OPEB	77,978
Deferred inflows - PERS	(1,871,461)
Deferred inflows - OPEB	(111,486)

Deferred outflows arising from refundings are not financial resources in governmental funds, but are reported in the Statement of Net Position. 4,207

Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.

Cost	107,083,826
Accumulated depreciation	(35,760,165)

All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds.

Accrued compensated absences	(764,164)
Accrued interest	(9,332)
Long-term debt	(4,761,000)

Internal service funds are proprietary-type funds and not reported with governmental funds. However, because internal service funds primarily benefit governmental activities, their assets, liabilities and net position are reported along with governmental activities in the Statement of Net Position. 787,340

<i>Net Position of Governmental Activities</i>	\$ 85,538,617
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The accompanying notes are an integral part of the financial statements.

CITY OF WOODBURN, OREGON**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	<i>General</i>	<i>Other Governmental Funds</i>	<i>Total</i>
REVENUES			
Taxes and assessments	\$ 10,355,444	\$ 1,419,448	\$ 11,774,892
Licenses and permits	2,191,211	3,482,606	5,673,817
Charges for services	477,163	-	477,163
Intergovernmental	1,894,282	5,417,730	7,312,012
Fines and forfeitures	335,368	332,076	667,444
Miscellaneous	560,357	262,108	822,465
<i>Total Revenues</i>	15,813,825	10,913,968	26,727,793
EXPENDITURES			
Current			
General government	2,317,327	-	2,317,327
Economic development	1,008,108	2,178,654	3,186,762
Public safety	7,708,918	-	7,708,918
Highways and streets	-	1,499,613	1,499,613
Culture and recreation	2,366,620	723,545	3,090,165
Debt Service			
Principal	547,000	801,000	1,348,000
Interest	27,448	120,989	148,437
Capital outlay	-	2,347,640	2,347,640
<i>Total Expenditures</i>	13,975,421	7,671,441	21,646,862
REVENUES OVER (UNDER) EXPENDITURES	1,838,404	3,242,527	5,080,931
OTHER FINANCING SOURCES (USES)			
Transfers in	-	390,000	390,000
Transfers out	(150,000)	(50,000)	(200,000)
Proceeds from sale of assets	21,815	-	21,815
<i>Total Other Financing Sources (Uses)</i>	(128,185)	340,000	211,815
NET CHANGE IN FUND BALANCE	1,710,219	3,582,527	5,292,746
FUND BALANCE, beginning of year	6,835,922	14,431,239	21,267,161
FUND BALANCE, end of year	\$ 8,546,141	\$ 18,013,766	\$ 26,559,907

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

CITY OF WOODBURN, OREGON**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ 5,292,746

Amounts reported for governmental activities in the statement of activities are
different because:

Governmental funds defer revenues that do not provide current financial resources.

However, the Statement of Activities recognizes such revenues at their net
realizable value when earned, regardless of when received.

Property tax receivables	(8,259)
Decreases in other assets	(47,205)

Governmental funds do not report expenditures for unpaid compensated absences, unpaid
payroll, interest expense or arbitrage since they do not require the use of current financial
resources. However, the Statement of Activities reports such expenses when incurred,
regardless of when settlement ultimately occurs.

Accrued compensated absences	(464)
Accrued interest payable	2,482
Deferred charge on refunding	(1,402)

Capital outlays are reported as expenditures in governmental funds. However, the
Statement of Activities allocates the cost of capital outlay over their estimated
useful lives as depreciation expense.

Capital outlay expenditures capitalized	2,486,862
Depreciation	(1,714,582)

Proceeds from the issuance of long-term debt provide current financial resources to
governmental funds and are reported as revenues. In the same way, repayments
of long-term debt use current financial resources and are reported as expenditures
in governmental funds. However, neither the receipt of debt proceeds nor the
payment of debt principal affect the Statement of Activities, but are reported as
increases and decreases in noncurrent liabilities in the Statement of Net Position.

Debt principal paid	1,348,000
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Current year PERS pension and OPEB expenses related to changes in liabilities are
reported as an expense in the Statement of Activities but are not recorded as an
expenditure in the governmental funds.

	(1,668,088)
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Net income of internal service funds	34,589
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<i>Change in Net Position of Governmental Activities</i>	<u><u>\$ 5,724,679</u></u>
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CITY OF WOODBURN, OREGON
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021

				Governmental Activities
	Water Operations	Sewer Operations	Total	Internal Service
ASSETS				
Current Assets				
Cash and investments	\$ 6,514,067	\$ 12,334,130	\$ 18,848,197	\$ 1,199,065
Accounts receivable	300,974	665,694	966,668	86,813
Prepays	-	1,368,374	1,368,374	-
<i>Total Current Assets</i>	<i>6,815,041</i>	<i>14,368,198</i>	<i>21,183,239</i>	<i>1,285,878</i>
Noncurrent Assets				
Nondepreciable capital assets	2,508,252	6,005,812	8,514,064	-
Other capital assets, net of depreciation	8,745,859	36,371,883	45,117,742	-
OPEB asset	9,177	13,397	22,574	3,088
<i>Total Noncurrent Assets</i>	<i>11,263,288</i>	<i>42,391,092</i>	<i>53,654,380</i>	<i>3,088</i>
<i>Total Assets</i>	<i>18,078,329</i>	<i>56,759,290</i>	<i>74,837,619</i>	<i>1,288,966</i>
DEFERRED OUTFLOWS				
Deferred outflows related to PERS	540,258	993,182	1,533,440	282,061
Deferred outflows related to OPEB	10,511	13,510	24,021	3,443
Deferred charge on refunding	699	-	699	-
<i>Total Deferred Outflows</i>	<i>551,468</i>	<i>1,006,692</i>	<i>1,558,160</i>	<i>285,504</i>
LIABILITIES				
Current Liabilities				
Accounts payable	190,379	256,482	446,861	56,828
Due to other funds	52,519	74,501	127,020	16,971
Deposits payable	155,109	-	155,109	-
Accrued interest payable	11,156	-	11,156	-
Current portion of long-term liabilities				
Long-term debt	1,402,000	-	1,402,000	-
Accrued compensated absences	12,549	12,239	24,788	14,914
<i>Total Current Liabilities</i>	<i>1,823,712</i>	<i>343,222</i>	<i>2,166,934</i>	<i>88,713</i>
Noncurrent Liabilities				
Accrued compensated absences	18,823	18,359	37,182	22,372
Long-term debt	3,388,000	-	3,388,000	-
Net pension liability	1,261,710	2,018,371	3,280,081	570,074
OPEB liability	66,583	83,068	149,651	21,408
<i>Total Noncurrent Liabilities</i>	<i>4,735,116</i>	<i>2,119,798</i>	<i>6,854,914</i>	<i>613,854</i>
<i>Total Liabilities</i>	<i>6,558,828</i>	<i>2,463,020</i>	<i>9,021,848</i>	<i>702,567</i>
DEFERRED INFLOWS				
Deferred inflows related to PERS	253,851	324,835	578,686	80,011
Deferred inflows related to OPEB	14,144	19,857	34,001	4,552
<i>Total Deferred Inflows</i>	<i>267,995</i>	<i>344,692</i>	<i>612,687</i>	<i>84,563</i>
NET POSITION:				
Net investment in capital assets	6,464,810	42,377,695	48,842,505	-
Restricted for:				
Construction	3,921,239	2,830,222	6,751,461	-
Unrestricted	1,416,925	9,750,353	11,167,278	787,340
<i>Total Net Position</i>	<i>\$ 11,802,974</i>	<i>\$ 54,958,270</i>	<i>\$ 66,761,244</i>	<i>\$ 787,340</i>

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

CITY OF WOODBURN, OREGON**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021**

				Governmental Activities
	Water Operations	Sewer Operations	Total	Internal Service
OPERATING REVENUES				
Charges for services	4,330,970	8,413,214	12,744,184	1,912,995
Miscellaneous	56,411	4,878	61,289	1,352
<i>Total Operating Revenues</i>	4,387,381	8,418,092	12,805,473	1,914,347
OPERATING EXPENSES				
Personal services	1,788,434	2,155,545	3,943,979	616,808
Materials and services	953,954	1,673,196	2,627,150	1,101,662
Depreciation	416,152	1,761,832	2,177,984	-
<i>Total Operating Expenses</i>	3,158,540	5,590,573	8,749,113	1,718,470
OPERATING INCOME (LOSS)	1,228,841	2,827,519	4,056,360	195,877
NONOPERATING REVENUES (EXPENSES)				
Investment revenue	58,439	95,770	154,209	6,938
Amortization of bond premiums	-	1,519,697	1,519,697	-
Interest expense	(158,374)	(785,717)	(944,091)	-
<i>Total Nonoperating Revenues (Expenses)</i>	(99,935)	829,750	729,815	6,938
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	1,128,906	3,657,269	4,786,175	202,815
Capital contributions	1,038,064	1,201,073	2,239,137	-
Non-cash transfers in	81,795	-	81,795	-
Transfers out	(270,481)	(556,781)	(827,262)	-
Non-cash transfers out	-	-	-	(168,226)
CHANGE IN NET POSITION	1,978,284	4,301,561	6,279,845	34,589
NET POSITION, beginning of year	9,824,690	50,656,709	60,481,399	752,751
NET POSITION, end of year	\$ 11,802,974	\$ 54,958,270	\$ 66,761,244	\$ 787,340

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

CITY OF WOODBURN, OREGON
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Totals</i>	<i>Governmental Activities Internal Service</i>
CASH FLOWS FROM OPERATING ACTIVITIES				
Collected from customers	\$ 4,379,324	\$ 8,506,501	\$ 12,885,825	\$ 1,837,258
Paid to suppliers	(874,096)	(3,044,324)	(3,918,420)	(1,054,306)
Paid to employees	(1,574,651)	(1,882,998)	(3,457,649)	(547,562)
<i>Net Cash Provided by Operating Activities</i>	1,930,577	3,579,179	5,509,756	235,390
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Received from (paid to) other funds	(7,166)	3,006	(4,160)	(3,177)
Transfers out	(270,481)	(556,779)	(827,260)	-
<i>Net Cash Used in Non-Capital Financing Activities</i>	(277,647)	(553,773)	(831,420)	(3,177)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(780,302)	(1,070,811)	(1,851,113)	(168,226)
Principal paid on loans and bonds payable	(1,402,000)	(11,074,543)	(12,476,543)	-
Capital contributions	1,038,907	1,202,937	2,241,844	-
Interest paid	(161,640)	(1,042,861)	(1,204,501)	-
<i>Net Cash Used in Capital and Related Financing Activities</i>	(1,305,035)	(11,985,278)	(13,290,313)	(168,226)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	58,438	95,770	154,208	6,938
<i>Increase (Decrease) in Cash and Investments</i>	406,333	(8,864,102)	(8,457,769)	70,925
CASH AND INVESTMENTS, Beginning of year	6,107,734	21,198,232	27,305,966	1,128,140
CASH AND INVESTMENTS, End of year	\$ 6,514,067	\$ 12,334,130	\$ 18,848,197	\$ 1,199,065

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

CITY OF WOODBURN, OREGON**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)****YEAR ENDED JUNE 30, 2021**

	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Totals</i>	<i>Governmental Activities Internal Service</i>
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,228,841	\$ 2,827,519	\$ 4,056,360	\$ 195,877
Adjustments to reconcile the change in operating cash provided by operating activities:				
Depreciation	416,152	1,761,832	2,177,984	-
<i>Change in assets and liabilities:</i>				
Accounts receivable	(25,002)	(1,273,106)	(1,298,108)	(77,089)
Deferred outflows	47,707	56,612	104,319	16,931
OPEB asset	5,472	6,522	11,994	-
Accounts payable and accrued liabilities	79,855	(9,614)	70,241	47,356
Customer deposits	16,945	-	16,945	-
Compensated absences payable	(10,676)	5,277	(5,399)	(10,684)
Net pension liability (asset)	119,916	142,917	262,833	42,741
OPEB liability	(686)	(817)	(1,503)	(245)
Deferred inflows	52,053	62,037	114,090	18,553
<i>Net Cash Provided by Operating Activities</i>	<u>\$ 1,930,577</u>	<u>\$ 3,579,179</u>	<u>\$ 5,509,756</u>	<u>\$ 235,390</u>
<i>Noncash Transactions</i>				
Transfer of capital assets	<u>\$ 81,795</u>	<u>\$ -</u>	<u>\$ 81,795</u>	<u>\$ -</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Woodburn, Oregon (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

The Financial Reporting Entity

The City of Woodburn, Oregon is governed by an elected mayor and six council members who comprise the City Council. The City Council exercises supervisory responsibilities over the City operations, but day-to-day management control is the responsibility of a city administrator. All significant activities and organizations for which the City is financially accountable are included in the financial statements for the year ended June 30, 2021.

There are certain governmental agencies and various service districts which provide services within the City. These agencies have independently elected governing boards and the City is not financially accountable for these organizations. Therefore, financial information for these agencies is not included in the accompanying basic financial statements.

As defined by accounting principles generally accepted in the United States of America, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. The City of Woodburn's financial statements include the Woodburn Urban Renewal Agency as a blended component unit. The City Council and Board of Directors of Woodburn Urban Renewal Agency are composed of the same individuals and the City has operational responsibility for the agency.

The separately issued financial statements of the Woodburn Urban Renewal Agency may be obtained from the City, 270 Montgomery Street, Woodburn, Oregon 97071.

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. 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.

Government-wide financial statements display information about the reporting government as a whole. Interfund activity that is not related to interfund services provided and used has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

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 provided 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 instead as *general revenues*.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, enterprise or fiduciary. Currently, the City has general, special revenue, capital projects, debt service, internal service and enterprise type funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the other supplementary information.

The government-wide and proprietary fund financial statements are accounted for using an economic resources measurement focus, whereby all assets and liabilities are included in the statement of net position and the statement of fund net position. The increases and decreases in those net positions are presented in the government-wide statement of activities and in the proprietary fund statement of revenues, expenses and changes in fund net position. These funds use the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Interfund activity consists of transfers, services provided and/or used, reimbursements, advances and loans. As a general rule, the effect of interfund activity has been eliminated from the governmental-wide financial statements. Exceptions to this general rule include interfund services provided and/or used. Interfund services provided and/or used are accounted for as revenues and expenses since the elimination of such revenues and expenses would distort the direct costs and program revenues reported for the various functions.

Amounts reported as program revenues in the statement of activities include (1) fines, fees and 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. Grants and contributions not restricted are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Operating revenues and operating expenses are intermediate components within the proprietary fund statement of revenues, expenses and changes in fund net position, and include only those transactions that constitute their principal, ongoing activities exclusive of investing or financing transactions. Significant operating revenues include charges for services and miscellaneous income. Significant operating expenses include personnel, materials and supplies, outside services, and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Although not a major impact on the financial statements, Governmental Fund type fund balances are now reported in the following classifications.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance (Continued)

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council takes formal action that places specific constraints on how the resources may be used. The City Council can modify or rescind the commitment at any time through taking a similar formal action.

Resources that are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the City Council approves which resources should be "reserved" during the adoption of the annual budget. The City's Finance Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's Annual Financial Report.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

The City Council has approved a policy to maintain an ending fund balance in the General Fund, in order to provide stable services and employment to offset cyclical variations in revenues and expenditures. The targeted floor for the ending balance is 20% of annual operating revenue, as shown as a minimum fund balance in the General Fund, with the long-term goal of increasing the reserve to 25% as year-end savings occur. The City Council is the highest level of decision-making authority and may take formal action by vote or resolution to establish, modify, or rescind a fund balance commitment.

Definitions of Governmental Fund Types

The General Fund is used to account for all financial resources not accounted for in another fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenues sources" means that the revenue sources for the fund must be from restricted or committed sources, specifically that a substantial portion of the revenue must be from these sources and be expended in accordance with those requirements.

Capital Projects Funds are utilized to account for financial resources to be used for the acquisition or construction of capital equipment and facilities.

Debt Service Funds are utilized to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Financial Statements

Governmental funds use the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (both measurable and available). “Measurable” means that the amount of the transaction can be determined. “Available” is defined as being collectible within the current period or soon enough thereafter (30 days) to be used to liquidate liabilities of the current period. Expenditures other than interest on noncurrent obligations, are recorded when the fund liability is incurred.

Real and personal property taxes are levied as of July 1 for each fiscal year on values assessed as of January 1. Property taxes are an enforceable lien on both real and personal property as of July 1 and are due and payable in three installments on November 15, February 15 and May 15. All property taxes are billed and collected by Marion County and remitted to the City. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (30 days). Otherwise, they are reported as unavailable revenues.

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failure to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt, or earlier, if the susceptible accrual criteria are met.

Licenses and permits, charges for services, fines and forfeits and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

When both restricted and unrestricted resources are available for use, it is the City’s practice to use restricted resources first, then unrestricted resources as they are needed.

The reporting model sets forth minimum criteria (percentage of the assets, liabilities, receipts, or disbursements of either fund category or the government and enterprise combined) for the determination of major funds. Nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

The City reports the following major governmental funds:

General Fund

The City reports the following major proprietary funds:

Water Operations

Sewer Operations

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reporting amounts of certain assets, liabilities, revenues, and expenses as of and for the year ended June 30, 2021. Actual results may differ from such estimates.

Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit. Investments, included in cash and investments, are carried at cost which approximates market value. For purposes of the statement of cash flows, the proprietary funds consider cash and cash equivalents to include the cash and investment common pool. These amounts have the general characteristics of demand deposit accounts in that the proprietary funds may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty.

Receivables and Unavailable Revenues

Receivables for state, county and local shared revenues, included in accounts receivable, are recorded as revenue in the governmental funds as earned.

Receivables of the enterprise funds are recorded as revenue as earned.

Property taxes receivable for the governmental fund types, which have been collected within thirty days subsequent to year end, are considered measurable and available and are recognized as revenues. All other property taxes are considered unavailable and, accordingly, have not been recorded as revenue. Property taxes receivable by the City represent the City's allocated share of delinquent property taxes and other amounts to be collected from property owners within Marion County, Oregon.

Assessment liens in the governmental fund types are recognized as receivables at the time property owners are assessed for property improvements. All assessments receivable are considered unavailable and, accordingly, have not been recorded as revenue.

Revolving loans in the government fund types are recognized as receivables at the time housing rehabilitation loans are made. All loans receivable are considered unavailable and, accordingly, have not been recorded as revenue.

Inventory and Prepaid Items

Inventory in business-type funds is stated at cost (first-in, first-out basis) and is charged to expense as used. Prepaid items in the governmental funds are stated at cost and charged to expenditures in the period consumed.

Capital Assets

Capital assets are stated at cost or estimated historical cost. Donated capital assets and donated works of art or similar items are reported at acquisition value rather than at fair value.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Capital assets include land, right-of-way (included with land), buildings, improvements, equipment, infrastructure and other tangible and intangible assets costing over \$5,000 used in operations that have initial useful lives extending beyond a single reporting period. Infrastructure are those capital assets that are stationary in nature and can be preserved for a significantly greater number of years than most other capital assets. Infrastructure reported in governmental activities consists of roads, bridges, sidewalks, and traffic and lighting systems. Infrastructure reported in business-type activities consists of water and wastewater collection systems.

All capital assets, except for infrastructure in governmental activities prior to July 1, 1980, have been capitalized in the government-wide and proprietary fund financial statements. In accordance with the current financial resources measurement focus, capital assets are not capitalized in the governmental fund financial statements. All purchased capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Historical cost is measured by the cash or cash equivalent price of obtaining an asset, including ancillary charges necessary to place the asset into its intended location and condition for use. Donated capital assets are reported at their estimated market value at the time of acquisition plus ancillary charges, if any. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Amounts expended for maintenance and repairs are charged to expenditures/expenses in the appropriate funds as incurred and are not capitalized.

Capital assets are depreciated unless they are inexhaustible in nature (e.g., land and right-of-ways). Depreciation is an accounting process to allocate the cost of capital assets to expense in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair market value, nor are capital assets, net of accumulated depreciation, intended to represent an estimate of the current condition of the assets, or the maintenance requirements needed to maintain the assets at their current level of condition.

Depreciation is computed over the estimated useful lives of the capital assets. All estimates of useful lives are based on actual experience by City departments with identical or similar capital assets. Depreciation is calculated on the straight-line basis, except for infrastructure and improvements other than buildings reported in the governmental activities column of the government-wide financial statements, which are calculated using a composite depreciation method. The estimated useful lives of the various categories of assets are as follows:

Buildings and improvements	10 - 40 years
Water and Sewer Systems	15 - 50 years
Infrastructure	50 years
Equipment	5 - 15 years

Upon disposal of capital assets, cost and accumulated depreciation are removed from the accounts and, if appropriate, a gain or loss on the disposal is recognized.

Long-Term Debt

Long-term debt directly related and expected to be paid from the enterprise funds is recorded in these funds. All other unmatured long-term debt is recorded on the statement of net position. Repayment of general bonded debt will be made from debt service funds. Bond premiums will be amortized over the life of the related debt. Payment of compensated absences will be made primarily from the General Fund, Street Fund, Water Fund and Sewer Fund.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The City reports deferred outflows of resources related to pensions and other post-employment benefits for contributions made after the June 30, 2020 measurement date, differences between expected and actual experience, and changes in proportionate share, as well as deferred charges related to refunded bonds.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows*, represents an acquisition that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. The City reports deferred inflows related to pensions and other post-employment benefits for changes in projected earnings versus actual earnings and contribution versus proportionate share of contributions.

The third instance of deferred inflows arises only under a modified accrual basis of accounting. Accordingly, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Pension Liability

The City reports its proportionate share of the Net Pension Liability of the Oregon Public Employees Retirement System (OPERS). A negative Net Pension Liability is reported as a Net Pension Asset. For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of OPERS and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at market value.

Post-Employment Benefits Other Than Pensions (OPEB)

The City reports two components of post-employment benefits other than pensions (OPEB) - Oregon Public Employees Retirement System Retiree Health Insurance Account (OPERS RHIA) and a single-employer defined benefit post-employment health plan administered by Citycounty Insurance Services (CIS).

The City reports its proportionate share of the Oregon Public Employees Retirement System Retiree Health Insurance Account (OPERS RHIA). A negative OPEB liability is reported as an OPEB Asset. For purposes of measuring the City's OPEB liability or asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of OPERS RHIA and additions to/deductions from OPERS RHIA's fiduciary net position have been determined on the same basis as they are reported by OPERS RHIA. For this purpose, the benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at market value.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

The City reports an OPEB liability or asset, deferred outflows of resources and deferred inflows of resources related to the implicit subsidy arising from the City's single-employer defined benefit post-employment health plan administered by CIS. For the purpose of measuring the City's OPEB liability or asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on an actuarial valuation provided by CIS. Benefit payments are recognized when due and payable in accordance with benefit terms.

Accrued Vacation Pay

Accumulated vested vacation pay is accrued in the proprietary funds as it is earned by employees. In governmental fund types, the amounts, if any, expected to be liquidated with expendable available resources are accrued as liabilities of the funds and the amount payable from future resources is recorded on the statement of net position. The accrued payables in the Statement of Net Position are recorded as long-term in that the amount is not expected to materially change. Sick pay, which does not vest, is recorded in all funds when leave is taken.

Budget and Budgetary Accounting

A budget is prepared for each fund in accordance with the modified accrual basis of accounting for all funds. For budgetary purposes, interfund loan transactions are reported as interfund transfers. Appropriations are made at the program/function level for all funds. Expenditures may not legally exceed appropriations. Appropriations lapse at the end of each fiscal year. Budget amounts include original approved amounts and all subsequent appropriation transfers approved by the City Council. After budget approval, the City Council may approve supplemental appropriations if an occurrence, condition, or need exists which had not been ascertained at the time the budget was adopted. Management may not amend the budget. A supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council.

ORGANIZATION AND OPERATION

The City's financial operations are accounted for in the following funds:

Governmental Fund Types

General Fund

The General Fund accounts for activities of the City which are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees and state and county shared revenues. Primary expenditures are for public safety, highways and streets, economic development, culture and recreation, and general government. In accordance with GASB Statement No. 54, the PERS Reserve fund, which is budgeted separately and accounts for the City's participation in the State's employer incentive program, is combined with the General fund for financial reporting purposes.

Special Revenue Funds

Transit Fund – This fund accounts for amounts held to be used for transportation services.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

ORGANIZATION AND OPERATION (Continued)

Governmental Fund Types (Continued)

Special Revenue Funds (Continued)

Building Inspection Fund - This fund accounts for building permit revenue and associated operations.

Asset Forfeiture Fund - This fund accounts for the seizure of private properties that are the product of illegal activity, and for the expenditure of the proceeds by the City for illegal drug activity investigations and subsequent arrests.

Housing Rehabilitation Fund - This fund accounts for the City's CDBG grant program and provides low income housing and small business loans.

Street Fund - This fund is used to account for the City's street operations. The fund's major source of revenue is highway gas tax received from the State of Oregon.

Lavelle Black Trust Fund – This fund accounts for the donations received to continue the police dog program.

Urban Renewal Fund – This fund accounts for transactions related to urban renewal, including debt service on the URA loan. Property taxes are the primary source of revenue.

Capital Projects Funds

General Capital Construction Fund - This fund is used to account for transfers from general services funds used for general services construction projects.

Special Assessment Fund - This fund accounts for the repayment of local improvement district (LID) assessments. The money is used for construction of LID projects.

Street & Storm Capital Construction Fund - This fund accounts for transfers from the Storm and Street funds. The money is used for street and storm related capital projects.

Parks SDC Fund - This fund is used to account for the collection and spending of park SDCs.

Street SDC Fund - This fund accounts for the collection and spending of street SDCs.

Storm SDC Fund - This fund accounts for the collection and spending of storm SDCs.

Equipment Replacement Fund - This fund accounts for transfers from other funds set aside for future equipment purchases.

Debt Service Fund

GO Debt Service Fund - This fund accounts for debt service on the City's 2005 GO bond (refunded in 2017). Property taxes are the major source of revenue.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

ORGANIZATION AND OPERATION (Continued)

Proprietary Fund Types

Enterprise Funds

The City has two enterprise funds. Three individually budgeted funds are related to water, and report as Water Operations, and three individually budgeted funds are related to sewer, and report as Sewer Operations. The specific funds and their purposes are as follows.

Water Operations - This operating fund includes the Water fund, the Water SDC fund and the Water Capital Construction fund. Customer usage fees and system development charges (SDCs) are the primary sources of revenue. The funds account for water general operations, water system capital improvement projects and the retirement of associated debt.

Sewer Operations - This operating fund includes the Sewer fund, the Sewer SDC fund and the Sewer Capital Construction Fund. Customer usage fees and system development charges (SDCs) are the primary sources of revenue. The funds account for the operation of the City's sewer system, sewer system capital improvement projects, and the retirement of associated debt.

Internal Service Funds

The City has two internal service funds which provide services to other City departments. Internal charges are the primary revenue source for all funds. Expenditures are for the purposes as described below.

Information Technology Fund - This fund accounts for the maintenance and replacement of the City's network and technology services.

Insurance Fund – This fund accounts for the City's insurance coverage.

CITY OF WOODBURN, OREGON**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****YEAR ENDED JUNE 30, 2021****CASH AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the Statement of Net Position as part of "cash and investments."

	<i>Carrying Value</i>	<i>Fair Value</i>
<i>Cash</i>		
Cash on hand	\$ 3,760	\$ 3,760
Deposits with financial institutions	644,827	644,827
<i>Investments</i>		
Local Government Investment Pool	46,075,430	46,259,732
	<u>\$ 46,724,017</u>	<u>\$ 46,908,319</u>
 Cash is reported in the financial statements as follows:		
Governmental funds	\$ 26,676,755	
Internal Service funds (included in governmental activities)	1,199,065	
Enterprise funds	18,848,197	
	<u>\$ 46,724,017</u>	

Deposits

The book balance of the City's bank deposits was \$644,827 and the bank balance was \$584,056 at year end. The difference is due to transactions in process. Bank deposits are secured to legal limits by federal deposit insurance. The remaining amount is secured in accordance with ORS 295 under a collateral program administered by the Oregon State Treasurer.

Investments

The State Treasurer of the State of Oregon maintains the Oregon Short Term Fund, of which the Local Government Investment Pool is part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, the investment funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The Oregon Short Term Fund is the LGIP for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The carrying value of the City's position in the pool is the same as the value of the pool shares; market value was 100.4% of the value of the pool shares as of June 30, 2021. The investment in the Oregon Short-term Fund is not subject to classification. Separate financial statements for the Oregon Short-term Fund are available from the Oregon State Treasurer.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

CASH AND INVESTMENTS (Continued)

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in market value of its investments by limiting the weighted average maturity of its investments.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) provide insurance for the City's deposits up to \$250,000 for the aggregate of demand deposits and the aggregate of all time deposits and savings accounts at each financial institution and credit union. Deposits in excess of FDIC and NCUA coverage are with institutions participating in the Oregon Public Funds Collateralization Program (PFCP). The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. As of June 30, 2021, \$334,056 of the City's bank balances were exposed to custodial credit risk as part of the Public Funds Collateralization Program.

Custodial Risk - Investments

For an investment, this is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The City's investment policy limits the types of investments that may be held and does not allow securities to be held by the counterparty.

The LGIP is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Commission. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short Term Fund Board, which has established diversification percentages and specifies the types and maturities of the investments. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. These investments within the LGIP must be invested and managed as a prudent investor would, exercising reasonable care, skill and caution. Professional standards indicate that the investments in external investment pools are not subject to custodial risk because they are not evidenced by securities that exist in physical or book entry form. Nevertheless, management does not believe that there is any substantial custodial risk related to investments in the LGIP. The LGIP is not rated for credit quality.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

CAPITAL ASSETS

The summary of capital assets for the business-type activities for the year ended June 30, 2021 is as follows:

	<i>Balances July 1, 2020</i>	<i>Additions</i>	<i>Retirements</i>	<i>Balances June 30, 2021</i>
<i>Nondepreciable assets</i>				
Land	\$ 1,783,816	\$ -	\$ -	\$ 1,783,816
Construction in progress	4,879,135	1,851,113	-	6,730,248
Subtotal, nondepreciable assets	6,662,951	1,851,113	-	8,514,064
<i>Depreciable assets</i>				
Buildings	62,748,380	-	-	62,748,380
Water and sewer systems	32,362,730	-	-	32,362,730
Equipment	3,028,660	81,795	-	3,110,455
Subtotal, depreciable assets	98,139,770	81,795	-	98,221,565
Accumulated depreciation				
Buildings and improvements	(34,882,211)	(1,509,927)	-	(36,392,138)
Water and sewer systems	(13,960,356)	(532,370)	-	(14,492,726)
Equipment	(2,083,272)	(135,687)	-	(2,218,959)
Total accumulated depreciation	(50,925,839)	(2,177,984)	-	(53,103,823)
<i>Total depreciable assets, net</i>	47,213,931	(2,096,189)	-	45,117,742
Net capital assets	\$ 53,876,882	\$ (245,076)	\$ -	\$ 53,631,806

Depreciation expense was allocated as follows:

Water operations	\$ 416,152
Sewer operations	1,761,832
	<u>\$ 2,177,984</u>

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

CAPITAL ASSETS (Continued)

The summary of capital assets for governmental activities for the year ended June 30, 2021 is as follows:

	<i>Balances July 1, 2020</i>	<i>Additions</i>	<i>Retirements/ Transfers</i>	<i>Balances June 30, 2021</i>
<i>Nondepreciable assets</i>				
Land	\$ 23,056,538	\$ -	\$ -	\$ 23,056,538
Construction in progress	11,715,865	549,199	(5,303,958)	6,961,106
Subtotal, nondepreciable assets	34,772,403	549,199	(5,303,958)	30,017,644
<i>Depreciable assets</i>				
Buildings	17,255,382	5,060,080	-	22,315,462
Equipment	7,936,642	266,460	-	8,203,102
Infrastructure	44,632,537	1,915,081	-	46,547,618
Subtotal, depreciable assets	69,824,561	7,241,621	-	77,066,182
Accumulated depreciation				
Buildings	(8,155,632)	(678,258)	-	(8,833,890)
Equipment	(6,558,355)	(307,309)	-	(6,865,664)
Infrastructure	(19,331,596)	(729,015)	-	(20,060,611)
Total accumulated depreciation	(34,045,583)	(1,714,582)	-	(35,760,165)
<i>Total depreciable assets, net</i>	<i>35,778,978</i>	<i>5,527,039</i>	<i>-</i>	<i>41,306,017</i>
Net capital assets	\$ 70,551,381	\$ 6,076,238	\$ (5,303,958)	\$ 71,323,661

Depreciation expense was allocated as follows:

General government	\$ 426,704
Public safety	194,966
Highways and streets	822,629
Culture and recreation	129,209
Internal service funds	141,074
	<u>\$ 1,714,582</u>

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

LONG-TERM DEBT

Long-term debt transactions for the year ended June 30, 2021 were as follows:

	<i>Outstanding July 1, 2020</i>	<i>Issued</i>	<i>Matured/ Redeemed During Year</i>	<i>Outstanding June 30, 2021</i>	<i>Due Within One Year</i>
<i>Governmental Activities:</i>					
Direct placement general obligation bonds	\$ 2,301,000	\$ -	\$ (539,000)	\$ 1,762,000	\$ 568,000
Direct borrowings	3,808,000	-	(809,000)	2,999,000	576,000
	6,109,000	-	(1,348,000)	4,761,000	1,144,000
Accrued compensated absences	811,670	697,674	(707,894)	801,450	320,580
	<u>\$ 6,920,670</u>	<u>\$ 697,674</u>	<u>\$ (2,055,894)</u>	<u>\$ 5,562,450</u>	<u>\$ 1,464,580</u>
<i>Business-type Activities:</i>					
Direct placement revenue bonds	\$ 6,192,000	\$ -	\$ (1,402,000)	\$ 4,790,000	\$ 1,104,000
Revenue bonds	11,074,543	-	(11,074,543)	-	-
	17,266,543	-	(12,476,543)	4,790,000	1,104,000
2011 Sewer Revenue Bond premium	1,519,698	-	(1,519,698)	-	-
Accrued compensated absences	67,369	79,245	(84,644)	61,970	24,788
	<u>\$ 18,853,610</u>	<u>\$ 79,245</u>	<u>\$ (14,080,885)</u>	<u>\$ 4,851,970</u>	<u>\$ 1,128,788</u>

Direct Placement General Obligation Bonds Payable - Governmental Activities

General Obligation Bond Series 2017 (2005 refunding): In November 2017, the City issued bonds directly to a bank in the amount of \$3,749,000 at 2.08% interest, to refund bonds issued in 2005. Bond interest is payable semiannually, while principal is due annually through June 2024. The bonds are unsecured, and the City has levied an ad valorem tax to service payments due. Amounts due are not subject to acceleration in the event of default. The balance at June 30, 2021 is \$1,762,000.

Annual debt service requirements to maturity for bonds payable are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	\$ 568,000	\$ 37,315	\$ 605,315
2023	597,000	25,501	622,501
2024	597,000	13,082	610,082
	<u>\$ 1,762,000</u>	<u>\$ 75,898</u>	<u>\$ 1,837,898</u>

CITY OF WOODBURN, OREGON**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****YEAR ENDED JUNE 30, 2021**

LONG-TERM DEBT (Continued)*Loans from Direct Borrowings - Governmental Activities*

2019 Full Faith and Credit Financing Agreement (City Hall): In May 2019, the City entered into a direct financing agreement in the amount of \$1,700,000 at 2.35% interest, to fund renovations at Woodburn City Hall. Interest is payable semiannually, while principal is due annually through June 2023. The loan is unsecured and payable from any legally available funds of the City. Amounts due are not subject to acceleration in the event of default. The balance at June 30, 2021 is \$621,000.

2019 Urban Renewal Note Payable: In June 2019, the Woodburn Urban Renewal Agency (a component unit of the City) entered into a note payable agreement in the amount of \$2,900,000 at 2.77% interest, to fund urban renewal projects. Interest is payable semiannually, while principal is due annually through June 2029. The loan is secured by the tax increment revenues, and amounts due are not subject to acceleration in the event of default. The balance at June 30, 2021 is \$2,378,000

Annual debt service requirements for direct borrowings are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	\$ 576,000	\$ 80,465	\$ 656,465
2023	591,000	65,798	656,798
2024	285,000	50,746	335,746
2025	293,000	42,852	335,852
2026	301,000	34,736	335,736
2027-2029	953,000	53,267	1,006,267
	<u>\$ 2,999,000</u>	<u>\$ 327,864</u>	<u>\$ 3,326,864</u>

Direct Placement Revenue Bonds Payable - Business-type Activities

2018 Water Revenue Refunding Bond - Direct Placement: In October 2020, the City issued bonds totaling \$8,630,000 at 2.94% interest to refund outstanding loans payable. Bond interest is payable semiannually, while principal is due annually through December 2024. The bonds are secured by the net revenues of the water system. The balance at June 30, 2021 is \$4,790,000.

CITY OF WOODBURN, OREGON**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****YEAR ENDED JUNE 30, 2021**

LONG-TERM DEBT (Continued)*Direct Placement Revenue Bonds Payable - Business-type Activities (Continued)*

Annual debt service requirements to maturity for bonds payable are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	\$ 1,104,000	\$ 124,597	\$ 1,228,597
2023	1,442,000	87,171	1,529,171
2024	1,332,000	46,393	1,378,393
2025	912,000	13,406	925,406
	<u>\$ 4,790,000</u>	<u>\$ 271,567</u>	<u>\$ 5,061,567</u>

Revenue Bonds Payable - Business-type Activities

2011 Wastewater Revenue and Refunding Bonds (Series A and B): In November 2011, the City issued bonds totaling \$36,910,000 to refund outstanding loans payable and to finance various improvements in the Wastewater System. In July 2020, the City authorized a defeasance of all outstanding 2011 Wastewater Revenue and Refunding Bonds (Series A and B). Funds totaling \$13,478,918, consisting of unspent bond proceeds and other funds, were placed in an irrevocable escrow to be used solely for satisfying future scheduled payments. This transaction qualifies as an in-substance defeasance, and as such, the liability for those bonds has been removed from the statement of net position.

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM**Plan Description**

Substantially all City employees are members in the Oregon Public Employees Retirement System (OPERS); a cost-sharing multiple-employer defined benefit pension plan that acts as a common investment and administrative agent for government units in the State of Oregon. Employees hired before August 29, 2003 belong to the Tier One/Tier Two Retirement Benefit Program (established pursuant to ORS Chapter 238), while employees hired on or after August 29, 2003 belong to the OPSRP Pension Program (established pursuant to ORS Chapter 238A). OPERS produces an independently audited Comprehensive Annual Financial Report which can be found at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

Benefits Provided

Tier One/Tier Two Retirement Benefit

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% for police and fire employees, 1.67% 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 benefit results.

A member is considered vested and will be eligible at a minimum retirement age for a service retirement allowance if he or she has had 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 One 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 Two 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.

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 one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

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 for disability benefit 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.

Benefit Changes After Retirement. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25% on the first \$60,000 of annual benefit and 0.15% on annual benefits above \$60,000.

Pension Benefits. The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated by formula for members who attain normal retirement age. For general service members, 1.5% is multiplied by the number of years of service and the final average salary.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

Benefits Provided (Continued)

OPSRP Pension Program

Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. For police and fire members, 1.8% 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.

A member of the OPSRP 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.

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.

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.

Benefit Changes After Retirement. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25% on the first \$60,000 of annual benefit and 0.15% on annual benefits above \$60,000.

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. Employer contribution rates for the period were based on the December 31, 2017 actuarial valuation as subsequently modified by 2013 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2019. The City's contribution rates for the period were 24.13% for Tier One/Tier Two members, 16.23% for OPSRP General Service members, and 20.86% for OPSRP Police and Fire members. The City's total contributions exclusive of the 6% "pick-up" was \$1,620,296.

Covered employees are required to contribute 6% of their salary to the Plan, but the employer is allowed to pay any or all of the employees' contribution in addition to the required employers' contribution. The City has elected to contribute the 6% "pick-up" or \$544,557 of the employees' contribution.

Contributions and pension expense are reported in the funds in which the related payroll costs are incurred, primarily the General, Street, Water, Sewer, Information Technology and Insurance funds.

CITY OF WOODBURN, OREGON**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****YEAR ENDED JUNE 30, 2021****PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)*****Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At June 30, 2021, the City reported a liability of \$16,979,947 for its proportionate share of the OPERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018 rolled forward to June 30, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the City's proportion was 0.0778%, which is a decrease of 0.0134% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of \$2,199,806. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$ 747,323	\$ -
Changes of assumptions	911,260	31,929
Net difference between projected and actual earnings on investments	1,996,621	-
Changes in proportionate share	407,974	2,408,184
Differences between employer contributions and proportionate share of contributions	2,795,568	90,046
Contributions subsequent to measurement date	1,620,296	-
Total	<u>\$ 8,479,042</u>	<u>\$ 2,530,159</u>

Deferred outflows of resources related to pensions of \$1,620,296 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as an addition to (reduction from) as follows:

<i>Fiscal Year Ending June 30,</i>	
2022	\$ 759,774
2023	1,164,042
2024	1,320,788
2025	988,768
2026	95,215
Total	<u>\$ 4,328,587</u>

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

Actuarial Methods and Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset Valuation Method	Market value of assets
Actuarial Assumptions:	
Inflation Rate	2.50%
Investment Rate of Return	7.20%
Projected Salary Increases	3.50% overall payroll growth; salaries for individuals are assumed to grow at 3.50% plus assumed rates of merit/longevity increases based on service
Mortality	<p><i>Healthy retirees and beneficiaries:</i> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><i>Active members:</i> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><i>Disabled retirees:</i> Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits 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 methods and assumptions shown above are based on the 2018 experience study which reviewed experience for the four-year period ending on December 31, 2018.

CITY OF WOODBURN, OREGON**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****YEAR ENDED JUNE 30, 2021****PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)****Long-Term Expected Rate of Return**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2013 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption was 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.

<u>Asset Class</u>	<u>Target</u>	<u>Compound Annual Return (Geometric)</u>
Core Fixed Income	9.60 %	4.07 %
Short-Term Bonds	9.60	3.68
Bank/Leveraged Loans	3.60	5.19
High Yield Bonds	1.20	5.74
Large/Mid Cap US Equities	16.17	6.30
Small Cap US Equities	1.35	6.68
Micro Cap US Equities	1.35	6.79
Developed Foreign Equities	13.48	6.91
Emerging Market Equities	4.24	7.69
Non-US Small Cap Equities	1.93	7.25
Private Equity	17.50	8.33
Real Estate (Property)	10.00	5.55
Real Estate (REITS)	2.50	6.69
Hedge Fund of Funds - Diversified	1.50	4.06
Hedge Fund - Event-driven	0.38	5.59
Timber	1.13	5.61
Farmland	1.13	6.12
Infrastructure	2.25	6.67
Commodities	1.13	3.79
Assumed Inflation - Mean		2.50 %

Discount Rate

The discount rate used to measure the total pension liability was 7.20% for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those 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.

CITY OF WOODBURN, OREGON**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****YEAR ENDED JUNE 30, 2021**

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)***Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate***

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20%) or 1-percentage-point higher (8.20%) than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Proportionate share of the net pension liability	\$ 25,213,820	\$ 16,979,947	\$ 1,075,464

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

DEFINED CONTRIBUTION PENSION PLANS

The City sponsors two defined contribution pension plans. Both plan's provisions and contribution requirements are established and amended by the City Council.

The 401A is administered by ICMA Retirement Corp. to provide retirement benefits for the City Attorney. The City has established a contribution amount equivalent to approximately 7% of covered salary. The City contributed \$8,424 to the plan for the year ended June 30, 2021.

The 457 plan is administered by both ICMA Retirement Corporation and First Investors Financial Services, and provides additional retirement benefits for contract and unrepresented employees. The City has established matching contribution rates of 5% or 8.5%, depending on contractual agreements. The City contributed \$178,944 to the plan for the year ended June 30, 2021.

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The other postemployment benefits (OPEB) for the City combines two separate plans. The City provides an implicit rate subsidy for retiree health insurance premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined health insurance benefit plan.

Contributions and OPEB expense are reported in the funds in which the related payroll costs are incurred, primarily the General, Street, Water, Sewer, Information Technology and Insurance funds.

CITY OF WOODBURN, OREGON**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****YEAR ENDED JUNE 30, 2021****POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)****Financial Statement Presentation**

The City's two OPEB plans are presented in the aggregate on the Statement of Net Position. The amounts on the financial statements relate to the plans as follows:

	<i>Implicit Rate Subsidy Plan</i>	<i>PERS RHIA Plan</i>	<i>Total OPEB on Financials</i>
Total OPEB asset	\$ -	\$ 102,836	\$ 102,836
Deferred Outflows of Resources			
Contributions After Measurement Date	44,392	1,896	46,288
Differences between expected and actual experience	-	11,436	11,436
Change in assumptions	15,802	-	15,802
Changes in proportionate share	-	31,916	31,916
Total Deferred Outflows of Resources	60,194	45,248	105,442
Total OPEB Liability	(646,741)	-	(646,741)
Deferred Inflows of Resources			
Differences between expected and actual experience	(24,643)	(10,513)	(35,156)
Change in assumptions	(109,396)	(5,466)	(114,862)
Changes in proportionate share	-	(21)	(21)
Total Deferred Inflows of Resources	(134,039)	(16,000)	(150,039)
OPEB Expense/(Income)	4,399	42,346	46,745

Implicit Rate Subsidy**Plan Description**

The City's single-employer defined benefit postemployment healthcare plan is administered by Citycounty Insurance Services (CIS). Benefit provisions are established through negotiations between the City and representatives of the City or through resolutions passed by City Council. No assets have been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained by writing to the CIS Main Office, 1212 Court Street NE, Salem OR 97301.

Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Implicit Rate Subsidy (Continued)

As of the valuation date of July 1, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	8
Active employees	<u>112</u>
	120

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The City's total OPEB liability of \$646,741 was measured as of June 30, 2020, and was determined by an actuarial valuation as of December 31, 2018. For the fiscal year ended June 30, 2021, the City recognized OPEB income from this plan of \$187. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	<i>Deferred Outflow of Resources</i>	<i>Deferred Inflow of Resources</i>
Differences between expected and actual experience	\$ -	\$ 24,643
Changes of assumptions	15,802	109,396
Contributions subsequent to measurement date	44,392	-
Total	<u>\$ 60,194</u>	<u>\$ 134,039</u>

Deferred outflows of resources related to OPEB of \$44,392 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>Year ended June 30:</i>	
2022	\$ (19,805)
2023	(19,805)
2024	(19,805)
2025	(19,805)
2026	(19,805)
Thereafter	<u>(19,212)</u>
Total	<u>\$ (118,237)</u>

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability for the June 30, 2021 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified: inflation rate of 2.50%, projected salary increases of 3.50%, discount rate of 2.21%, medical and vision varies between 5.75% and 3.75%, dental at 4.00%, and mortality rates based on the PUB-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

Changes in the Total OPEB Liability

	<i>Total OPEB Liability</i>
Balance as of June 30, 2020	\$ 653,590
Changes for the year:	
Service cost	44,820
Interest on total OPEB liability	23,775
Effect of economic/demographic gains or losses	(15,430)
Effect of assumptions changes or inputs	(21,415)
Benefit payments	(38,599)
Balance as of June 30, 2021	<u>\$ 646,741</u>

The effect of changes in assumptions is the result of the change in the discount rate from 3.50 to 2.21.

Sensitivity of the Total OPEB Liability

The following presents the City's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21 percent) or 1 percentage point higher (3.21 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

<i>Discount Rate:</i>	<i>1% Decrease (1.21%)</i>	<i>Current Discount Rate (2.21%)</i>	<i>1% Increase (3.21%)</i>
Total OPEB Liability	\$ 669,774	\$ 646,741	\$ 597,209
<i>Healthcare Cost Trend:</i>	<i>1% Decrease (2.75% increasing to 3.00%)</i>	<i>Trend Rate (3.75% increasing to 4.00%)</i>	<i>1% Increase (4.75% increasing to 5.00%)</i>
Total OPEB Liability	\$ 570,514	\$ 646,741	\$ 738,196

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

PERS Retirement Health Insurance Account

Plan Description

The City contributes to the PERS 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 PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. 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 hired after August 29, 2003. PERS issues publicly available 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 or online at: <https://www.oregon.gov/PERS/Pages/Financials/Actuarial-Financial-Information.aspx>.

Benefits Provided

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 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of \$60 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 PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

A surviving spouse or dependent of a deceased PERS 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 PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions

PERS funding policy provides for 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. Employer contribution rates for the period were based on the December 31, 2018 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2020. The City's contribution rates for the period were 0.06% for Tier One/Tier Two members. The City's total contributions for the year ended June 30, 2021 were \$5,106.

OPEB Assets, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the City reported an asset of \$102,835 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2020 and was determined by an actuarial valuation as of December 31, 2018, rolled forward to June 30, 2020. The City's proportion of the net OPEB asset was based on the City's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 20120 the City's proportionate share was 0.0505%, which is a decrease from its proportion of 0.0815% as of June 30, 2019.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

PERS Retirement Health Insurance Account (Continued)

For the year ended June 30, 2021, the City recognized OPEB expense from this plan of \$35,344. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	<i>Deferred Outflow of Resources</i>	<i>Deferred Inflow of Resources</i>
Differences between expected and actual experience	\$ -	\$ 10,513
Changes of assumptions	-	5,466
Net difference between projected and actual earnings	11,436	-
Change in proportionate share	31,916	21
contributions subsequent to the MD	1,896	-
	<hr/>	<hr/>
Total	\$ 45,248	\$ 16,000
	<hr/>	<hr/>

Deferred outflows of resources related to OPEB of \$1,896 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>Year ended June 30:</i>	
<hr/>	
2022	\$ (6,628)
2023	(12,889)
2024	(4,227)
2025	(3,608)
	<hr/>
Total	\$ (27,352)
	<hr/>

Actuarial Methods and Assumptions

See OPERS Pension Plan footnote for additional information on actuarial assumptions and methods, the long-term expected rate of return, and the discount rate.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

PERS Retirement Health Insurance Account (Continued)

Sensitivity of the proportionate share of the net OPEB liability (asset) to changes in the discount rate

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 7.20%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.20%) or 1 percentage point higher (8.20%) than the current rate:

	<i>1% Decrease (6.20%)</i>	<i>Discount Rate (7.20%)</i>	<i>1% Increase (8.20%)</i>
Net OPEB liability (asset)	\$ (83,022)	\$ (102,836)	\$ (119,776)

OPEB Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

TRANSFERS

Interfund transfers are as follows:

	<i>Transfers In</i>				
	<i>Governmental funds</i>		<i>Business-type funds</i>		
<i>Transfers Out</i>	<i>General</i>	<i>Non-major</i>	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Total Transfers Out</i>
<i>Governmental funds</i>					
Other non-major	\$ 150,000	\$ 50,000	\$ 50,000	\$ 140,000	\$ 390,000
<i>Total Transfers In</i>	\$ 150,000	\$ 50,000	\$ 50,000	\$ 140,000	\$ 390,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or, (2) move unrestricted revenues to finance programs accounted for in other funds in accordance with budgetary authorization. The table above is based on fund financials statements.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

EXPENDITURES IN EXCESS OF APPROPRIATIONS

Expenditures in excess of appropriations for the year ending June 30, 2021 occurred as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General			
Economic development	\$ 174,640	\$ 177,914	\$ (3,274)
Planning	557,820	573,466	(15,646)
Water			
Debt service - interest	161,430	161,435	(5)

CONTINGENCIES

The City purchases commercial insurance to cover all commonly insurable risks, which includes property damage, liability and employee bonds. Most policies carry a small deductible amount. No insurance claims settled in each of the prior three years have exceeded policy coverage.

The City is a defendant in various litigation proceedings. Management believes any losses arising from these actions will not materially affect the City's financial position.

RISKS AND UNCERTAINTIES

As a result of the recent coronavirus pandemic (COVID-19), numerous sectors of the economy are suffering damage and long-term economic and business consequences of this remain unknown. The extent to which this will impact the City is unknown.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 22, 2021, the date on which the financial statements were available to be issued.

In August 2021, the City received \$2,917,813 in American Rescue Plan Act grant funds.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – GENERAL FUND (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Taxes and assessments	\$ 10,225,000	\$ 10,225,000	\$ 10,355,444	\$ 130,444
Licenses and permits	244,700	244,700	280,925	36,225
Franchise fees	1,865,910	1,865,910	1,910,286	44,376
Charges for services	1,098,940	1,098,940	477,163	(621,777)
Intergovernmental	996,900	2,196,900	1,894,282	(302,618)
Fines and forfeitures	1,125,500	1,125,500	335,368	(790,132)
Miscellaneous	602,820	602,820	560,357	(42,463)
<i>Total Revenues</i>	16,159,770	17,359,770	15,813,825	(1,545,945)
EXPENDITURES				
Administration	1,661,680	1,661,680	1,287,976	373,704
Economic development	174,640	174,640	177,914	(3,274)
Nondepartmental	409,460	1,609,460	1,029,351	580,109
Police	8,584,580	8,584,580	7,708,918	875,662
Community services	3,603,500	3,603,500	2,366,620	1,236,880
Planning	507,820	557,820	573,466	(15,646)
Engineering	310,440	310,440	256,728	53,712
Debt service				
Principal	547,000	547,000	547,000	-
Interest	27,500	27,500	27,448	52
Contingency	3,813,610	3,763,610	-	3,763,610
<i>Total Expenditures</i>	19,640,230	20,840,230	13,975,421	6,864,809
REVENUES OVER (UNDER) EXPENDITURES	(3,480,460)	(3,480,460)	1,838,404	5,318,864
OTHER FINANCING SOURCES (USES)				
Transfers in	285,350	285,350	-	(285,350)
Transfers out	(150,000)	(150,000)	(150,000)	-
Proceeds from sale of assets	25,000	25,000	21,815	(3,185)
<i>Total Other Financing Sources (Uses)</i>	160,350	160,350	(128,185)	(288,535)
NET CHANGE IN FUND BALANCE	(3,320,110)	(3,320,110)	1,710,219	5,030,329
FUND BALANCE, beginning of year	4,656,890	4,656,890	6,835,922	2,179,032
FUND BALANCE, end of year	\$ 1,336,780	\$ 1,336,780	8,546,141	\$ 7,209,361

CITY OF WOODBURN, OREGON**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)****OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM****LAST EIGHT FISCAL YEARS ¹**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	0.7781%	0.0912%	0.0856%	0.0994%	0.1081%	0.1224%	0.1145%	0.1145%
City's proportionate share of the net pension liability (asset)	\$ 16,979,947	\$ 15,782,405	\$ 12,969,468	\$ 13,401,200	\$ 16,230,093	\$ 7,026,676	\$ (2,595,126)	\$ 5,842,512
City's covered payroll	10,145,281	8,868,978	8,950,436	8,800,124	8,344,438	8,457,225	8,048,595	7,956,480
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	167.4%	178.0%	144.9%	152.3%	194.5%	83.1%	-32.2%	73.4%
Plan fiduciary net position as a percentage of the total pension liability	75.8%	80.2%	82.1%	83.1%	80.5%	91.9%	103.6%	92.0%

¹ 10-year trend information required by GASB Statement 68 will be presented prospectively

CITY OF WOODBURN, OREGON
SCHEDULE OF THE CITY'S CONTRIBUTIONS
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS ¹

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 1,620,295	\$ 1,874,810	\$ 1,407,165	\$ 1,347,984	\$ 1,034,667	\$ 1,096,838	\$ 1,046,147	\$ 1,022,429
Contributions in relation to the contractually required contribution	(1,620,295)	(1,874,810)	(1,407,165)	(1,347,984)	(1,034,667)	(1,096,838)	(1,046,147)	(1,022,429)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 9,855,515	\$ 10,145,281	\$ 8,868,978	\$ 8,950,436	\$ 8,800,124	\$ 8,344,438	\$ 8,457,225	\$ 8,048,595
Contributions as a percentage of covered payroll	16.44%	18.48%	15.87%	15.06%	11.76%	13.14%	12.37%	12.70%

¹ 10-year trend information required by GASB Statement 68 will be presented prospectively

CITY OF WOODBURN, OREGON**SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS - IMPLICIT RATE SUBSIDY
LAST FOUR FISCAL YEARS¹**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 44,820	\$ 39,806	\$ 47,892	\$ 51,565
Interest on total OPEB liability	23,775	24,532	25,949	21,016
Effect of economic/demographic gains or (losses)	(15,430)	-	(16,512)	-
Effect of assumption change or inputs	(21,415)	20,318	(96,751)	(46,746)
Benefit payments	<u>(38,599)</u>	<u>(49,862)</u>	<u>(37,144)</u>	<u>(32,401)</u>
Net change in total OPEB liability	(6,849)	34,794	(76,566)	(6,566)
Net OPEB liability, beginning	<u>653,590</u>	<u>618,796</u>	<u>695,362</u>	<u>701,928</u>
Net OPEB liability, ending	<u>\$ 646,741</u>	<u>\$ 653,590</u>	<u>\$ 618,796</u>	<u>\$ 695,362</u>
Covered-employee payroll	\$ 9,855,515	\$ 10,145,281	\$ 8,868,978	\$ 8,950,436
Total OPEB liability as a % of covered-employee payroll	6.6%	6.4%	7.0%	7.8%

Notes:

The above table presents the most recent actuarial valuations for the City's post-employment health insurance benefits plan and provides information that approximates the funding progress of the plan.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

¹ 10-year trend information required by GASB Statement 75 will be presented prospectively

CITY OF WOODBURN, OREGON**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM RETIREE HEALTH INSURANCE ACCOUNT
LAST FIVE FISCAL YEARS¹**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability (asset)	0.0505%	0.0815%	0.0825%	0.0815%	0.0869%
City's proportionate share of the net OPEB liability (asset)	\$ (102,836)	\$ (157,485)	\$ (92,049)	\$ (34,002)	\$ 23,610
City's covered payroll	8,868,978	8,868,978	8,950,436	8,800,124	8,344,438
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-1.2%	-1.8%	-1.0%	-0.4%	0.3%
Plan fiduciary net position as a percentage of the total pension liability	150.1%	124.0%	124.0%	108.9%	94.2%

¹ 10-year trend information required by GASB Statement 75 will be presented prospectively

CITY OF WOODBURN, OREGON**SCHEDULE OF THE CITY'S CONTRIBUTIONS****OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM RETIREE HEALTH INSURANCE ACCOUNT****LAST FIVE FISCAL YEARS¹**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 5,106	\$ 40,436	\$ 39,580	\$ 40,561	\$ 38,765
Contributions in relation to the contractually required contribution	(5,106)	(40,436)	(39,580)	(40,561)	(38,765)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 9,855,515	\$ 10,145,281	\$ 8,868,978	\$ 8,950,436	\$ 8,800,124
Contributions as a percentage of covered payroll	0.05%	0.40%	0.45%	0.45%	0.44%

¹ 10-year trend information required by GASB Statement 75 will be presented prospectively

CITY OF WOODBURN, OREGON

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION YEAR ENDED JUNE 30, 2021

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

On or before June 30 of each year, the City enacts a resolution approving the budget, appropriating the expenditures, and levying the property taxes. The City's budget is presented on the modified accrual basis of accounting which is the same basis as GAAP with the exception of interfund loans, which are not reported on the budgetary basis.

Prior to enacting this resolution, the proposed budget is presented to a budget committee consisting of members of the City Council and a like number of interested citizens. The budget committee presents the budget to the City Council for budget hearings prior to enactment of the resolution. The City budgets all funds as required by Oregon Local Budget Law.

The resolution authorizing appropriations for each fund sets the legal level of control by which expenditures cannot legally exceed appropriations. Appropriations of expenditures are made at the program/function level for all funds. The detail budget document is required to contain more specific information for the above mentioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and adoption by the City Council. Management may modify original and supplemental budgets by the use of appropriation transfers between the legal levels of control within a fund. Such transfers require approval by the City Council. Management may not amend the budget without seeking the approval of the Council. Appropriations lapse as of year-end.

Changes in Benefit Terms

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS will make restoration payments to those benefit recipients. Senate Bill 822 lowered the COLA from 2% to 1.5% for recipients who do not pay Oregon income tax because they are not residents of Oregon.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire.

This is a change in benefit terms was not included in the net pension liability (asset) proportionate shares provided by OPERS for the years ending June 30, 2015 and June 30, 2014.

Changes of assumptions

Details and a comprehensive list of changes in methods and assumptions can be found in the 2012, 2014, and 2016 experience study for the System, which were published on September 18, 2013, September 23, 2015, July 26, 2017, and July 25, 2019, respectively. These reports can be found at:

<http://www.oregon.gov/PERS/Pages/Financials/Actuarial-Presentations-and-Reports.aspx>.

CITY OF WOODBURN, OREGON

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2021

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Other Postemployment Benefits

The tables on pages 54-56 present the activities, changes in the proportionate share and contributions related to the City's postemployment health insurance benefit plans (implicit rate subsidy and retirees health insurance account) based on the most recent actuarial valuations for the City.

There are no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

SUPPLEMENTARY INFORMATION

CITY OF WOODBURN, OREGON
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	<i>Special Revenue</i>		
	<i>Street</i>	<i>Transit</i>	<i>Building Inspection</i>
ASSETS			
Cash and investments	\$ 4,990,297	\$ 286,326	\$ 1,620,078
Accounts receivable	-	188,570	-
Property taxes receivable	196,664	-	-
Assessment liens receivable	-	-	-
Loans receivable	-	-	-
Prepays	-	-	-
<i>Total Assets</i>	<u>\$ 5,186,961</u>	<u>\$ 474,896</u>	<u>\$ 1,620,078</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 36,246	\$ 14,363	\$ 155,318
Due to other funds	34,003	19,085	18,330
<i>Total Liabilities</i>	70,249	33,448	173,648
Deferred Inflows:			
Unavailable revenue	-	-	-
Fund Balance:			
Non-spendable	-	-	-
Restricted for:			
Debt service	-	-	-
Construction	5,116,712	-	-
Culture and recreation	-	441,448	-
Community development	-	-	-
Committed to:			
Public safety	-	-	-
Capital outlay	-	-	-
Planning and building	-	-	1,446,430
<i>Total Fund Balance</i>	<u>5,116,712</u>	<u>441,448</u>	<u>1,446,430</u>
<i>Total Liabilities, Deferred Inflows and Fund Balance</i>	<u>\$ 5,186,961</u>	<u>\$ 474,896</u>	<u>\$ 1,620,078</u>

<i>Special Revenue</i>				<i>Capital Projects</i>	
<i>Asset Forfeiture</i>	<i>Housing Rehabilitation</i>	<i>Lavelle Black Trust</i>	<i>Urban Renewal</i>	<i>General Capital Construction</i>	<i>Special Assessment</i>
\$ 15,267	\$ 26,076	\$ 33,311	\$ 1,568,480	\$ 222,841	\$ 34,955
-	-	-	-	-	-
-	-	-	37,677	-	-
-	-	-	-	-	16,935
-	464,765	-	-	-	-
-	-	-	-	3,300	-
<u>\$ 15,267</u>	<u>\$ 490,841</u>	<u>\$ 33,311</u>	<u>\$ 1,606,157</u>	<u>\$ 226,141</u>	<u>\$ 51,890</u>
\$ -	\$ -	\$ -	\$ 43,266	\$ -	\$ -
-	97	-	7,725	-	-
-	97	-	50,991	-	-
-	464,765	-	34,193	842	16,935
-	-	-	-	3,300	-
-	-	-	-	-	-
-	-	-	-	221,999	-
-	-	33,311	-	-	-
-	25,979	-	1,520,973	-	-
15,267	-	-	-	-	-
-	-	-	-	-	34,955
-	-	-	-	-	-
<u>15,267</u>	<u>25,979</u>	<u>33,311</u>	<u>1,520,973</u>	<u>225,299</u>	<u>34,955</u>
<u>\$ 15,267</u>	<u>\$ 490,841</u>	<u>\$ 33,311</u>	<u>\$ 1,606,157</u>	<u>\$ 226,141</u>	<u>\$ 51,890</u>

CITY OF WOODBURN, OREGON**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (Continued)**

JUNE 30, 2021

	Capital Projects		
	Street & Storm Capital Construction	Parks SDC	Street SDC
ASSETS			
Cash and investments	\$ 598,468	\$ 1,836,742	\$ 5,125,845
Accounts receivable	-	-	-
Property taxes receivable	-	-	-
Assessment liens receivable	-	-	-
Loans receivable	-	-	-
Prepays	-	-	-
<i>Total Assets</i>	<u>\$ 598,468</u>	<u>\$ 1,836,742</u>	<u>\$ 5,125,845</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 1,152	\$ -	\$ 3,657
Due to other funds	-	-	-
<i>Total Liabilities</i>	<u>1,152</u>	<u>-</u>	<u>3,657</u>
Deferred Inflows:			
Unavailable revenue	-	-	-
Fund Balance:			
Non-spendable	-	-	-
Restricted for:			
Debt service	-	-	-
Construction	597,316	1,836,742	5,122,188
Culture and recreation	-	-	-
Community development	-	-	-
Committed to:			
Public safety	-	-	-
Capital outlay	-	-	-
Planning and building	-	-	-
<i>Total Fund Balance</i>	<u>597,316</u>	<u>1,836,742</u>	<u>5,122,188</u>
<i>Total Liabilities, Deferred Inflows and Fund Balance</i>	<u>\$ 598,468</u>	<u>\$ 1,836,742</u>	<u>\$ 5,125,845</u>

<i>Capital Projects</i>		<i>Debt Service</i>	
<i>Storm SDC</i>	<i>Equipment Replacement</i>	<i>GO Debt Service</i>	<i>Total</i>
\$ 779,018	\$ 794,199	\$ 21,292	\$ 17,953,195
-	-	-	188,570
-	-	30,376	264,717
-	-	-	16,935
-	-	-	464,765
-	-	-	3,300
\$ 779,018	\$ 794,199	\$ 51,668	\$ 18,891,482
\$ -	\$ -	\$ -	\$ 254,002
-	-	-	79,240
-	-	-	333,242
-	-	27,739	544,474
-	-	-	3,300
-	-	23,929	23,929
779,018	-	-	13,673,975
-	-	-	474,759
-	-	-	1,546,952
-	-	-	15,267
-	794,199	-	829,154
-	-	-	1,446,430
779,018	794,199	23,929	18,013,766
\$ 779,018	\$ 794,199	\$ 51,668	\$ 18,891,482

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	<i>Special Revenue</i>		
	<i>Street</i>	<i>Transit</i>	<i>Building Inspection</i>
REVENUES			
Taxes and assessments	\$ 73,791	\$ -	\$ -
Licenses and permits	-	-	997,888
Intergovernmental	1,871,027	852,945	771,225
Fines and forfeitures	332,076	-	-
Miscellaneous	56,568	24,875	11,598
<i>Total Revenues</i>	2,333,462	877,820	1,780,711
EXPENDITURES			
Current			
Culture and recreation	-	721,373	-
Economic development	-	-	1,504,267
Highways and streets	1,499,613	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<i>Total Expenditures</i>	1,499,613	721,373	1,504,267
REVENUES OVER (UNDER) EXPENDITURES	833,849	156,447	276,444
OTHER FINANCING SOURCES (USES)			
Transfers in	90,000	150,000	-
Transfers out	(50,000)	-	-
<i>Total Other Financing Sources (Uses)</i>	40,000	150,000	-
NET CHANGE IN FUND BALANCE	873,849	306,447	276,444
FUND BALANCE, beginning of year	4,242,863	135,001	1,169,986
FUND BALANCE, end of year	\$ 5,116,712	\$ 441,448	\$ 1,446,430

<i>Special Revenue</i>				<i>Capital Projects</i>	
<i>Asset Forfeiture</i>	<i>Housing Rehabilitation</i>	<i>Lavelle Black Trust</i>	<i>Urban Renewal</i>	<i>General Capital Construction</i>	<i>Special Assessment</i>
\$ -	\$ -	-	769,763	\$ -	\$ -
-	-	-	-	-	-
-	-	-	77,846	1,844,687	-
-	-	-	-	-	-
135	31,157	312	16,085	-	4,977
135	31,157	312	863,694	1,844,687	4,977
-	-	2,172	-	-	-
-	416,608	-	257,779	-	-
-	-	-	-	-	-
-	-	-	262,000	-	-
-	-	-	73,128	-	-
-	-	-	104,126	1,874,493	-
-	416,608	2,172	697,033	1,874,493	-
135	(385,451)	(1,860)	166,661	(29,806)	4,977
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
135	(385,451)	(1,860)	166,661	(29,806)	4,977
15,132	411,430	35,171	1,354,312	255,105	29,978
\$ 15,267	\$ 25,979	\$ 33,311	\$ 1,520,973	\$ 225,299	\$ 34,955

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
YEAR ENDED JUNE 30, 2021**

	Capital Projects		
	Street & Storm Capital Construction	Parks SDC	Street SDC
REVENUES			
Taxes and assessments	\$ -	\$ -	\$ -
Licenses and permits	-	1,114,193	1,306,966
Intergovernmental	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	53,757	9,290	37,587
<i>Total Revenues</i>	53,757	1,123,483	1,344,553
EXPENDITURES			
Current			
Culture and recreation	-	-	-
Economic development	-	-	-
Highways and streets	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	241,881	-	45,345
<i>Total Expenditures</i>	241,881	-	45,345
REVENUES OVER (UNDER) EXPENDITURES	(188,124)	1,123,483	1,299,208
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
<i>Total Other Financing Sources (Uses)</i>	-	-	-
NET CHANGE IN FUND BALANCE	(188,124)	1,123,483	1,299,208
FUND BALANCE, beginning of year	785,440	713,259	3,822,980
FUND BALANCE, end of year	\$ 597,316	\$ 1,836,742	\$ 5,122,188

<i>Capital Projects</i>		<i>Debt Service</i>	
<i>Storm SDC</i>	<i>Equipment Replacement</i>	<i>GO Debt Service</i>	<i>Total</i>
\$ -	\$ -	\$ 575,894	\$ 1,419,448
63,559	-	-	3,482,606
-	-	-	5,417,730
-	-	-	332,076
6,642	6,833	2,292	262,108
70,201	6,833	578,186	10,913,968
-	-	-	723,545
-	-	-	2,178,654
-	-	-	1,499,613
-	-	539,000	801,000
-	-	47,861	120,989
-	81,795	-	2,347,640
-	81,795	586,861	7,671,441
70,201	(74,962)	(8,675)	3,242,527
-	150,000	-	390,000
-	-	-	(50,000)
-	150,000	-	340,000
70,201	75,038	(8,675)	3,582,527
708,817	719,161	32,604	14,431,239
\$ 779,018	\$ 794,199	\$ 23,929	\$ 18,013,766

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - STREET FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Taxes and assessments	\$ 130,000	\$ 130,000	\$ 73,791	\$ (56,209)
Licenses and permits	500	500	-	(500)
Intergovernmental	1,600,000	1,600,000	1,871,027	271,027
Fines and forfeitures	355,000	355,000	332,076	(22,924)
Miscellaneous	195,500	195,500	56,568	(138,932)
<i>Total Revenues</i>	2,281,000	2,281,000	2,333,462	52,462
EXPENDITURES				
Street	3,378,350	3,378,350	1,499,613	1,878,737
Contingency	965,720	965,720	-	965,720
<i>Total Expenditures</i>	4,344,070	4,344,070	1,499,613	2,844,457
REVENUES OVER (UNDER) EXPENDITURES	(2,063,070)	(2,063,070)	833,849	2,896,919
OTHER FINANCING SOURCES (USES)				
Transfers in	90,000	90,000	90,000	-
Transfers out	(1,945,460)	(1,945,460)	(50,000)	1,895,460
<i>Total Other Financing Sources (Uses)</i>	(1,855,460)	(1,855,460)	40,000	1,895,460
NET CHANGE IN FUND BALANCE	(3,918,530)	(3,918,530)	873,849	4,792,379
FUND BALANCE, beginning of year	3,918,530	3,918,530	4,242,863	324,333
FUND BALANCE, end of year	\$ -	\$ -	\$ 5,116,712	\$ 5,116,712

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - TRANSIT FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 30,000	\$ 30,000	\$ -	\$ (30,000)
Intergovernmental	660,600	660,600	852,945	192,345
Miscellaneous	10,000	10,000	24,875	14,875
<i>Total Revenues</i>	700,600	700,600	877,820	177,220
EXPENDITURES				
Transit	881,590	881,590	721,373	160,217
Contingency	9,010	9,010	-	9,010
<i>Total Expenditures</i>	890,600	890,600	721,373	169,227
REVENUES OVER (UNDER) EXPENDITURES	(190,000)	(190,000)	156,447	346,447
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
NET CHANGE IN FUND BALANCE	(40,000)	(40,000)	306,447	346,447
FUND BALANCE, beginning of year	40,000	40,000	135,001	95,001
FUND BALANCE, end of year	\$ -	\$ -	\$ 441,448	\$ 441,448

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUILDING INSPECTION FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Licenses and permits	\$ 660,000	\$ 940,000	\$ 997,888	\$ 57,888
Intergovernmental	351,000	771,000	771,225	225
Miscellaneous	21,000	21,000	11,598	(9,402)
<i>Total Revenues</i>	1,032,000	1,732,000	1,780,711	48,711
EXPENDITURES				
Building inspection	1,119,790	1,819,790	1,504,267	315,523
Contingency	779,100	779,100	-	779,100
<i>Total Expenditures</i>	1,898,890	2,598,890	1,504,267	1,094,623
NET CHANGE IN FUND BALANCE	(866,890)	(866,890)	276,444	1,143,334
FUND BALANCE, beginning of year	866,890	866,890	1,169,986	303,096
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,446,430</u>	<u>\$ 1,446,430</u>

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – ASSET FORFEITURE FUND
YEAR ENDED JUNE 30, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<i>REVENUES</i>				
Miscellaneous	\$ 320	\$ 320	\$ 135	\$ (185)
<i>EXPENDITURES</i>				
Asset forfeiture	15,000	15,000	-	15,000
<i>NET CHANGE IN FUND BALANCE</i>	(14,680)	(14,680)	135	14,815
<i>FUND BALANCE, beginning of year</i>	14,680	14,680	15,132	452
<i>FUND BALANCE, end of year</i>	\$ -	\$ -	\$ 15,267	\$ 15,267

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HOUSING REHABILITATION FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Miscellaneous	\$ 23,000	\$ 23,000	\$ 31,157	\$ 8,157
EXPENDITURES				
Housing rehab	20,660	434,570	416,608	17,962
Contingency	413,910	-	-	-
<i>Total Expenditures</i>	434,570	434,570	416,608	17,962
NET CHANGE IN FUND BALANCE	(411,570)	(411,570)	(385,451)	26,119
FUND BALANCE, beginning of year	411,570	411,570	411,430	(140)
FUND BALANCE, end of year	\$ -	\$ -	\$ 25,979	\$ 25,979

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – LAVELLE BLACK TRUST FUND
YEAR ENDED JUNE 30, 2021**

	<i>Budget Amounts</i>			
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	<i>Variance</i>
<i>REVENUES</i>				
Miscellaneous	\$ 1,000	\$ 1,000	\$ 312	\$ (688)
<i>EXPENDITURES</i>				
Materials and services	20,000	20,000	2,172	17,828
Contingency	19,010	19,010	-	19,010
<i>Total Expenditures</i>	39,010	39,010	2,172	36,838
<i>NET CHANGE IN FUND BALANCE</i>	(38,010)	(38,010)	(1,860)	36,150
<i>FUND BALANCE, beginning of year</i>	38,010	38,010	35,171	(2,839)
<i>FUND BALANCE, end of year</i>	\$ -	\$ -	\$ 33,311	\$ 33,311

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – URBAN RENEWAL FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes and assessments	\$ 805,000	\$ 805,000	\$ 769,763	\$ (35,237)
Intergovernmental	-	100,000	77,846	(22,154)
Miscellaneous	25,000	25,000	16,085	(8,915)
<i>Total Revenues</i>	830,000	930,000	863,694	(66,306)
EXPENDITURES				
Administration				
Personal services	208,050	208,050	203,305	4,745
Materials and services	297,940	297,940	54,474	243,466
Capital outlay	720,000	820,000	104,126	715,874
Debt service				
Principal	262,000	262,000	262,000	-
Interest	73,130	73,130	73,128	2
Contingency	92,140	92,140	-	92,140
<i>Total Expenditures</i>	1,653,260	1,753,260	697,033	1,056,227
NET CHANGE IN FUND BALANCE	(823,260)	(823,260)	166,661	989,921
FUND BALANCE, beginning of year	1,123,260	1,123,260	1,354,312	231,052
FUND BALANCE, end of year	\$ 300,000	\$ 300,000	\$ 1,520,973	\$ 1,220,973

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – GENERAL CAPITAL CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<i>REVENUES</i>				
Intergovernmental	\$ 1,800,000	\$ 1,800,000	\$ 1,844,687	\$ 44,687
<i>EXPENDITURES</i>				
Capital outlay	1,969,700	1,969,700	1,874,493	95,207
<i>REVENUES OVER (UNDER) EXPENDITURES</i>	(169,700)	(169,700)	(29,806)	139,894
<i>OTHER FINANCING SOURCES (USES)</i>				
Transfers out	(285,350)	(285,350)	-	285,350
<i>NET CHANGE IN FUND BALANCE</i>	(455,050)	(455,050)	(29,806)	425,244
<i>FUND BALANCE, beginning of year</i>	455,050	455,050	255,105	(199,945)
<i>FUND BALANCE, end of year</i>	\$ -	\$ -	\$ 225,299	\$ 225,299

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – SPECIAL ASSESSMENT FUND
YEAR ENDED JUNE 30, 2021**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
<i>REVENUES</i>				
Miscellaneous	\$ 3,650	\$ 3,650	\$ 4,977	\$ 1,327
<i>EXPENDITURES</i>				
Contingency	33,050	33,050	-	33,050
<i>NET CHANGE IN FUND BALANCE</i>	(29,400)	(29,400)	4,977	34,377
<i>FUND BALANCE, beginning of year</i>	29,400	29,400	29,978	578
<i>FUND BALANCE, end of year</i>	\$ -	\$ -	\$ 34,955	\$ 34,955

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – STREET & STORM CAPITAL CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,300,000	\$ 2,300,000	\$ -	\$ (2,300,000)
Miscellaneous	190,000	190,000	53,757	(136,243)
<i>Total Revenues</i>	2,490,000	2,490,000	53,757	(2,436,243)
EXPENDITURES				
Capital outlay	5,850,000	5,850,000	241,881	5,608,119
REVENUES OVER (UNDER) EXPENDITURES	(3,360,000)	(3,360,000)	(188,124)	3,171,876
OTHER FINANCING SOURCES (USES)				
Transfers in	3,035,460	3,035,460	-	(3,035,460)
NET CHANGE IN FUND BALANCE	(324,540)	(324,540)	(188,124)	136,416
FUND BALANCE, beginning of year	324,540	324,540	785,440	460,900
FUND BALANCE, end of year	\$ -	\$ -	\$ 597,316	\$ 597,316

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – PARKS SDC FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Licenses and permits	\$ 400,000	\$ 400,000	\$ 1,114,193	\$ 714,193
Miscellaneous	12,000	12,000	9,290	(2,710)
<i>Total Revenues</i>	412,000	412,000	1,123,483	711,483
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	412,000	412,000	1,123,483	711,483
FUND BALANCE, beginning of year	593,050	593,050	713,259	120,209
FUND BALANCE, end of year	\$ 1,005,050	\$ 1,005,050	\$ 1,836,742	\$ 831,692

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -****BUDGET AND ACTUAL – STREET SDC FUND****YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Licenses and permits	\$ 400,000	\$ 400,000	\$ 1,306,966	\$ 906,966
Miscellaneous	85,000	85,000	37,587	(47,413)
<i>Total Revenues</i>	485,000	485,000	1,344,553	859,553
EXPENDITURES				
Materials and services	50,000	50,000	45,345	4,655
REVENUES OVER (UNDER) EXPENDITURES	435,000	435,000	1,299,208	864,208
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,000,000)	(1,000,000)	-	1,000,000
NET CHANGE IN FUND BALANCE	(565,000)	(565,000)	1,299,208	1,864,208
FUND BALANCE, beginning of year	3,405,450	3,405,450	3,822,980	-
FUND BALANCE, end of year	<u>\$ 2,840,450</u>	<u>\$ 2,840,450</u>	<u>\$ 5,122,188</u>	<u>\$ 1,864,208</u>

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – STORM SDC FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Licenses and permits	\$ 25,000	\$ 25,000	\$ 63,559	\$ 38,559
Miscellaneous	15,000	15,000	6,642	(8,358)
<i>Total Revenues</i>	40,000	40,000	70,201	30,201
OTHER FINANCING SOURCES (USES)				
Transfers out	(140,000)	(140,000)	-	140,000
NET CHANGE IN FUND BALANCE	(100,000)	(100,000)	70,201	170,201
FUND BALANCE, beginning of year	704,130	704,130	708,817	4,687
FUND BALANCE, end of year	<u>\$ 604,130</u>	<u>\$ 604,130</u>	<u>\$ 779,018</u>	<u>\$ 174,888</u>

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – EQUIPMENT REPLACEMENT FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Miscellaneous	\$ 13,000	\$ 13,000	\$ 6,833	\$ (6,167)
EXPENDITURES				
Capital outlay	880,660	880,660	81,795	798,865
REVENUES OVER (UNDER) EXPENDITURES	(867,660)	(867,660)	(74,962)	792,698
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
NET CHANGE IN FUND BALANCE	(717,660)	(717,660)	75,038	792,698
FUND BALANCE, beginning of year	717,660	717,660	719,161	1,501
FUND BALANCE, end of year	\$ -	\$ -	\$ 794,199	\$ 794,199

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – GO DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Taxes and assessments	\$ 565,700	\$ 565,700	\$ 575,894	\$ 10,194
Miscellaneous	3,300	3,300	2,292	(1,008)
<i>Total Revenues</i>	569,000	569,000	578,186	9,186
EXPENDITURES				
Debt service				
Principal	540,000	540,000	539,000	1,000
Interest	50,000	50,000	47,861	2,139
<i>Total Expenditures</i>	590,000	590,000	586,861	3,139
NET CHANGE IN FUND BALANCE	(21,000)	(21,000)	(8,675)	12,325
FUND BALANCE, beginning of year	21,000	21,000	32,604	11,604
FUND BALANCE, end of year	\$ -	\$ -	\$ 23,929	\$ 23,929

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – WATER OPERATIONS
COMBINING****YEAR ENDED JUNE 30, 2021**

	<i>Water</i>	<i>Water SDC</i>	<i>Water Capital Construction</i>	<i>Total Water Operations</i>
REVENUES				
Charges for services	\$ 4,330,970	\$ -	\$ -	\$ 4,330,970
Licenses and permits	-	1,038,064	-	1,038,064
Miscellaneous	56,411	-	-	56,411
Interest earnings	24,401	20,130	13,908	58,439
<i>Total Revenues</i>	4,411,782	1,058,194	13,908	5,483,884
EXPENDITURES				
Water	2,749,291	-	-	2,749,291
Debt service				
Principal	1,402,000	-	-	1,402,000
Interest	161,435	-	-	161,435
Capital outlay	-	-	780,303	780,303
<i>Total Expenses</i>	4,312,726	-	780,303	5,093,029
REVENUES OVER (UNDER) EXPENDITURES	99,056	1,058,194	(766,395)	390,855
OTHER FINANCING SOURCES (USES)				
Transfers out	(50,000)	-	-	(50,000)
NET CHANGE IN FUND BALANCE	49,056	1,058,194	(766,395)	340,855
FUND BALANCE, beginning of year	2,446,739	1,962,819	1,666,621	6,076,179
FUND BALANCE, end of year	\$ 2,495,795	\$ 3,021,013	\$ 900,226	6,417,034
RECONCILIATION TO NET POSITION- GAAP BASIS				
Capital assets, net				11,254,111
OPEB asset				9,177
Deferred outflows related to PERS				540,258
Deferred outflows related to OPEB				10,511
Deferred charges on refunding				699
Compensated absences				(31,372)
Accrued interest payable				(11,156)
Net pension liability				(1,261,710)
OPEB liability				(66,583)
Long-term debt				(4,790,000)
Deferred inflows related to PERS				(253,851)
Deferred inflows related to OPEB				(14,144)
NET POSITION - GAAP BASIS				\$ 11,802,974

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL - WATER FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 3,982,000	\$ 3,982,000	\$ 4,330,970	\$ 348,970
Miscellaneous	55,520	55,520	56,411	891
Interest earnings	65,480	65,480	24,401	(41,079)
<i>Total Revenues</i>	4,103,000	4,103,000	4,411,782	308,782
EXPENDITURES				
Water	2,761,640	2,761,640	2,749,291	12,349
Debt service				
Principal	1,402,000	1,402,000	1,402,000	-
Interest	161,430	161,430	161,435	(5)
Contingency	162,080	162,080	-	162,080
<i>Total Expenditures</i>	4,487,150	4,487,150	4,312,726	174,424
REVENUES OVER (UNDER) EXPENDITURES	(384,150)	(384,150)	99,056	483,206
OTHER FINANCING SOURCES (USES)				
Transfers out	(559,550)	(559,550)	(50,000)	509,550
Proceeds from sale of assets	2,000	2,000	-	(2,000)
<i>Total Other Financing Sources (Uses)</i>	(557,550)	(557,550)	(50,000)	507,550
NET CHANGE IN FUND BALANCE	(941,700)	(941,700)	49,056	990,756
FUND BALANCE, beginning of year	2,250,000	2,250,000	2,446,739	196,739
FUND BALANCE, end of year	\$ 1,308,300	\$ 1,308,300	\$ 2,495,795	\$ 1,187,495

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - WATER SDC FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Licenses and permits	\$ 200,000	\$ 200,000	\$ 1,038,064	\$ 838,064
Interest earnings	40,000	40,000	20,130	(19,870)
<i>Total Revenues</i>	240,000	240,000	1,058,194	818,194
EXPENDITURES	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	240,000	240,000	1,058,194	818,194
OTHER FINANCING SOURCES (USES)				
Transfers out	(800,000)	(800,000)	-	800,000
NET CHANGE IN FUND BALANCE	(560,000)	(560,000)	1,058,194	1,618,194
FUND BALANCE, beginning of year	1,841,430	1,841,430	1,962,819	121,389
FUND BALANCE, end of year	\$ 1,281,430	\$ 1,281,430	\$ 3,021,013	\$ 1,739,583

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – WATER CAPITAL CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Interest earnings	\$ 40,000	\$ 40,000	\$ 13,908	\$ (26,092)
EXPENDITURES				
Capital outlay	3,050,000	3,050,000	780,303	2,269,697
REVENUES OVER (UNDER)				
EXPENDITURES	(3,010,000)	(3,010,000)	(766,395)	2,243,605
OTHER FINANCING SOURCES (USES)				
Transfers in	1,309,550	1,309,550	-	(1,309,550)
NET CHANGE IN FUND BALANCE	(1,700,450)	(1,700,450)	(766,395)	934,055
FUND BALANCE, beginning of year	1,700,450	1,700,450	1,666,621	(33,829)
FUND BALANCE, end of year	\$ -	\$ -	\$ 900,226	\$ 900,226

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – SEWER OPERATIONS
COMBINING**

YEAR ENDED JUNE 30, 2021

	<i>Sewer</i>	<i>Sewer SDC</i>	<i>Sewer Capital Construction</i>	<i>Eliminations</i>	<i>Total Sewer Operations</i>
REVENUES					
Charges for services	\$ 8,410,701	\$ -	\$ 2,513	\$ -	\$ 8,413,214
Licenses and permits	-	1,201,072	-	-	1,201,072
Miscellaneous	4,878	-	-	-	4,878
Interest earnings	36,657	18,998	40,114	-	95,769
<i>Total Revenues</i>	8,452,236	1,220,070	42,627	-	9,714,933
EXPENDITURES					
Sewer	3,972,975	-	-	-	3,972,975
Debt service					
Principal	-	-	-	-	-
Interest	1,042,861	-	-	-	1,042,861
Capital outlay	-	-	1,070,809	-	1,070,809
<i>Total Expenses</i>	5,015,836	-	1,070,809	-	6,086,645
REVENUES OVER (UNDER) EXPENDITURES	3,436,400	1,220,070	(1,028,182)	-	3,628,288
OTHER FINANCING SOURCES (USES)					
Transfers in	11,947,440	-	1,145,695	(13,093,135)	-
Transfers out	(1,105,683)	(180,012)	(11,947,440)	13,093,135	(140,000)
Payments to escrow agents	(11,074,542)	-	-	-	(11,074,542)
<i>Total Other Financing Sources (Uses)</i>	(232,785)	(180,012)	(10,801,745)	-	(11,214,542)
NET CHANGE IN FUND BALANCE	3,203,615	1,040,058	(11,829,927)	-	(7,586,254)
FUND BALANCE, beginning of year	8,003,378	1,788,913	11,831,178	-	21,623,469
FUND BALANCE, end of year	\$ 11,206,993	\$ 2,828,971	\$ 1,251	\$ -	14,037,215
RECONCILIATION TO NET POSITION- GAAP BASIS					
Capital assets, net					42,377,695
OPEB asset					13,397
Deferred outflows related to PERS					993,182
Deferred outflows related to OPEB					13,510
Compensated absences					(30,598)
Net pension liability					(2,018,371)
OPEB liability					(83,068)
Deferred inflows related to PERS					(324,835)
Deferred inflows related to OPEB					(19,857)
NET POSITION - GAAP BASIS					\$ 54,958,270

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SEWER FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 8,220,000	\$ 8,220,000	\$ 8,410,701	\$ 190,701
Miscellaneous	3,270	3,270	4,878	1,608
Interest earnings	200,000	200,000	36,657	(163,343)
<i>Total Revenues</i>	8,423,270	8,423,270	8,452,236	28,966
EXPENDITURES				
Sewer	4,414,460	4,414,460	3,972,975	441,485
Debt service				
Interest	-	-	1,042,861	(1,042,861) *
Contingency	882,000	882,000	-	882,000
<i>Total Expenditures</i>	5,296,460	5,296,460	5,015,836	280,624
REVENUES OVER (UNDER) EXPENDITURES	3,126,810	3,126,810	3,436,400	309,590
OTHER FINANCING SOURCES (USES)				
Transfers in	11,947,440	11,947,440	11,947,440	-
Transfers out	(7,010,570)	(7,010,570)	(1,105,683)	5,904,887
Payments to escrow agents	(13,500,000)	(13,500,000)	(11,074,542)	2,425,458
<i>Total Other Financing Sources (Uses)</i>	(8,563,130)	(8,563,130)	(232,785)	8,330,345
NET CHANGE IN FUND BALANCE	(5,436,320)	(5,436,320)	3,203,615	8,639,935
FUND BALANCE, beginning of year	8,252,660	8,252,660	8,003,378	(249,282)
FUND BALANCE, end of year	\$ 2,816,340	\$ 2,816,340	\$ 11,206,993	\$ 8,390,653

*Payment on interest related to defeasance is not an overexpenditure of appropriations.

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SEWER SDC FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Licenses and permits	\$ 200,000	\$ 200,000	\$ 1,201,072	\$ 1,001,072
Interest earnings	40,000	40,000	18,998	(21,002)
<i>Total Revenues</i>	240,000	240,000	1,220,070	980,070
EXPENDITURES	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	240,000	240,000	1,220,070	980,070
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,089,430)	(2,089,430)	(180,012)	1,909,418
NET CHANGE IN FUND BALANCE	(1,849,430)	(1,849,430)	1,040,058	2,889,488
FUND BALANCE, beginning of year	1,849,430	1,849,430	\$ 1,788,913	(60,517)
FUND BALANCE, end of year	\$ -	\$ -	\$ 2,828,971	\$ 2,828,971

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – SEWER CAPITAL CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ -	\$ -	\$ 2,513	\$ 2,513
Interest earnings	100,000	100,000	40,114	(59,886)
<i>Total Revenues</i>	100,000	100,000	42,627	(57,373)
EXPENDITURES				
Capital outlay	8,960,000	8,960,000	1,070,809	7,889,191
REVENUES OVER (UNDER) EXPENDITURES	(8,860,000)	(8,860,000)	(1,028,182)	7,831,818
OTHER FINANCING SOURCES (USES)				
Transfers in	8,960,000	8,960,000	1,145,695	(7,814,305)
Transfers out	(11,947,440)	(11,947,440)	(11,947,440)	-
<i>Total Other Financing Sources (Uses)</i>	(2,987,440)	(2,987,440)	(10,801,745)	(7,814,305)
NET CHANGE IN FUND BALANCE	(11,847,440)	(11,847,440)	(11,829,927)	17,513
FUND BALANCE, beginning of year	11,847,440	11,847,440	11,831,178	(16,262)
FUND BALANCE, end of year	\$ -	\$ -	\$ 1,251	\$ 1,251

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF FUND NET POSITION - INTERNAL SERVICE FUNDS**

JUNE 30, 2021

	<i>Information Technology</i>	<i>Insurance</i>	<i>Total</i>
ASSETS			
Current Assets			
Cash and investments	\$ 449,575	\$ 749,490	\$ 1,199,065
Accounts receivable	27,711	59,102	86,813
<i>Total Current Assets</i>	477,286	808,592	1,285,878
Noncurrent Assets			
OPEB Asset	2,681	407	3,088
<i>Total Assets</i>	479,967	808,999	1,288,966
DEFERRED OUTFLOWS			
Deferred outflows related to PERS	248,210	33,851	282,061
Deferred outflows related to OPEB	3,026	417	3,443
	251,236	34,268	285,504
LIABILITIES			
Current Liabilities			
Accounts payable	51,726	5,102	56,828
Due to other funds	14,346	2,625	16,971
Accrued compensated absences	14,914	-	14,914
<i>Total Current Liabilities</i>	80,986	7,727	88,713
Noncurrent Liabilities			
Accrued compensated absences	22,372	-	22,372
Net pension liability	503,489	66,585	570,074
OPEB liability	18,867	2,541	21,408
<i>Total Noncurrent Liabilities</i>	544,728	69,126	613,854
<i>Total Liabilities</i>	625,714	76,853	702,567
DEFERRED INFLOWS			
Deferred inflows related to PERS	70,460	9,551	80,011
Deferred inflows related to OPEB	4,002	550	4,552
	74,462	10,101	84,563
NET POSITION			
Unrestricted	\$ 31,027	\$ 756,313	\$ 787,340

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021**

	<i>Information Technology</i>	<i>Insurance</i>	<i>Total</i>
<i>OPERATING REVENUES</i>			
Charges for services	\$ 1,186,995	\$ 726,000	\$ 1,912,995
Miscellaneous	1,046	306	1,352
<i>Total Operating Revenues</i>	1,188,041	726,306	1,914,347
<i>OPERATING EXPENSES</i>			
Personal services	537,896	78,912	616,808
Materials and services	551,851	549,811	1,101,662
Capital outlay	-	-	-
<i>Total Expenses</i>	1,089,747	628,723	1,718,470
<i>OPERATING INCOME</i>	98,294	97,583	195,877
<i>NONOPERATING REVENUES (EXPENSES)</i>			
Investment revenue	2,605	4,333	6,938
<i>NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</i>	100,899	101,916	202,815
Non-cash transfers out	(168,226)	-	(168,226)
<i>CHANGE IN NET POSITION</i>	(67,327)	101,916	34,589
<i>NET POSITION, beginning of year</i>	98,354	654,397	752,751
<i>NET POSITION, end of year</i>	\$ 31,027	\$ 756,313	\$ 787,340

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS****YEAR ENDED JUNE 30, 2021**

	<i>Information Technology</i>	<i>Insurance</i>	<i>Totals</i>
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>			
Collected from customers	\$ 1,170,054	\$ 667,204	\$ 1,837,258
Paid to suppliers	(507,573)	(546,733)	(1,054,306)
Paid to employees	(478,581)	(68,981)	(547,562)
<i>Net Cash Provided by Operating Activities</i>	183,900	51,490	235,390
<i>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</i>			
Received from (paid to) other funds	(3,165)	(12)	(3,177)
<i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</i>			
Acquisition of capital assets	(168,226)	-	(168,226)
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>			
Interest on investments	2,605	4,333	6,938
<i>Increase in Cash and Investments</i>	15,114	55,811	70,925
<i>CASH AND INVESTMENTS, Beginning of year</i>	434,461	693,679	1,128,140
<i>CASH AND INVESTMENTS, End of year</i>	<u>\$ 449,575</u>	<u>\$ 749,490</u>	<u>\$ 1,199,065</u>
<i>RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES</i>			
Operating income	\$ 98,294	\$ 97,583	\$ 195,877
<i>Change in assets and liabilities</i>			
Accounts receivable	(17,987)	(59,102)	(77,089)
Deferred outflows	14,828	2,103	16,931
OPEB asset	1,708	242	1,950
Compensated absences payable	(10,684)	-	(10,684)
Accounts payable and accrued liabilities	44,278	3,078	47,356
Net pension liability	37,430	5,311	42,741
OPEB liability	(214)	(31)	(245)
Deferred inflows	16,247	2,306	18,553
<i>Net Cash Provided by Operating Activities</i>	<u>\$ 183,900</u>	<u>\$ 51,490</u>	<u>\$ 235,390</u>
<i>Noncash Transactions</i>			
Transfer of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
- INFORMATION TECHNOLOGY FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 1,179,790	\$ 1,179,790	\$ 1,186,995	\$ 7,205
Miscellaneous	6,570	6,570	1,046	(5,524)
Interest earnings	8,200	8,200	2,605	(5,595)
<i>Total Revenues</i>	<u>1,194,560</u>	<u>1,194,560</u>	<u>1,190,646</u>	<u>(3,914)</u>
EXPENDITURES				
Information technology	1,332,000	1,332,000	1,198,658	133,342
Contingency	215,860	215,860	-	215,860
<i>Total Expenditures</i>	<u>1,547,860</u>	<u>1,547,860</u>	<u>1,198,658</u>	<u>349,202</u>
NET CHANGE IN FUND BALANCE	(353,300)	(353,300)	(8,012)	345,288
FUND BALANCE, beginning of year	<u>403,300</u>	<u>403,300</u>	<u>419,226</u>	<u>15,926</u>
FUND BALANCE, end of year	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>411,214</u>	<u>\$ 361,214</u>
RECONCILIATION TO NET POSITION - GAAP BASIS				
OPEB asset			2,681	
Deferred outflows related to PERS			248,210	
Deferred outflows related to OPEB			3,026	
Accrued compensated absences			(37,286)	
Net pension liability			(503,489)	
OPEB liability			(18,867)	
Deferred inflows related to PERS			(70,460)	
Deferred inflows related to OPEB			(4,002)	
NET POSITION, GAAP BASIS			<u>\$ 31,027</u>	

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
– INSURANCE FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts			
	Original	Final	Actual	Variance
REVENUES				
Charges for services	\$ 726,000	\$ 726,000	\$ 726,000	\$ -
Miscellaneous	4,490	4,490	305	(4,185)
Interest earnings	6,000	6,000	4,332	(1,668)
<i>Total Revenues</i>	<u>736,490</u>	<u>736,490</u>	<u>730,637</u>	<u>(5,853)</u>
EXPENDITURES				
Insurance	847,760	847,760	618,790	228,970
Contingency	515,960	515,960	-	515,960
<i>Total Expenditures</i>	<u>1,363,720</u>	<u>1,363,720</u>	<u>618,790</u>	<u>744,930</u>
NET CHANGE IN FUND BALANCE	(627,230)	(627,230)	111,847	739,077
FUND BALANCE, beginning of year	<u>627,230</u>	<u>627,230</u>	<u>689,018</u>	<u>61,788</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>800,865</u>	<u>\$ 800,865</u>
RECONCILIATION TO NET POSITION - GAAP BASIS				
OPEB asset			407	
Deferred outflows related to PERS			33,851	
Deferred outflows related to OPEB			417	
Net pension liability			(66,585)	
OPEB liability			(2,541)	
Deferred inflows related to PERS			(9,551)	
Deferred inflows related to OPEB			(550)	
NET POSITION, GAAP BASIS			<u>\$ 756,313</u>	

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Woodburn's comprehensive annual financial report presents detailed information as a context for understanding the information in the financial statements, note disclosures, required supplementary information, and other supplementary information says about the City's overall financial health.

CONTENTS

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the City's financial report relates to the services the City provides and the activities it performs.

SOURCES: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

FINANCIAL TRENDS

CITY OF WOODBURN, OREGON
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 54,443,478	\$ 54,361,481	\$ 55,195,632	\$ 59,266,063	\$ 58,326,049	\$ 57,813,459	\$ 57,789,283	\$ 58,807,325	\$ 64,447,990	\$ 66,566,868
Restricted	9,460,498	10,395,999	11,523,032	8,929,025	9,815,650	10,660,016	11,651,202	13,987,334	12,238,720	16,222,715
Unrestricted	6,455,591	6,938,395	6,224,832	4,583,134	923,456	766,265	1,979,126	2,085,955	3,127,228	2,749,034
Total governmental activities net position	\$ 70,359,567	\$ 71,695,875	\$ 72,943,496	\$ 72,778,222	\$ 69,065,155	\$ 69,239,740	\$ 71,419,611	\$ 74,880,614	\$ 79,813,938	\$ 85,538,617
Business-type activities										
Net investment in capital assets	\$ 31,042,855	\$ 31,886,659	\$ 19,913,747	\$ 21,979,780	\$ 23,737,493	\$ 37,312,451	\$ 42,991,874	\$ 43,073,472	\$ 46,922,723	\$ 48,842,505
Restricted for: Construction	935,770	3,165,303	18,737,342	16,841,111	16,735,267	16,635,580	17,004,861	17,081,733	17,249,531	6,751,461
Unrestricted	9,227,695	7,204,526	4,666,744	7,163,564	6,909,942	(4,020,472)	(6,694,060)	(3,417,951)	(3,690,855)	11,167,278
Total business-type activities net position	\$ 41,206,320	\$ 42,256,488	\$ 43,317,833	\$ 45,984,455	\$ 47,382,702	\$ 49,927,559	\$ 53,302,675	\$ 56,737,254	\$ 60,481,399	\$ 66,761,244
Primary government										
Net investment in capital assets	\$ 85,486,333	\$ 86,248,140	\$ 75,109,379	\$ 81,245,843	\$ 82,063,542	\$ 95,125,910	\$ 100,781,157	\$ 101,880,797	\$ 111,370,713	\$ 115,409,373
Restricted	10,396,268	13,561,302	30,260,374	25,770,136	26,550,917	27,295,596	28,656,063	31,069,067	29,488,251	22,974,176
Unrestricted	15,683,286	14,142,921	10,891,576	11,746,698	7,833,398	(3,254,207)	(4,714,934)	(1,331,996)	(563,627)	13,916,312
Total primary government net position	\$ 111,565,887	\$ 113,952,363	\$ 116,261,329	\$ 118,762,677	\$ 116,447,857	\$ 119,167,299	\$ 124,722,286	\$ 131,617,868	\$ 140,295,337	\$ 152,299,861

CITY OF WOODBURN, OREGON
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Expenses	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
General government	\$ 2,116,264	\$ 2,411,067	\$ 2,646,552	\$ 3,058,648	\$ 5,114,971	\$ 2,676,477	\$ 2,740,778	\$ 1,162,602	\$ 4,673,660	\$ 2,547,469
Public safety	6,733,302	6,389,207	6,608,391	5,662,660	9,231,388	7,805,948	7,573,873	7,687,490	6,982,033	8,934,202
Highways and streets	2,202,753	2,663,020	2,273,271	1,976,022	2,691,040	2,426,489	2,551,662	2,787,782	2,113,284	2,525,497
Culture and recreation	4,019,379	3,270,803	3,530,783	2,784,248	3,481,264	2,980,178	2,799,066	4,226,653	4,139,885	3,753,726
Economic development	-	-	-	-	-	829,477	1,139,732	2,023,962	2,025,642	3,021,707
Interest on long-term debt	257,018	248,109	226,504	204,905	183,342	169,933	108,133	76,949	59,907	46,781
Total governmental activities expenses	15,328,716	14,982,206	15,285,501	13,686,483	20,702,005	16,888,502	16,913,244	17,965,438	19,994,411	20,829,382
Business-type activities:										
Water	2,901,104	2,882,056	2,792,818	2,478,694	3,303,526	2,885,827	3,117,740	3,012,632	2,679,610	3,316,914
Sewer	5,270,139	5,713,504	6,711,162	5,302,994	6,728,773	5,629,532	5,643,125	5,649,231	5,767,483	4,856,593
Total business-type activities expenses	8,171,243	8,595,560	9,503,980	7,781,688	10,032,299	8,515,359	8,760,865	8,661,863	8,447,093	8,173,507
Total primary government expenses	\$ 23,499,959	\$ 23,577,766	\$ 24,789,481	\$ 21,468,171	\$ 30,734,304	\$ 25,403,861	\$ 25,674,109	\$ 26,627,301	\$ 28,441,504	\$ 29,002,889
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 266,789	\$ 733,090	\$ 682,238	\$ 649,703	\$ 978,244	\$ 660,502	\$ 1,263,142	\$ 91,987	\$ 243,805	\$ 291,774
Public safety	874,614	715,743	627,424	716,467	93,443	113,331	120,152	272,432	243,369	137,642
Highways and streets	490,640	106,604	274,205	6,188	22,519	1,104	7,533	945	2,275	50,622
Culture and recreation	689,937	574,513	517,400	571,921	705,415	565,889	557,725	774,081	573,205	166,835
Economic development	-	-	-	-	-	457,432	403,044	1,307,278	1,579,828	2,349,952
Operating grants and contributions	1,911,075	1,948,383	1,915,475	1,993,925	1,962,709	2,052,681	2,156,971	2,582,883	4,346,664	2,682,578
Capital grants and contributions	522,817	840,242	885,093	1,286,163	350,449	266,679	502,857	934,723	2,506,331	5,372,006
Total governmental activities program revenues	4,755,872	4,918,575	4,901,835	5,224,367	4,112,779	4,117,618	5,011,424	5,964,329	9,495,477	11,051,409
Business-type activities:										
Charges for services:										
Water	3,297,812	3,236,888	3,166,878	3,277,605	3,415,661	3,293,342	3,399,943	3,804,029	3,990,442	4,330,970
Sewer	6,238,103	6,548,215	7,479,643	7,981,658	8,169,544	8,091,754	8,141,127	8,059,526	8,122,190	8,413,214
Capital grants and contributions	437,817	290,930	446,971	310,272	307,152	114,664	438,189	376,165	425,801	2,239,137
Total business-type activities program revenues	9,973,732	10,076,033	11,093,492	11,569,535	11,892,357	11,499,760	11,979,259	12,239,720	12,538,433	14,983,321
Total primary government program revenues	\$ 14,729,604	\$ 14,994,608	\$ 15,995,327	\$ 16,793,902	\$ 16,005,136	\$ 15,617,378	\$ 16,990,683	\$ 18,204,049	\$ 22,033,910	\$ 26,034,730

CITY OF WOODBURN, OREGON
CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net(expense)/revenue										
Governmental activities	\$ (10,572,844)	\$ (10,063,631)	\$ (10,383,666)	\$ (8,462,116)	\$ (16,589,226)	\$ (12,770,884)	\$ (12,151,820)	\$ (12,001,109)	\$ (10,498,934)	\$ (9,777,973)
Business-type activities	1,802,489	1,480,473	1,589,512	3,787,847	1,860,058	2,984,401	3,218,394	3,577,857	4,091,340	6,809,814
Total primary government net expense	\$ (8,770,355)	\$ (8,583,158)	\$ (8,794,154)	\$ (4,674,269)	\$ (14,729,168)	\$ (9,786,483)	\$ (8,933,426)	\$ (8,423,252)	\$ (6,407,594)	\$ (2,968,159)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 8,495,199	\$ 8,180,539	\$ 8,234,481	\$ 8,836,939	\$ 9,156,725	\$ 9,724,889	\$ 10,301,565	\$ 10,467,041	\$ 10,908,076	\$ 11,169,801
Franchise taxes	1,776,101	1,932,484	1,500,730	1,539,926	1,511,125	1,543,317	1,540,440	1,537,523	1,528,351	1,676,564
Other taxes	-	-	454,363	437,339	550,346	547,220	712,127	595,650	491,023	596,829
Unrestricted investment earnings	46,992	122,672	96,347	99,620	105,901	200,736	354,201	632,056	517,897	211,337
Intergovernmental	533,738	660,547	633,530	655,575	649,350	702,990	728,991	831,319	903,481	975,321
Miscellaneous	252,164	170,119	117,872	28,620	163,827	101,908	304,920	120,782	32,117	117,092
Gain on sale of capital assets	-	-	(69,877)	-	49,948	13,241	25,148	298,208	11,060	10,241
Transfers in (out)	711,000	333,578	663,841	680,212	688,937	650,141	364,299	979,533	1,040,253	745,467
Total governmental activities	11,815,194	11,399,939	11,631,287	12,278,231	12,876,159	13,484,442	14,331,691	15,462,112	15,432,258	15,502,652
Business-type activities:										
Unrestricted investment earnings	67,709	109,942	125,139	122,988	159,067	283,101	454,022	713,164	622,056	154,209
Miscellaneous	462	66,445	302,251	67,461	68,059	86,136	56,386	60,171	71,002	61,289
Gain on sale of capital assets	5,892	1,300	-	-	-	3,505	10,613	62,922	-	-
Transfers in (out)	(711,000)	(333,578)	(663,841)	(680,212)	(688,937)	(650,141)	(364,299)	(979,533)	(1,040,253)	(745,467)
Total business-type activities	(636,937)	(155,891)	(236,451)	(489,763)	(461,811)	(277,399)	156,722	(143,276)	(347,195)	(529,969)
Total primary government	\$ 11,178,257	\$ 11,244,048	\$ 11,394,836	\$ 11,788,468	\$ 12,414,348	\$ 13,207,043	\$ 14,488,413	\$ 15,318,836	\$ 15,085,063	\$ 14,972,683
Change in Net Position										
Governmental activities	\$ 1,242,350	\$ 1,336,308	\$ 1,247,621	\$ 3,816,115	\$ (3,713,067)	\$ 713,558	\$ 2,179,871	\$ 3,461,003	\$ 4,933,324	\$ 5,724,679
Business-type activities	1,165,552	1,324,582	1,353,061	3,298,084	1,398,247	2,707,002	3,375,116	3,434,581	3,744,145	6,279,845
Total primary government	\$ 2,407,902	\$ 2,660,890	\$ 2,600,682	\$ 7,114,199	\$ (2,314,820)	\$ 3,420,560	\$ 5,554,987	\$ 6,895,584	\$ 8,677,469	\$ 12,004,524

CITY OF WOODBURN, OREGON
FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Nonspendable	\$ -	\$ 1,470	\$ 740	\$ 1,467	\$ 936	\$ 3,064	\$ 18,230	\$ 31,972	\$ 23,390	\$ 24,888
Committed	-	-	-	-	-	-	-	1,678,280	-	-
Unassigned	2,744,299	3,280,970	3,577,032	4,159,081	4,889,982	6,249,717	7,472,054	6,246,115	6,812,532	8,521,253
Total general fund	\$ 2,744,299	\$ 3,282,440	\$ 3,577,772	\$ 4,160,548	\$ 4,890,918	\$ 6,252,781	\$ 7,490,284	\$ 7,956,367	\$ 6,835,922	\$ 8,546,141
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,300	\$ 3,300
Restricted	9,414,462	10,206,079	11,348,721	8,092,696	9,091,956	9,984,428	11,013,955	13,387,817	12,493,682	15,719,615
Committed	2,722,572	2,685,427	2,435,919	1,347,789	1,414,631	1,540,863	1,787,763	1,904,955	1,934,257	2,290,851
Total other governmental funds	\$ 11,991,402	\$ 12,891,506	\$ 13,784,640	\$ 9,427,247	\$ 10,503,769	\$ 11,525,291	\$ 12,801,718	\$ 15,292,772	\$ 14,431,239	\$ 18,013,766

CITY OF WOODBURN, OREGON
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes and assessments	\$ 9,029,638	\$ 8,626,652	\$ 8,786,364	\$ 9,329,720	\$ 9,748,024	\$ 10,325,164	\$ 10,780,981	\$ 11,282,658	\$ 11,384,659	\$ 11,774,892
Licenses and permits	2,376,808	2,479,695	2,954,980	3,124,804	2,748,872	2,509,315	3,198,381	3,667,362	3,896,131	5,673,817
Charges for services	681,414	1,008,368	901,197	1,351,102	1,364,684	1,260,038	1,153,372	1,422,284	930,786	477,163
Intergovernmental	2,551,139	2,954,951	2,674,698	3,371,886	2,733,371	2,930,985	3,178,254	3,513,833	6,420,257	7,312,012
Fines & forfeitures	734,377	589,574	571,831	673,377	426,867	420,305	395,164	343,790	352,400	667,444
Miscellaneous	542,192	316,536	540,782	454,140	683,371	562,957	784,799	1,193,261	1,306,767	822,465
Total revenues	15,915,568	15,975,776	16,429,852	18,305,029	17,705,189	18,008,764	19,490,951	21,423,188	24,291,000	26,727,793
Expenditures										
Current										
General government	1,507,850	1,536,687	1,641,493	3,164,615	3,790,736	3,257,197	3,447,310	1,361,472	4,397,582	2,317,327
Public safety	6,426,635	6,328,417	6,569,367	6,794,410	6,598,236	6,861,768	6,813,292	7,206,649	2,075,418	3,186,762
Highways and streets	1,127,439	990,756	1,003,547	2,005,328	1,777,030	1,529,569	1,808,443	1,994,020	7,574,867	7,708,918
Culture and recreation	3,818,454	3,589,437	3,845,430	4,280,701	2,874,788	2,997,742	3,063,827	3,883,640	1,654,523	1,499,613
Economic development	-	-	-	-	-	-	-	1,965,382	4,028,407	3,090,165
Capital outlay	1,723,398	1,415,390	1,379,516	5,073,930	277,571	473,208	1,309,506	6,578,234	5,540,458	2,347,640
Debt service										
Principal	507,785	526,296	560,172	584,429	436,479	400,399	456,675	516,000	1,303,000	1,348,000
Interest	268,897	249,237	228,861	206,832	185,327	169,937	117,094	70,208	174,881	148,437
Total expenditures	15,380,458	14,636,220	15,228,386	22,110,245	15,940,167	15,689,820	17,016,147	23,575,605	26,749,136	21,646,862
Excess of revenues over (under) expenditures	535,110	1,339,556	1,201,466	(3,805,216)	1,765,022	2,318,944	2,474,804	(2,152,417)	(2,458,136)	5,080,931
Other financing sources (uses)										
Proceeds from sale of capital assets	-	-	-	-	-	19,861	35,415	308,894	22,179	21,815
Proceeds from issuance of debt	-	-	-	-	-	-	-	4,600,000	-	-
Refunding bonds issued	-	-	-	-	-	-	3,749,000	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	(3,699,114)	-	-	-
Transfers in	1,029,674	1,279,532	1,430,985	853,858	294,248	419,236	829,268	2,658,488	2,943,348	390,000
Transfers out	(985,738)	(1,180,842)	(1,443,985)	(823,259)	(252,378)	(374,656)	(875,443)	(2,457,828)	(2,489,369)	(200,000)
Total other financing sources (uses)	43,936	98,690	(13,000)	30,599	41,870	64,441	39,126	5,109,554	476,158	211,815
Net change in fund balances	579,046	1,438,246	1,188,466	(3,774,617)	1,806,892	2,383,385	2,513,930	2,957,137	(1,981,978)	5,292,746
Fund balances at beginning of year	14,156,655	14,735,700	16,173,946	17,362,412	13,587,795	15,394,687	17,778,072	20,292,002	23,249,139	21,267,161
Fund balances at end of year	\$ 14,735,701	\$ 16,173,946	\$ 17,362,412	\$ 13,587,795	\$ 15,394,687	\$ 17,778,072	\$ 20,292,002	\$ 23,249,139	\$ 21,267,161	\$ 26,559,907
Debt service as a percentage of noncapital expenditures	5.7%	5.9%	5.7%	4.6%	4.0%	3.7%	3.7%	3.4%	7.1%	7.8%

REVENUE CAPACITY

CITY OF WOODBURN, OREGON
MARKET AND ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Residential Property (AV)	Farm Property (AV)	Commercial Property (AV)	Industrial Property (AV)	Personal Property (AV)	Utility Property (AV)	Total Measure 50 Assessed Value	Total Direct Tax Rate/ Thousand	Measure 5 Taxable RMV	Real Market Value	Assessed Value as a Percentage of Actual Value
2012	\$ 742,098,060	\$ 831,230	\$305,271,528	\$197,797,630	\$ 51,844,705	\$ 35,186,720	\$ 1,333,029,873	\$ 6.0534	\$1,604,777,765	\$ 1,850,222,994	72.047%
2013	703,075,530	857,650	313,388,630	190,486,580	48,092,497	35,977,800	1,291,878,687	6.0534	1,512,407,943	1,756,070,733	73.566%
2014	702,053,360	868,480	374,295,240	143,111,800	49,539,001	34,316,630	1,304,184,511	6.0534	1,503,013,174	1,751,863,757	74.446%
2015	779,859,386	476,270	376,129,580	148,705,150	53,477,977	38,981,380	1,397,629,743	6.0534	1,652,955,312	1,925,612,145	72.581%
2016	830,915,110	878,310	387,086,020	149,051,530	56,599,979	31,207,820	1,455,738,769	6.0534	1,778,119,364	2,056,463,271	70.788%
2017	868,154,380	883,320	404,525,450	159,818,080	57,908,292	33,592,820	1,524,882,342	6.0534	1,920,324,583	2,207,659,188	69.072%
2018	902,999,410	689,300	415,565,670	148,807,610	62,107,308	42,113,077	1,572,282,375	6.0534	2,136,350,540	2,429,890,960	64.706%
2019	932,416,020	942,330	432,522,080	149,454,580	63,865,513	52,194,300	1,631,394,823	6.0534	2,347,935,303	2,669,251,668	61.118%
2020	973,117,650	1,842,700	451,512,140	151,172,270	69,785,848	53,712,000	1,701,142,608	6.0534	2,582,277,844	2,921,850,774	58.221%
2021	1,008,494,619	1,001,800	461,377,890	151,870,950	69,785,848	51,814,596	1,744,345,703	6.0534	2,669,427,103	3,026,488,916	57.636%

Source: Marion County Assessor's Office (Schedule 5)

CITY OF WOODBURN, OREGON
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

<i>Fiscal Year Ended June 30</i>	<i>City of Woodburn (includes URA)</i>	<i>Marion County</i>	<i>Marion Soil & Water</i>	<i>Marion County Extension and 4-H</i>	<i>Woodburn Fire District</i>	<i>Woodburn School District</i>	<i>Willamette Regional ESD</i>	<i>Chemeketa Community College</i>	<i>Chemeketa Regional Library</i>	<i>Total</i>
2012	6.79	2.94	0.05	-	1.78	6.67	0.29	0.86	0.08	19.46
2013	6.84	2.94	0.05	-	1.69	6.83	0.29	0.88	0.08	19.59
2014	6.81	2.95	0.05	-	1.72	6.81	0.29	0.84	0.08	19.54
2015	6.73	2.95	0.05	-	1.73	6.34	0.29	0.88	0.08	19.04
2016	6.66	2.95	0.05	0.05	1.81	6.66	0.29	0.90	0.08	19.45
2017	6.66	2.95	0.05	0.05	1.75	6.76	0.29	0.89	0.08	19.46
2018	6.69	2.94	0.05	0.05	1.71	6.79	0.29	0.88	0.08	19.48
2019	6.71	2.94	0.04	0.05	1.73	6.77	0.29	0.88	0.08	19.48
2020	6.68	2.94	0.05	0.05	2.09	6.84	0.29	0.87	0.08	19.88
2021	6.68	2.94	0.05	0.05	2.07	6.87	0.29	0.88	0.08	19.90

Source: Marion County Assessor's Office

Tax rates expressed in dollars and cents per \$1,000 of assessed value of taxable property

CITY OF WOODBURN, OREGON
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

<i>Taxpayer</i>	<i>2021</i>			<i>2012</i>		
	<i>Taxable Assessed</i>	<i>Rank</i>	<i>Percentage of</i> <i>Total Taxable</i> <i>Assessed Value</i>	<i>Taxable</i> <i>Assessed Value</i>	<i>Rank</i>	<i>Percentage of</i> <i>Total Taxable</i> <i>Assessed Value</i>
	<i>Value</i>					
WinCo Foods LLC	\$ 74,842,198	1	3.19%	\$ 67,741,865	1	3.50%
Woodburn Premium Outlets LLC	70,264,829	2	2.99%			
Food Services of America Inc	29,901,360	3	1.27%	26,768,810	3	1.38%
Wal-Mart Real Estate Business TR	17,791,840	5	0.76%	14,305,600	6	0.74%
Hardware Wholesalers Inc	17,068,670	6	0.73%	14,722,700	4	0.76%
Portland General Electric Co	15,572,783	4	0.66%	14,416,440	5	0.74%
Cascade Meadow LLC	14,702,400	7	0.63%	11,606,240	7	0.60%
Crown 2 Development LLC	13,144,580	8	0.56%	10,376,480	8	0.54%
Northwest Natural Gas Co	13,028,000	9	0.55%	9,877,600	9	0.51%
Pacific Realty Associates LP	10,637,480	10	0.45%			
Craig Realty Group Woodburn				50,614,890	2	2.61%
Mid-Valley Plaza LLC				9,849,190	10	0.51%
Subtotal	276,954,140		11.80%	230,279,815		11.88%
All Other	2,070,981,163		88.20%	1,707,334,964		88.11%
Totals	\$ 2,347,935,303		100.0%	\$ 1,937,614,779		100.0%

Source: Marion County Assessor's Office

CITY OF WOODBURN, OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied by Assessor	Collected within the Fiscal Year of the Levy		Delinquent Taxes Collected	Total Collections to Date	
		Tax Collections	Percent of Levy		Total Tax Collections	Percent of Tax Levy
2012	\$ 8,659,913	\$ 8,099,206	93.53%	\$ 301,668	\$ 8,400,874	97.01%
2013	8,369,810	7,835,630	93.62%	308,748	8,144,378	97.31%
2014	8,410,177	7,924,202	94.22%	320,006	8,244,208	98.03%
2015	9,054,234	8,553,359	94.47%	276,179	8,829,538	97.52%
2016	9,421,624	8,943,387	94.92%	245,398	9,188,785	97.53%
2017	9,958,340	9,456,995	94.97%	254,254	9,711,249	97.52%
2018	10,323,495	9,832,811	95.25%	222,045	10,054,856	97.40%
2019	10,757,144	10,243,398	95.22%	443,608	10,687,006	99.35%
2020	11,214,218	10,624,844	94.74%	228,211	10,853,055	96.78%
2021	11,474,255	10,946,941	95.40%	226,240	11,173,181	97.38%

Source: Marion County Assessor's Office and City Records

DEBT CAPACITY

CITY OF WOODBURN, OREGON
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

<i>Fiscal Year</i>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>			<i>Total Outstanding Debt</i>	<i>Percentage of Personal Income (1)</i>	<i>Population (2)</i>	<i>Debt Per Capita</i>
	<i>Full Faith & Credit Bonds</i>	<i>Loans</i>	<i>Bonds</i>	<i>Loans</i>	<i>Bond Premiums</i>				
2012	\$ 5,365,000	\$ 868,449	\$ 39,810,720	\$ 5,910,647	\$ 2,694,009	\$ 54,648,825	5.32%	24,090	2,269
2013	5,065,000	642,154	37,674,655	5,559,833	2,624,932	51,566,574	4.94%	24,090	2,141
2014	4,745,000	401,982	35,126,768	5,194,240	2,555,855	48,023,845	4.50%	24,330	1,974
2015	4,410,000	152,553	32,082,220	4,813,265	2,210,469	43,668,507	4.09%	24,455	1,786
2016	4,060,000	66,074	29,302,005	4,416,251	2,072,315	39,916,645	3.59%	24,670	1,618
2017	3,690,000	35,675	26,384,767	4,002,523	1,934,160	36,047,125	3.37%	24,795	1,454
2018	3,328,000	-	22,893,978	3,571,377	1,796,006	31,589,361	2.89%	24,685	1,280
2019	2,812,000	4,600,000	22,158,072	-	1,657,852	31,227,924	2.86%	24,760	1,265
2020	2,301,000	3,808,000	18,786,241	-	1,519,698	26,414,939	2.42%	25,135	1,070
2021	1,762,000	2,999,000	4,790,100	-	-	9,551,100	0.82%	26,250	386

(1) Personal income is disclosed on pg 110

(2) Source: Portland State University Population Research Center

CITY OF WOODBURN, OREGON
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

<i>Fiscal Year Ended June 30</i>	<i>Population(1)</i>	<i>Assessed Value(2)</i>	<i>Full Faith & Credit Bond</i>	<i>Less Debt Service Fund</i>	<i>Net Bonded Debt</i>	<i>Ratio of Net Bonded Debt to Assessed Value</i>	<i>Per Capita</i>
2012	24,090	\$ 1,333,029,873	\$ 5,365,000	\$ 61,397	\$ 5,303,603	0.40%	223
2013	24,090	1,291,878,687	5,065,000	27,570	5,037,430	0.39%	210
2014	24,330	1,304,184,511	4,745,000	55,033	4,689,967	0.36%	195
2015	24,455	1,397,629,743	4,410,000	50,771	4,359,229	0.31%	180
2016	24,670	1,455,738,769	4,060,000	25,117	4,034,883	0.28%	165
2017	24,795	1,524,882,342	3,690,000	1,758	3,688,242	0.24%	149
2018	24,685	1,572,282,375	3,328,000	22,777	3,305,223	0.21%	135
2019	24,760	1,631,394,823	2,812,000	19,373	2,792,627	0.17%	114
2020	25,135	1,701,142,608	2,301,000	32,604	2,268,396	0.13%	92
2021	26,250	1,744,345,703	1,762,000	23,929	1,738,071	0.10%	67

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements

(1) Source: Portland State University Population Research Center

(2) Marion County Assessor's Office

CITY OF WOODBURN, OREGON**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT****JUNE 30, 2021**

<i>Jurisdiction</i>	<i>Total Net Debt</i>	<i>Percent Within City</i>	<i>City's Pro Rata Share</i>
Direct:			
City of Woodburn	\$ 2,415,000	* 100%	\$ 2,415,000
Overlapping:			
Chemeketa Community College	104,085,992	4.05%	4,212,256
Marion County	12,008,957	5.90%	708,108
Marion Cty SD 103 (Woodburn)	75,365,000	85.20%	64,211,055
Willamette ESD	6,845,261	3.68%	252,193
Woodburn RFPD 6	395,000	71.56%	282,679
Total overlapping	198,700,210		69,666,291
 TOTAL	 <u>\$ 201,115,210</u>		 <u>\$ 72,081,291</u>

Source: Debt Management Division, Oregon State Treasury

Excluding Revenue Bonds and Urban Renewal Loan

Overlapping governments are those with taxing boundaries that intersect with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Woodburn. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

CITY OF WOODBURN, OREGON
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Limit	\$ 55,506,690	\$ 52,682,122	\$ 52,555,913	\$ 57,768,364	\$ 61,693,898	\$ 66,229,776	\$ 72,896,729	\$ 80,077,550	\$ 87,655,523	\$ 90,794,667
Total net debt applicable to limit	<u>5,365,000</u>	<u>5,065,000</u>	<u>4,745,000</u>	<u>4,410,000</u>	<u>4,060,000</u>	<u>3,690,000</u>	<u>3,328,000</u>	<u>2,812,000</u>	<u>2,301,000</u>	<u>1,762,000</u>
Legal debt margin*	<u>\$ 50,141,690</u>	<u>\$ 47,617,122</u>	<u>\$ 47,810,913</u>	<u>\$ 53,358,364</u>	<u>\$ 57,633,898</u>	<u>\$ 62,539,776</u>	<u>\$ 69,568,729</u>	<u>\$ 77,265,550</u>	<u>\$ 85,354,523</u>	<u>\$ 89,032,667</u>
Total net debt applicable to the limit as a percentage of debt limit	9.67%	9.61%	9.03%	7.63%	6.58%	5.57%	4.57%	3.51%	2.63%	1.94%

*ORS 287.004 provides a debt limit of 3% of the true cash value (market) of all taxable property within the City boundaries. The legal debt margin has been calculated in accordance with the provisions of ORS 287.004.

CITY OF WOODBURN, OREGON
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

<i>Water Revenue Bonds</i>								<i>Sewer Revenue Bonds</i>					
<i>Fiscal Year</i>	<i>Customer Accounts (1)</i>	<i>Water Charges and Other</i>	<i>Less: Operating Expenses</i>	<i>Net Available Revenue</i>	<i>Coverage Ratio</i>	<i>Debt Service (2)</i>		<i>Sewer Charges and Other</i>	<i>Less: Operating Expenses</i>	<i>Net Available Revenue</i>	<i>Coverage Ratio</i>	<i>Debt Service</i>	
						<i>Principal</i>	<i>Interest</i>					<i>Principal</i>	<i>Interest</i>
2012	6,560	\$ 3,538,655	\$ 1,836,024	\$ 1,702,631	147%	\$ 596,127	\$ 559,127	\$ 6,449,356	\$ 3,254,365	\$ 3,194,991	230%	\$ 1,125,000	\$ 264,306
2013	6,688	3,378,356	1,885,250	1,493,106	129%	621,879	536,114	6,743,789	2,704,917	4,038,872	137%	1,865,000	1,085,663
2014	6,843	3,642,963	1,980,775	1,662,188	143%	648,318	511,310	7,745,069	3,054,415	4,690,654	142%	2,265,153	1,044,559
2015	6,770	3,498,255	2,003,865	1,494,390	129%	670,523	485,175	8,227,617	3,350,879	4,876,738	131%	2,755,000	972,713
2016	6,843	3,610,982	2,057,945	1,553,037	134%	698,544	457,554	8,389,017	3,679,317	4,709,700	139%	2,478,685	901,378
2017	6,942	3,450,925	2,159,366	1,291,559	112%	727,319	428,778	8,328,364	3,258,739	5,069,625	143%	2,603,647	930,166
2018	7,116	3,746,609	2,306,840	1,439,769	125%	756,935	398,503	8,553,805	3,475,568	5,078,237	131%	3,165,000	724,563
2019	7,024	4,202,849	2,559,996	1,642,853	142%	1,016,000	142,066 **	8,826,289	3,755,779	5,070,510	119%	3,615,000	629,620
2020	7,070	4,445,819	2,429,005	2,016,814	124%	1,422,000	202,948 **	8,746,440	3,372,360	5,374,080	120%	3,469,529	999,334
2021	7,267	5,469,975	2,749,290	2,720,685	174%	1,402,000	161,435 **	9,714,934	4,062,974	5,651,960	542%	-	1,042,861 **

(1) City of Woodburn Financial System

(2) City of Woodburn Debt Service Schedules

**Debt service excludes principal and interest on refunded or defeased debt

DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF WOODBURN, OREGON
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<i>Fiscal Year</i>	<i>Population (1)</i>	<i>Total personal income</i>	<i>Per capita personal income (2)</i>	<i>Median age (2)</i>	<i>Unemployment rate (3)</i>	<i>School Enrollment K-12 (4)</i>
2012	24,090	\$ 1,027,679,400	\$ 42,660	32.5	9.7%	5,160
2013	24,090	1,043,843,790	43,331	31.9	8.7%	5,273
2014	24,330	1,067,576,070	43,879	33.5	7.3%	5,342
2015	24,455	1,067,852,030	43,666	33.7	6.1%	5,390
2016	24,670	1,113,406,440	45,132	33.5	5.3%	5,604
2017	24,795	1,068,490,935	43,093	33.6	4.5%	5,604
2018	24,685	1,091,768,180	44,228	33.4	4.0%	5,544
2019	24,760	1,164,759,920	47,042	32.9	4.2%	5,544
2020	25,135	1,182,400,670	47,042	32.9	4.2%	5,628
2021	26,250	1,314,941,250	50,093	33.9	5.4%	5,634

(1) Source: Portland State University Population Research Center

(2) United States Census Bureau American Community Survey 5-year Estimates

(3) Annual average (Source: State of Oregon Employment Department)

(4) Woodburn School District: Oregon Average Daily Membership (ADM) Annual Report

CITY OF WOODBURN, OREGON
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

<i>Employer</i>	<i>2021</i>			<i>2011</i>		
	<i>Employees</i>	<i>Rank</i>	<i>Percentage of total city employment</i>	<i>Employees</i>	<i>Rank</i>	<i>Percentage of total city employment</i>
Winco Foods	550-600	1	5.25%	450-500	2	5.54%
Woodburn School District	550-550	2	4.73%	750-800	1	9.03%
US Foods	450-500	3	4.36%	450-500	3	5.54%
Bruce Packing Co., Inc.	350-400	4	3.42%	150-200	8	2.04%
MacLaren YCF	350-400	5	3.27%	-	-	-
Wal Mart Associates Inc	250-300	6	2.62%	300-350	4	3.79%
Fleetwood Homes Inc.	200-250	7	1.80%	50-100	15	0.87%
Kerr Contractors Oregon Inc.	150-200	8	1.59%	100-150	9	1.46%
Fjord LLC	150-200	9	1.40%	-	-	-
City of Woodburn	150-200	10	1.36%	200-250	6	2.62%
RMZ Labor Contractor LLC	150-200	11	1.34%	-	-	0.00%
Al's Garden Centers & Greenhouses	100-150	12	1.21%	100-150	10	1.46%
Do It Best Corp	100-150	13	1.20%	50-100	17	0.87%
Safeway Stores, Inc.	100-150	14	1.14%	100-150	12	1.46%
Woodburn Nursery & Azaleas Inc	100-150	15	1.10%	-	-	-
Nike Retail Services, Inc.	100-150	16	1.09%	50-100	16	0.87%
Oregon Child Development Coalition	100-150	17	1.04%	100-150	11	1.46%
Dominguez Labor Contractor Inc	100-150	18	1.03%	-	-	-
Wave	100-150	19	1.02%	25-50	28	0.44%
Salud Medical Center	100-150	20	0.94%	100-150	13	1.46%
A & R Farm Labor LLC	100-150	21	0.88%	-	-	-
Universal Forest Products Woodburn LLC	50-100	22	0.84%	100-150	14	1.46%
Woodburn Health Center	50-100	23	0.81%	50-100	18	0.87%
Triplett Wellman Inc.	50-100	24	0.78%	25-50	30	0.44%
Corona Farm Labor LLC	50-100	25	0.77%	-	-	-
District Office/Welcome Center	50-100	26	0.77%	-	-	-
Country Meadows Village LLC	50-100	27	0.70%	50-100	20	0.87%
Speciality Polymers Inc	50-100	28	0.65%	25-50	29	0.44%
French Prairie Nursing & Rehab	50-100	29	0.64%	-	-	-
Gem Equipment of Oregon, Inc.	50-100	30	0.62%	50-100	19	0.87%
Woodburn Mega Foods	50-100	31	0.62%	50-100	21	0.87%
Wolfers Heating and Air Conditioning	50-100	32	0.60%	25-50	32	0.44%
United Pacific Forest Products	50-100	33	0.56%	25-50	31	0.44%
Kerr Management Company Inc	50-100	34	0.52%	-	-	-
Townsend Farms, Inc	50-100	35	0.50%	-	-	-
TJX Co Inc.	50-100	36	0.45%	-	-	-
JAM Labor Services LLC	50-100	37	0.44%	-	-	-
Oregon Family Labor LLC	50-100	38	0.44%	-	-	-
The North Face	50-100	39	0.44%	-	-	-
Ashland Brothers Landscaping Inc	25-50	40	0.42%	-	-	-
Truss T Structures Inc	25-50	41	0.42%	25-50	34	0.44%
United Disposal Service Inc	25-50	42	0.41%	50-100	22	0.87%
Tree Top Inc	25-50	43	0.39%	25-50	36	0.44%
Darigold Inc	25-50	44	0.38%	-	-	-
Greentree III Inc	25-50	45	0.38%	-	-	-
Heartwood Place	25-50	46	0.37%	-	-	-
Sanchez Valley Labor Contractor LLC	25-50	47	0.37%	-	-	-
Brother Farm Labor Contractor LLC	25-50	48	0.36%	-	-	-
Cascade Park Retirement Center	25-50	49	0.36%	50-100	23	0.87%
Red Robin Gourmet Burgers & Brews	25-50	50	0.36%	-	-	-
Subtotal	6,843		57.16%	4,589		53.50%
All Other	5,129		42.84%	3,989		46.50%
Total	11,972		100.0%	8,578		100.0%

OPERATING INFORMATION

CITY OF WOODBURN, OREGON
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

<i>Function</i>	<i>Actual</i>										<i>Budgeted</i>
	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
General government	18.9	20.2	21.5	21.5	20.9	20.9	21.7	23.1	23.1	24.6	24.2
Public safety	40.5	40.0	39.6	41.1	42.6	42.7	43.6	43.6	43.6	45.8	46.8
Highways and streets	28.9	15.0	14.0	14.0	11.8	12.8	12.8	13.0	14	14	15
Culture and recreation	48.1	42.0	45.8	49.9	50.1	51.0	51.2	51.7	57.8	58.3	52.3
Economic development	-	-	-	-	1.0	0.5	1.0	1.0	0.9	0.9	0.9
Sewer	16.0	15.0	15.0	15.0	15.0	14.0	14.0	14.0	14	14	15
Water	9.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	10.5	10.5	10
Total	161.3	143.2	146.8	152.5	152.4	152.9	155.3	157.4	163.9	168.1	164.2

Source: Annual Adopted Budget Book and City Records

CITY OF WOODBURN, OREGON
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Police calls	18,570	18,127	18,145	17,062	14,744	14,934	15,679	14,848	13,423	*
Authorized staffing	32	32	32	32	34	34	34	35	35	
Arrests	1,752	1,449	1,777	1,441	1,003	1,060	989	956	881	*
Offenses	3,231	2,757	3,212	3,119	2,871	3,408	3,534	2,952	3,257	*
Culture and recreation										
Park Acreage	110	110	110	110	110	128	128	128	128	*
Library attendance	178,203	150,127	138,607	132,575	135,317	125,153	114,987	116,223	82,066	*
Aquatics attendance	127,663	139,248	144,459	148,885	144,810	140,834	164,646	170,415	111,145	*
Sports, programs, and event attendance	8,789	8,405	12,459	12,200	29,424	30,578	32,701	36,521	29,779	*
Public transportation										
Fixed route rides	33,877	47,454	34,222	34,869	32,684	25,533	24,786	22,374	14,405	*
Dial-A-Ride trips	6,456	5,622	5,097	11,842	6,221	6,224	6,952	6,696	5,271	*
Out of town medical rides	1,630	1,742	1,972	2,441	1,321	1,473	1,445	2,368	1,850	*
Community development										
Building permits issued	186	263	279	230	386	171	226	160	161	*
Water										
Production capacity	2 mgd	2mgd	2mgd	2 mgd	2mgd	2mgd	2mgd	2mgd	2mgd	2mgd
Customers served	6,560	6,688	6,843	6,770	6,843	6,942	7,116	7,315	7,212	*
Wastewater										
Average daily treatment	2-3 mgd	2-3 mgd	2-3 mgd	2-3 mgd	2-3 mgd	2-3 mgd	2-3 mgd	2-3 mgd	2-3 mgd	2-3 mgd

*Information unavailable at this time

Source: FY 2021-22 Budget: City Statistics - Services

CITY OF WOODBURN, OREGON
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Highways and streets										
Streets (center lane miles)	64	64	64	64	64	64	65	65	65	65
Culture and recreation										
Parks acreage	128	128	128	128	128	128	128	128	128	128
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	1	1	1	1	1	1	1	1	1	1
Community centers	0	0	0	0	0	0	0	0	0	0
Sewer										
Number of connections	6182	6230	6317	6414	6479	6503	6558	6558	6642	6976
Maximum daily treatment capacity (millions of gallons)	16	16	16	16	16	16	16	16	16	16

¹There are no traffic signals on city-owned streets, only on county and state roads.

Street lights are owned and maintained by PGE

Source: City Departments

OTHER INFORMATION

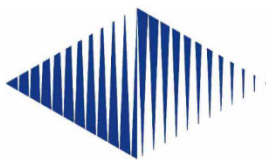
CITY OF WOODBURN, OREGON
WATER SYSTEM COVERAGE CALCULATION
LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Customer Accounts	3,893	4,280	4,426	4,844	5,393	5,950	6,579	6,760	6,617	7,197
Revenues:										
Charges for Services	\$ 3,217,518	\$ 3,236,888	\$ 3,166,879	\$ 3,277,605	\$ 3,415,661	\$ 3,293,342	\$ 3,399,943	\$ 3,804,029	\$ 3,990,472	\$ 4,330,970
Miscellaneous	55,010	58,454	303,593	60,055	67,290	58,922	79,062	120,234	61,379	56,410
Interest	1,862	3,827	7,498	9,078	12,425	22,231	39,618	62,422	59,579	24,401
SDC	264,265	79,187	164,993	151,517	115,606	76,430	227,986	216,164	334,389	1,058,194
<i>Total Gross Revenues</i>	3,538,655	3,378,356	3,642,963	3,498,255	3,610,982	3,450,925	3,746,609	4,202,849	4,445,819	5,469,975
Operating Expenditures										
Personal Services	1,195,296	1,287,000	1,244,302	1,168,912	1,172,688	1,284,183	1,382,962	1,349,044	1,463,652	1,574,854
Materials & Services	640,727	598,109	736,473	834,953	885,257	875,184	923,878	1,210,952	760,029	1,174,436
<i>Total Operating Expenses</i>	1,836,024	1,885,109	1,980,775	2,003,865	2,057,945	2,159,367	2,306,840	2,559,996	2,223,681	2,749,290
<i>Water Fund Balance, End of Year</i>	\$ 4,182,194	\$ 4,517,447	\$ 5,020,007	\$ 5,358,699	\$ 5,755,638	\$ 3,473,585	\$ 3,757,916	\$ 4,242,704	\$ 5,042,842	\$ 6,200,092
Net Revenues	1,702,632	1,493,247	1,662,188	1,494,390	1,553,037	1,291,558	1,439,769	1,642,853	2,222,138	2,720,685
Total Debt Service	1,155,416	1,157,994	1,159,628	1,155,698	1,156,098	1,156,097	1,155,438	1,158,065	1,422,000	1,563,435
<i>Debt Service Coverage</i>	147%	129%	143%	129%	134%	112%	125%	142%	156%	174%

CITY OF WOODBURN, OREGON
MAJOR WATER SYSTEM CUSTOMERS
JUNE 30, 2021

<i>#</i>	<i>Customer Name</i>	<i>Industry</i>	<i>2021</i>	<i>% of Total Charges</i>
1	SPECIALTY POLYMER	Industrial	\$ 68,935	1.6%
2	CASCADE MEADOWS APARTMENTS	Multi Family	51,742	1.2%
3	STONEHEDGE COURT	Multi Family	51,741	1.2%
4	WOODBURN PREMIUM OUTLETS, LLC	Commercial	40,673	1.0%
5	MARION CO HOUSING AUTHORITY	Commercial	31,930	0.8%
6	HARVARD MEADOWS	Multi Family	31,793	0.8%
7	WOODBURN WEST MOBILE ESTATES	Multi Family	29,335	0.7%
8	AMERICOLD LOGISTICS	Commercial	28,281	0.7%
9	NAIV HOUSING LP	Multi Family	27,147	0.6%
10	COUNTRY MEADOWS VILLAGE	Multi Family	24,635	0.6%
Subtotal			\$ 386,212	
Total Water Charges			\$ 4,208,143	

COMPLIANCE SECTION



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Honorable Mayor and Council Members
City of Woodburn
270 Montgomery Street
Woodburn, Oregon 97071

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Woodburn as of and for the year ended June 30, 2021, and have issued our report thereon dated December 22, 2021.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Woodburn's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Accountability for collecting or receiving money by elected officials – no money was collected or received by elected officials.**

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 grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except expenditures in excess of appropriations as noted in the footnotes to the financial statements.

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 to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

See the Independent Auditor's Report 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* for additional comments.

Restriction on Use

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

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, A Shareholder
December 22, 2021

Woodburn Urban
Renewal Agency
(A Component Unit of the
City of Woodburn, OR)



Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

***WOODBURN URBAN RENEWAL AGENCY
(A COMPONENT UNIT OF THE
CITY OF WOODBURN, OREGON)
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2021***

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
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JUNE 30, 2021

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INTRODUCTORY SECTION

Introduction

Urban renewal agencies are required to prepare an annual report for the governing body and the public in accordance with Oregon Revised Statute 457.460 (ORS 457.460). The report includes a financial summary of the preceding year and the budget for the new fiscal year. It also includes an analysis of the financial impact of carrying out the urban plan on the tax collections for all taxing districts.

The following elements must be included as part of the financial summary:

- ♦ the amount of money received during the preceding fiscal year;
- ♦ the purposes and amounts for which any money received were expended during the preceding fiscal year;
- ♦ an estimate of moneys to be received during the current fiscal year;
- ♦ a budget setting forth the purposes and estimated amounts for moneys that are to be expended during the current fiscal year;
- ♦ an analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year.

The Urban Renewal Concept

Urban renewal is a process authorized by Oregon law (ORS 457) to finance improvements in those neighborhoods and districts in need of revitalization with the intent to improve underdeveloped areas or areas that have declined resulting in stagnated private development or investment. More specifically, urban renewal is a funding method used to economically revitalize areas of “blight” through public investments that stimulate private development. Examples of blight include buildings that are unsafe or unfit for occupancy, inadequately maintained streets, or areas with environmental impacts. Due to these “blighted” conditions, private developers, property owners or business owners are unable to generate sufficient returns on potential development in the area. As a result, private investment stalls and the blighted conditions remain.

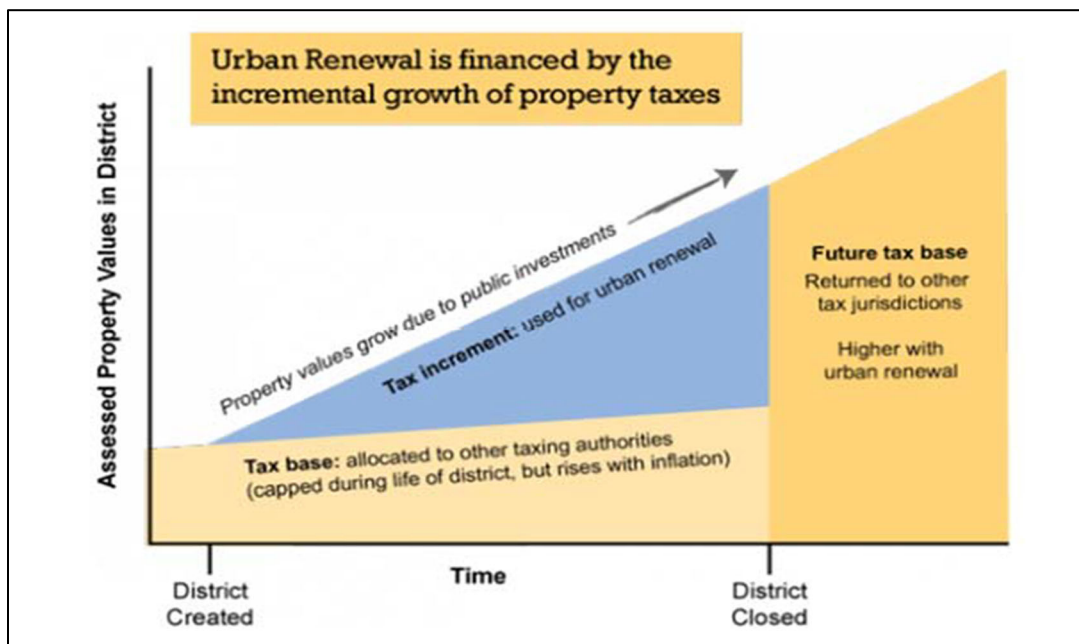
The types of urban renewal activities undertaken generally include development of infrastructure and public amenities (i.e., streetscape and infrastructure improvements, lighting, public open spaces, building improvements, parks, etc.) and with these publicly funded efforts, investment becomes achievable for private developers. Urban renewal allows a city to increase the level of public investment by providing funds that can be used to match regional, state or federal funds for specific projects.

The goal is encourage private sector investment for the majority of the redevelopment funding by selectively investing over a period of time. With the initial commitment of public funding the plan can achieve the goals to construct necessary streetscape infrastructure improvements and provide public amenities and to attract private investment.

Tax Increment Financing

The major source of funding for urban renewal projects has been tax increment financing. Once an urban renewal district is established, the tax valuation for the district is “frozen”. As properties appreciate, the increase in taxes (the “increment”) generated above the frozen base are used to pay for the outlay or debt on specific projects within the urban renewal plan.

This tax increment financing identifies an area where property values are not rising as rapidly as the rest of the community; drawing a line around it; planning for major public improvements like roadways, street lighting, parks, and other amenities; securing funds to finance the public costs; implementing the plans for public improvement; and encouraging private investment in the area. Then, as property values rise and bring an increase in tax revenues, that increase sets the limit for the property taxes levied to pay off urban renewal bonds.



During the 1990's, three Ballot Measures: Measure 5 (1990), Measure 47 (1996), and Measure 50 (1997) made significant changes to Oregon's system of property taxation influencing urban renewal programs and tax increment revenue calculations. Those provisions provide the basic framework for revenue calculations in this report.

To determine the amount of the taxes levied, the total assessed value within each urban renewal area is segregated by the County Assessor into two parts: (a) the total taxable assessed value in the district at the time the Urban Renewal Plan was adopted (the base or “frozen” value); and (b) the difference between the frozen base value and the current total assessed value (the incremental value or “excess”). The urban renewal agency is entitled to the amount of property taxes levied on the increase in property values within the urban renewal area. This revenue is used to pay for the projects designated in the Urban Renewal Plan or to repay indebtedness incurred in carrying out the projects.

Woodburn's Urban Renewal Plan

The City of Woodburn established the Woodburn Urban Renewal District pursuant to Oregon Revised Statutes (ORS) Chapter 457, the Oregon Constitution, and all applicable laws and ordinances on March 13, 2001, upon adoption of Ordinance 2283. On August 13, 2001, the City adopted Ordinance 2298 establishing the maximum indebtedness of the Plan of \$29.3 million. The City's urban renewal redevelopment area consists of approximately 260 acres, all within the Woodburn city limits. In general, the area includes the historic downtown, Front Street to Highway 214 and Highway 214 to redevelopment sites on Stacy Allison, Young Street to Highway 99 and Highway 99 to Highway 211. The Woodburn's urban renewal is governed by the Urban Renewal Agency, which consists of the City's Mayor and City Council members.

The Urban Renewal Plan states the following overall renewal goals:

- Public improvements
- Redevelopment through new construction
- Preservation, rehabilitation, development and redevelopment
- Property acquisition and disposition
- Plan administration

The Core Values created by the Urban Renewal Agency are as follows:

- Ensure positive return on investment
- Cultivate resources and investment in underutilized or blighted areas
- Job creation
- Economic vitality
- Establish downtown as a destination
- Historic preservation and cultural interpretation

Urban Renewal Impact

The Woodburn Urban Renewal program has played a key role in revitalization. Through public investments and business development partnerships, urban renewal will continue to be a catalyst for making Woodburn a more economically vital, livable and sustainable place. The number of significant public investments include Downtown Plaza, Historic Locomotive, Front Street, Fire Station, First Street, Downtown Alleyways, Downtown Public Restroom, Bungalow Theater, and Building Improvement Grant/Loan Program.

Major Project Costs by Year				
Capital Outlay Project Description	Actual 2018-19	Actual 2019-20	Actual 2020-21	Budget 2021-22
Pix Building	311,954			
Land Purchase	43,172	846		
First Street Design/Reconstruction	2,549,512	2,059,662	29,470	98,000
Alleyway Beautification	16,785	2,102,660		
Historic City Hall Building			7,586	50,000
Historic Locomotive Shelter				50,000
First & Cleveland Public Parking Lot				
Downtown Plaza Water Fountain				
Rehab			9,730	
Bungalow Theater/Museum				
Restoration	303,845	114,140	46,260	100,000
50/50 Sidewalk Improvement Program				75,000
Signage and Lighting				50,000
Other Improvements/Professional Services				85,000
Public Arts and Mural Program	30,632	45,387	18,665	50,000
	3,255,900	4,322,695	111,711	558,000

Effect of Urban Renewal on Taxing Districts

Carrying out an urban renewal plan has an effect on the amount of property taxes received by the overlapping taxing districts of Woodburn's urban renewal areas. A portion of property taxes that were to be received by the taxing bodies that levy property taxes within Woodburn's urban renewal areas are redirected to Woodburn's Urban Renewal Agency for the agency's projects and programs.

Passage of Ballot Measure 50 (Article XI, Section 11 of the Oregon Constitution) resulted in converting most property taxes (i.e., tax bases) from a levy-based system to a rate-based system. Schedules provided later in this Report reflect the "post" Measure 50 financial impact by taxing district for Woodburn's Urban Renewal. The following schedules show the impact of the division of taxes on the overlapping taxing jurisdictions for the prior fiscal year and the current fiscal year.

The schedules include each taxing entity's:

- Permanent taxing rate is the levy imposed on every thousand dollars of assessed property value
- Adjusted district rate is the rate that the district will receive net of the URA calculation

Woodburn Urban Renewal Agency
Financial Impact Report
Fiscal Year Ended June 30, 2021

- URA division of tax rate is the rate redirected from the taxing entity to the urban renewal agency
- Shared value is the common value of the underlying properties within the URA and the overlapping taxing entities
- Calculated property taxes from each taxing entity that is redirected to the urban renewal agency

Woodburn Urban Renewal Agency (URA) Financial Impact of the Division of Taxes on Overlapping Taxing Jurisdictions Fiscal Year Ending June 30, 2021					
Taxing District	Permanent Rate	Adjusted District Rate	URA Division of Tax Rate	District Shared Value	Division of Tax
Marion County	\$ 3.0252	2.9359	0.0893	1,744,345,703	\$ 151,946
City of Woodburn	6.05	5.87	0.18	1,744,345,703	304,042
Woodburn SD	4.52	4.39	0.13	1,744,345,703	227,261
Woodburn FD	1.60	1.55	0.05	1,744,345,703	80,408
Willamette Regional ESD	0.30	0.29	0.01	1,744,345,703	14,902
Chemeketa Community College	0.63	0.61	0.02	1,744,345,703	31,437
Regional Library	0.08	0.08	0.00	1,744,345,703	4,109
Marion Soil & Water	0.05	0.05	0.00	1,184,609,250	1,248
MC & 4-H Extension Service	0.05	0.0486	0.0014	1,744,345,703	2,511
Totals	\$ 16.309	\$ 15.828	\$ 0.481		817,863
% of Total Permanent Rate			2.95%		
Less: Truncation Loss					-
Less: Compression Loss					-
Total URA Levy					\$ 817,863

MAYOR AND COUNCIL MEMBERS

<u><i>Name</i></u>	<u><i>Term Expires</i></u>
<i>Mayor</i>	
Eric Swenson	December 31, 2022
<i>Council Members</i>	
Debbie Cabrales	December 31, 2024
Ali Swanson	December 31, 2024
Robert Carney	December 31, 2022
Sharon Schaub	December 31, 2022
Mary Beth Cornwell	December 31, 2022
Ben Puente Jr.	December 31, 2024

The above individuals may be contacted at the address below.

Staff

Scott Derickson, City Administrator
N. Robert Shields, City Attorney
Anthony Turley, Finance Director

City of Woodburn, Oregon
270 Montgomery Street
Woodburn, Oregon 97071

FINANCIAL SECTION



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

www.gmscpa.com

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Woodburn Urban Renewal Agency
270 Montgomery Street
Woodburn, Oregon 97071

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Woodburn Urban Renewal Agency (a component unit of the City of Woodburn, Oregon) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Woodburn Urban Renewal Agency, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis (MD&A) and the schedule of revenues, expenditures and changes in fund balances - budget to actual (budgetary schedule) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The budgetary schedule described above was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The budgetary schedule 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 schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.


Other Information

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

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 22, 2021, on our consideration of the Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 

Ryan T. Pasquarella, A Shareholder
December 22, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

WOODBURN URBAN RENEWAL AGENCY MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Woodburn Urban Renewal Agency (the Agency), we offer readers of the Agency's basic financial statements this narrative overview and analysis of the financial activities of the Agency as of June 30, 2021 and for the fiscal year then ended. We encourage readers to consider the information presented here in conjunction with the Agency's basic financial statements in the financial section of this report.

Financial Highlights

Following are the financial highlights of the Agency for the year ended June 30:

	<i>June 30,</i>		
	<i>2021</i>	<i>2020</i>	<i>Change</i>
Net position (deficit)	\$ (822,834)	\$ (1,256,224)	\$ 433,390
Change in net position	433,390	(956,035)	1,389,425

Overview of the Basic Financial Statements

The Agency's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements. The government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities. These two statements are designed to provide readers with a broad overview of the Agency's finances utilizing the full accrual method of accounting, in a manner similar to a private-sector business. Under the full accrual method of accounting, transactions are reported as soon as the underlying event(s) giving rise to the change occurs, regardless of the timing of related cash flows. Thus, assets, liabilities, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (i.e. uncollected revenues and accrued but unpaid interest).

The Statement of Net Position presents information on all of the Agency's assets and liabilities, including capital assets and long-term liabilities, with the difference between the two 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 Agency as a whole is improving or deteriorating.

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year.

Fund financial statements. The fund financial statements focus on current available resources and are organized on the basis of funds, each of which is defined as a fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-17.

Required Supplementary Information

The required supplementary information includes the schedule of revenues, expenditures, and changes in fund balances – budget and actual for the Urban Renewal fund.

Statement of Net Position

The following table reflects the condensed statement of net position compared to the prior year.

	<i>June 30,</i>	
	<i>2021</i>	<i>2020</i>
ASSETS		
Cash and investments	\$ 1,568,480	\$ 1,614,325
Property tax receivable	37,677	30,517
<i>Total Assets</i>	<i>1,606,157</i>	<i>1,644,842</i>
LIABILITIES		
Other liabilities	50,991	261,066
Long-term liabilities	2,378,000	2,640,000
<i>Total Liabilities</i>	<i>2,428,991</i>	<i>2,901,066</i>
NET POSITION (DEFICIT)		
Restricted for economic development	\$ (822,834)	\$ (1,256,224)

The Agency's liabilities exceeded assets by \$822,834.

The Agency has recorded the following assets as of June 30, 2021: Cash and investments of \$1,568,480 and property taxes receivable of \$37,677.

Liabilities of are comprised of accounts payable and amounts due to the City for personnel and other costs of \$50,991, and long-term debt of \$2,378,000 at June 30, 2021.

Statement of Activities

The following table reflects the condensed statement of net position compared to the prior year.

	<i>Year Ended June 30,</i>	
	<i>2021</i>	<i>2020</i>
REVENUES		
Property taxes	774,492	\$ 777,541
Intergovernmental	77,846	1,040,152
Miscellaneous	16,085	42,547
<i>Total Revenues</i>	868,423	1,860,240
EXPENSES		
Economic development	257,779	369,189
Interest on long-term debt	73,128	74,975
<i>Total Expenses</i>	330,907	444,164
REVENUES OVER EXPENSES	537,516	1,416,076
TRANSFERS TO CITY OF WOODBURN	(104,126)	(2,372,111)
CHANGE IN NET POSITION	433,390	(956,035)
NET POSITION (DEFICIT), beginning of year	(1,256,224)	(300,189)
NET POSITION (DEFICIT), end of year	\$ (822,834)	\$ (1,256,224)

Property taxes totaling \$774,492 comprise 89% of the Agency's revenue and are derived from the tax increment assessment within the Agency's boundaries. The remaining revenue is comprised of \$77,846 in intergovernmental revenue and \$16,085 in interest earnings. Economic development expenses for the year ended June 30, 2021 consisted of \$257,779 in reimbursements for materials and services and \$73,128 in interest on long-term debt.

Financial Analysis of the Fund

The Agency maintains a single fund used to account for activities supported by the property tax increment.

As of June 30, 2021 the Agency's governmental fund reported a fund balance of \$1,520,973 or an increase of \$166,661 over the prior year. This is due mainly to a decrease in urban renewal capital projects.

Budgetary Highlights

The budget was amended to increase intergovernmental revenue and capital outlay in the amount of \$100,000. The changes were amended through a supplemental budget.

Capital Assets and Debt Administration

The Agency has no capital assets. All assets constructed with urban renewal funds are property of the City (see the City of Woodburn financial statements).

At June 30, 2021, the Agency had \$2,378,000 in long-term debt outstanding compared with \$2,640,000 in the prior year. The decrease is due to scheduled debt repayment.

	<i>June 30,</i>	
	<i>2021</i>	<i>2020</i>
Note payable	\$ 2,378,000	\$ 2,640,000

Additional information about the Agency's debt is presented on page 16 in the notes to the financial statements.

Financial Contact

The Agency's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the Agency's finances and to demonstrate the Agency's accountability.

Any questions or request for additional information should be directed to the City of Woodburn at 270 Montgomery Street, Woodburn, Oregon.

BASIC FINANCIAL STATEMENTS

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

ASSETS

Current assets

Cash and investments	\$ 1,568,480
Property taxes receivable	37,677

Total Assets 1,606,157

LIABILITIES

Current liabilities

Accounts payable	50,991
------------------	--------

Noncurrent liabilities - long-term debt

Due within one year	269,000
Due in more than one year	2,109,000

Total Liabilities 2,428,991

NET POSITION (DEFICIT)

Restricted for economic development	\$ (822,834)
-------------------------------------	--------------

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

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2021

REVENUES

Taxes and assessments	\$ 774,492
Intergovernmental	77,846
Miscellaneous	16,085

<i>Total Revenues</i>	868,423
-----------------------	---------

EXPENSES

Economic development	257,779
Interest on long-term debt	73,128

<i>Total Expenses</i>	330,907
-----------------------	---------

REVENUES OVER EXPENSES	537,516
-------------------------------	---------

TRANSFER TO CITY OF WOODBURN	(104,126)
-------------------------------------	-----------

CHANGE IN NET POSITION	433,390
-------------------------------	---------

NET POSITION, beginning of year	(1,256,224)
--	-------------

NET POSITION (DEFICIT), end of year	\$ (822,834)
--	--------------

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

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
BALANCE SHEET – GOVERNMENTAL FUND
JUNE 30, 2021

	<i>Urban Renewal Fund</i>
<i>ASSETS</i>	
Cash and investments	\$ 1,568,480
Property taxes receivable	37,677
	<hr/>
<i>Total Assets</i>	\$ 1,606,157
	<hr/>
<i>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</i>	
<i>Liabilities</i>	
Accounts payable	\$ 50,991
<i>Deferred Inflows</i>	
Unavailable revenue	34,193
<i>Fund Balance</i>	
Restricted for economic development	1,520,973
	<hr/>
<i>Total Liabilities, Deferred Inflows, and Fund Balance</i>	\$ 1,606,157
	<hr/>
<i>RECONCILIATION TO THE STATEMENT OF NET POSITION</i>	
<i>Fund Balance</i>	\$ 1,520,973
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are reported as unavailable revenue in governmental funds.	
	34,193
All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds.	
Long-term debt	(2,378,000)
	<hr/>
<i>Net Position (Deficit) of Governmental Activities</i>	\$ (822,834)
	<hr/>

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

WOODBURN URBAN RENEWAL AGENCY**(A Component Unit of the City of Woodburn, Oregon)****STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –****GOVERNMENTAL FUND****YEAR ENDED JUNE 30, 2021**

	<i>Urban Renewal Fund</i>
REVENUES	
Taxes and assessments	\$ 769,763
Intergovernmental	77,846
Miscellaneous	16,085
	<hr/>
<i>Total Revenues</i>	863,694
EXPENDITURES	
Current	
Community development	257,779
Debt service	
Principal	262,000
Interest	73,128
Capital outlay	104,126
	<hr/>
<i>Total Expenditures</i>	697,033
	<hr/>
NET CHANGE IN FUND BALANCE	166,661
FUND BALANCE, Beginning of year	1,354,312
	<hr/>
FUND BALANCE, End of year	<u><u>\$ 1,520,973</u></u>

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

<i>Net Change in Fund Balance</i>	\$ 166,661
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund financial statements.	
Property taxes	4,729
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt obligation principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the statement of net position.	
Principal payments on long-term debt	262,000
	<hr/>
<i>Change in Net Position</i>	<u><u>\$ 433,390</u></u>

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

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Woodburn Urban Renewal Agency (the Agency) was created to provide for rehabilitation of blighted and deteriorated areas within the City's designated urban renewal areas. Through the Downtown Grant and Loan program the Agency enables property owners to rehabilitate properties. The Agency is governed by a seven-member board of directors that include the City's mayor and other council members and is included as a component unit in the City's financial statements.

Urban Renewal Areas

Tax Allocation bonds for urban renewal plan areas are authorized by state law to 1) "...eliminate and prevent the development or spread of urban blight and deterioration; and 2) encourage needed urban conservation and rehabilitation and provide for redevelopment of blighted or deteriorated areas."

Projects are financed in urban renewal plan areas as follows:

- The Agency (City Council) selects an urban renewal plan area and defines its boundaries.
- The County Assessor "freezes" the assessed value of property within the urban renewal area. This is referred to as the "frozen" value.
- Any increase in assessed value above the frozen value is called the "incremental value." The tax revenue generated by the tax rate times the incremental value is provided for use in paying the principal and interest on any indebtedness incurred to finance the Urban Renewal project.
- Urban renewal tax increment revenues are used to repay the indebtedness of the Agency. The proceeds of the indebtedness finance the Agency's activities.

As required by ORS 457.190(3)(a), the Agency has included in its current plan the maximum amount of indebtedness that may be issued or incurred under the plan in the amount of \$29,300,000.

Measurement Focus and Basis of Accounting

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Governmental activities are normally supported by taxes and intergovernmental revenues.

Government-wide financial statements display information about the reporting government as a whole. These statements focus on the sustainability of the Agency as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Assets and the Statement of Activities.

The Statement of Net Position presents all the assets and liabilities of the Agency, including related debt, if any. Net position, representing assets less liabilities, is shown as unrestricted.

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

Basic Financial Statements (Continued)

The Statement of Activities indicates how net position changed during the current period.

Fund financial statements display information about the Agency's fund. The single major fund, Urban Renewal fund, accounts for general administration of the Agency's urban renewal areas, for acquisition and rehabilitation of blighted and deteriorated areas within the designated urban renewal areas, and repayment of debt incurred for these activities.

Basis of Presentation

The financial transactions of the Agency are recorded in a single fund. The fund's activity is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures.

Accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board, define principles that should be used to report financial transactions. The government-wide financial statements are reported using the economic resources and accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when the liability is incurred.

Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Although not a major impact on the financial statements, Governmental Fund type fund balances are now reported in the following classifications.

Fund balance is reported as non-spendable when the resources cannot be spent because they are either in a non-spendable form or legally or contractually required to be maintained intact. Resources in non-spendable form include inventories, prepaid amounts, deposits, and assets held for sale.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the Agency takes formal action that places specific constraints on how the resources may be used. The Agency can modify or rescind the commitment at any time through taking a similar formal action.

Resources that are constrained by the Agency's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the Agency approves which resources should be "reserved" during the adoption of the annual budget.

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

Fund Balance (Continued)

Unassigned fund balance is the residual classification. This classification represents fund balance that has not been restricted, committed or assigned.

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recorded when they become both measurable and available, while expenditures are recorded when the related liability is incurred.

Cash and Investments

The City of Woodburn maintains the Agency's cash and investments in a common pool.

Oregon Revised Statutes and the City of Woodburn investment policy authorize the City to invest in certificates of deposit, savings accounts, bank repurchase agreements, bankers' acceptances, general obligations of U.S. Government and its agencies, certain bonded obligations of Oregon Municipalities and the State Treasurer's Local Government Investment Pool, among others.

Investments are stated at cost, which approximates fair value.

Receivables and Deferred Inflows

Property taxes are levied by the County Assessor and collected by the County Tax Collector. The taxes are levied and become a lien as of July 1. They may be paid in three installments payable in equal payments due November 15, February 15, and May 15. Uncollected property taxes levied for the current and prior years are recorded as receivable at year-end. The Agency's property tax collection records show that most of the property taxes due are collected during the year of levy and delinquent taxes are collected in the next few years.

Property tax receivables not available are recognized as deferred inflows in the governmental funds balance sheet.

Long-term Debt

Long-term debt is reported in the Statement of Net Position as noncurrent liabilities. The governmental fund financial statements do not report long-term debt because it does not require the use of current financial resources.

Budget and Budgetary Accounting

The Agency budgets in accordance with requirements of State law. Annual appropriated budgets are adopted in accordance with the modified accrual basis of accounting.

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budget and Budgetary Accounting (Continued)

The Agency begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the Budget Committee. The budget is then published in proposed form and is presented for public hearings to obtain taxpayer comments and approval from the Budget Committee. The budget is legally adopted by the Agency's Board by resolution prior to the beginning of the Agency's fiscal year.

The Board resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Appropriations are made at the program level. Appropriations lapse at year end.

Appropriation authority may be transferred from one level of control to another by Board resolution. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted.

Use of Estimates

The preparation of basic financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from those estimates.

CASH AND INVESTMENTS

The Agency's deposits with financial institutions and investments are pooled with the City of Woodburn. Cash and investments for the City of Woodburn are disclosed in the City's financial statements. Other disclosures about the City's cash and investment that are applicable to the Agency are as follows.

Deposits

Bank deposits are secured to legal limits by federal deposit insurance. The remaining amount is secured in accordance with ORS 295 under a collateral program administered by the Oregon State Treasurer.

Investments

The State Treasurer of the State of Oregon maintains the Oregon Short Term Fund, of which the Local Government Investment Pool is part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, the investment funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The Oregon Short Term Fund is the LGIP for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The carrying value of the City's position in the pool is the same as the value of the pool shares; fair value was 100.4% of the value of the pool shares as of June 30, 2021. The investment in the Oregon Short Term Fund is not subject to classification. Separate financial statements for the Oregon Short Term Fund are available from the Oregon State Treasurer.

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

CASH AND INVESTMENTS (Continued)

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in fair value of its investments by limiting the weighted average maturity of its investments.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) provide insurance for the City's deposits up to \$250,000 for the aggregate of all demand deposits and the aggregate of time deposit and savings accounts at each financial institution and credit union. Deposits in excess of FDIC and NCUA coverage are with institutions participating in the Oregon Public Funds Collateralization Program (PFCP). The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. At June 30, 2021, none of the Agency's bank balances were exposed to custodial credit risk as part of the Public Funds Collateralization Program

Custodial Risk - Investments

For an investment, this is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The City's investment policy limits the types of investments that may be held and does not allow securities to be held by the counterparty.

The LGIP is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Commission. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short Term Fund Board, which has established diversification percentages and specifies the types and maturities of the investments. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. These investments within the LGIP must be invested and managed as a prudent investor would, exercising reasonable care, skill and caution. Professional standards indicate that the investments in external investment pools are not subject to custodial risk because they are not evidenced by securities that exist in physical or book entry form. Nevertheless, management does not believe that there is any substantial custodial risk related to investments in the LGIP. The LGIP is not rated for credit quality.

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

LONG-TERM DEBT

Long-term debt transactions for the fiscal year ended June 30, 2021 were as follows:

	<i>Outstanding July 1, 2020</i>	<i>Issued</i>	<i>Matured/ Redeemed During Year</i>	<i>Outstanding June 30, 2021</i>	<i>Due Within One Year</i>
Direct borrowing	\$ 2,640,000	\$ -	\$ (262,000)	\$ 2,378,000	\$ 269,000

2019 Urban Renewal Note Payable: In June 2019, the Agency entered into a note payable agreement in the amount of \$2,900,000 at 2.77% interest, to fund urban renewal projects. Interest is payable semiannually, while principal is due annually through June 2029. The loan is secured by the tax increment revenues and amounts due are not subject to acceleration in the event of default.

Future maturities of long-term debt are as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Urban Renewal Agency Note, Series 2019</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	\$ 269,000	\$ 65,870	\$ 334,870
2023	277,000	58,420	335,420
2024	285,000	50,746	335,746
2025	293,000	42,852	335,852
2026	301,000	34,736	335,736
2027-2029	953,000	53,267	1,006,267
	\$ 2,378,000	\$ 305,891	\$ 2,683,891

DEFICIT NET POSITION

The Agency reported a deficit net position of \$822,834 at June 30, 2021 due to the note payable issued in 2019.

CONTINGENCIES

The Agency purchases commercial insurance to cover all commonly insurable risks, which includes property damage, liability and employee bonds. Most policies carry a small deductible amount. No insurance claims settled in each of the prior three years have exceeded policy coverage.

WOODBURN URBAN RENEWAL AGENCY
(A Component Unit of the City of Woodburn, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

RISKS AND UNCERTAINTIES

As a result of the recent coronavirus pandemic (COVID-19), numerous sectors of the community are suffering damage, and long-term economic consequences remain unknown. The extent to which this will impact the Agency is unknown.

SUBSEQUENT EVENTS

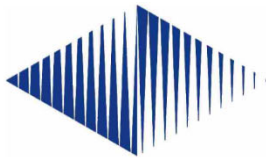
Management has evaluated subsequent events through December 22, 2021, the date on which the financial statements were available to be issued. Management is not aware of any subsequent events that require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

WOODBURN URBAN RENEWAL AGENCY*(A Component Unit of the City of Woodburn, Oregon)***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –****BUDGET AND ACTUAL - URBAN RENEWAL FUND****YEAR ENDED JUNE 30, 2021**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes and assessments	\$ 805,000	\$ 805,000	\$ 769,763	\$ (35,237)
Intergovernmental	-	100,000	77,846	(22,154)
Miscellaneous	25,000	25,000	16,085	(8,915)
<i>Total Revenues</i>	830,000	930,000	863,694	(66,306)
EXPENDITURES				
Administration				
Personnel services	208,050	208,050	203,305	4,745
Materials and services	297,940	297,940	54,474	243,466
Capital outlay	720,000	820,000	104,126	715,874
Debt service				
Principal	262,000	262,000	262,000	-
Interest	73,130	73,130	73,128	2
Contingency	92,140	92,140	-	92,140
<i>Total Expenditures</i>	1,653,260	1,753,260	697,033	1,056,227
NET CHANGE IN FUND BALANCE	(823,260)	(823,260)	166,661	989,921
FUND BALANCE, Beginning of year	1,123,260	1,123,260	1,354,312	231,052
FUND BALANCE, End of year	\$ 300,000	\$ 300,000	\$ 1,520,973	\$ 1,220,973

COMPLIANCE SECTION



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

www.gmscpa.com

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Woodburn Urban Renewal Agency
270 Montgomery Street
Woodburn, Oregon 97071

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Woodburn Urban Renewal Agency as of and for the year ended June 30, 2021, and have issued our report thereon dated December 22, 2021.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Woodburn Urban Renewal Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe the Agency was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except a deficit net position as disclosed in the notes to the financial statements.


Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

Restriction on Use

This report is intended solely for the information and use of the governing body and management of the Woodburn Urban Renewal Agency and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 

Ryan T. Pasquarella, A Shareholder
December 22, 2021

COUNCIL MEETING MINUTES

DECEMBER 13, 2021

DATE COUNCIL CHAMBERS, CITY HALL, CITY OF WOODBURN, COUNTY OF MARION, STATE OF OREGON, DECEMBER 13, 2021

CONVENED The meeting convened at 7:25 p.m. with Mayor Swenson presiding.

ROLL CALL

Mayor Swenson	Present
Councilor Carney	Present
Councilor Cornwell	Present
Councilor Schaub	Present
Councilor Swanson	Present
Councilor Puente	Present- via video conferencing
Councilor Cabrales	Absent

Staff Present: City Administrator Derickson, City Attorney Shields, Assistant City Administrator Row, Community Development Director Kerr, Police Chief Pilcher, Economic Development Director Johnk, Assistant City Attorney Granum, Public Works Projects and Engineering Director Liljequist, Public Works Operations Director Stultz, Finance Director Turley, Senior Planner Cortes, Public Affairs and Communications Coordinator Moore, City Recorder Pierson

ANNOUNCEMENTS

Mayor Swenson announced the following:

City Hall will be closed at noon on December 24 and will reopen for regular business hours on December 28. The Aquatic Center will be closed December 24 and 25. The Library will be open from 10:00 a.m. to 1:00 p.m. on December 24 and closed on December 25. Transit Services will run from 8:00 a.m. to 5:00 p.m. on December 24 and will be closed December 25.

Transit Services will run from 8:00 a.m. to 5:00 p.m. on December 31. City Hall, the Library and Transit Services will be closed January 1.

The City Council meeting scheduled for December 27, 2021, is cancelled. The next City Council meeting will take place on January 10, 2022, at 7:00 p.m.

APPOINTMENTS

Mayor Swenson proposed the following appointments:

- **Woodburn Budget Committee**
 - Steven Kufeldt
 - Elida Sifuentez
 - John Reinhardt
- **Woodburn Library Board**
 - Katrina Chatfauros
 - Nancy Kirksey
 - Cynthia Branger Munoz
- **Woodburn Public Art Mural Committee**
 - Mary Beth Cornwell
 - Sharon Corning
 - Brenda Valentin-Bravo
 - Judy Massaia

COUNCIL MEETING MINUTES

DECEMBER 13, 2021

- **Woodburn Parks and Rec Board**
 - Kasi Pankey
- **Woodburn Tourism Advisory Committee**
 - Lisa Ellsworth
- **Woodburn Planning Commission**
 - Anabel Hernandez-Mejia

Carney/Cornwell...approve the appointments. The motion passed unanimously.

PRESENTATIONS

Community Services Director Cuomo and Dr. Antonio Germann provided updated information on COVID-19 in Woodburn.

Community Services Director Cuomo and Morgan Holen, Arborist, provided information on the Centennial Park Tree Replacement.

BUSINESS FROM THE PUBLIC

Karen Linton, 1637 Umpqua, stated that there were several residents from Senior Estates that participated in the ODOT webinar regarding the sound wall along I-5. She added that there will be a petition for people to sign that the City join with us that ODOT spend some of that money on the soundwall. She stated that she was tasked to ask the Council where they stand on that project. She added that she will bring the petition to Council in January.

Mayor Swenson stated that they will wait to be briefed on this issue before they comment.

CONSENT AGENDA

COUNCIL MEETING MINUTES DECEMBER 13, 2021

- A. Woodburn City Council Meeting minutes of November 8, 2021;
 - B. Woodburn City Council Executive Session Meeting minutes of November 8, 2021;
 - C. Woodburn City Council Special Meeting minutes of November 18, 2021;
 - D. Woodburn City Council Executive Session Meeting minutes of November 18, 2021;
 - E. Acceptance of a Public Utility Easement at 440-450 Parr Road (Valor/Heritage Schools), Woodburn, OR 97071 (Tax Lot 052W1300500);
 - F. Acceptance of a Right-of-Way Dedication at 440-450 Parr Road (Valor/Heritage Schools), Woodburn, OR 97071 (Tax Lot 052W1300500);
 - G. Acceptance of Two Public Utility Easements at 1041 N. Boones Ferry Road (Lincoln Elementary Schools), Woodburn, OR 97071 (Tax Lot 051W07BD02300);
 - H. Acceptance of a Right-of-Way Dedication at 1041 N. Boones Ferry Road (Lincoln Elementary Schools), Woodburn, OR 97071 (Tax Lot 051W07BD02300);
 - I. Acceptance of Four Public Easements at 2145 Molalla Rd NE (Woodburn Eastside Apartments), Woodburn, OR 97071 (Tax Lot 051W09B000900);
 - J. National Opioid Litigation Settlement Participation & State Apportionment of Funds;
 - K. Woodburn/ Silverton IGA Amendment;
 - L. Intergovernmental Agreement for Marion County Multi-Jurisdictional Natural Hazard Mitigation Plan;
 - M. Updated Firearms Range Use Agreement with the City of Hubbard;
 - N. Conditional Acceptance of a Right-of-Way Dedication and Public Utility Easement at 1560 W. Hayes Street, Woodburn, OR 97071 (Tax Lot 051W07CC07100);
 - O. Settlement of CIS Wastewater Treatment Plant Claim;
 - P. Building Activity for November 2021.
- Carney/Swanson...** adopt the Consent Agenda. The motion passed unanimously.

ANNEXATION OF APPROXIMATELY 0.95 ACRES OF TERRITORY OWNED BY NORTHWEST WILLAMETTE HOMES LLC AT 1251 BROWN ST (ANX 2020-02) AND APPROVAL OF RELATED LAND USE APPLICATIONS FOR DEVELOPMENT INTO THE VALENTINA ESTATES NO. 2 SUBDIVISION OF 5 LOTS

Mayor Swenson declared the hearing open at 8:25 p.m. for the purpose of hearing public input on annexation of approximately 0.95 acres of territory owned by Northwest Willamette Homes LLC at 1251 Brown St (Anx 2020-02) and approval of related land use applications for development into the Valentina Estates no. 2 subdivision of 5 lots. Mayor Swenson asked if there were any declarations from the Council and there were none. Community Development Director Kerr read the public hearing statement. Senior Planner Cortes provided a staff report. Jerry Horner, Willamette Engineering and Vassa Boudunov, Northwest Willamette homes, provided testimony on behalf of the applicant. Mayor Swenson asked if any member of the public wished to speak in support of the of the annexation of approximately 0.95 acres of territory owned by Northwest Willamette Homes LLC at 1251 Brown St (Anx 2020-02) and approval of related land use applications for development into the Valentina Estates no. 2 subdivision of 5 lots. No members of the public wished to speak in support. Mayor Swenson asked if any member of the public wished to speak in opposition of the annexation of approximately 0.95 acres of territory owned by Northwest Willamette Homes LLC at 1251 Brown St (Anx 2020-02) and approval of related land use applications for development into the Valentina Estates no. 2 subdivision of 5 lots. No members of the public wished to speak in opposition. Mayor Swenson closed the hearing at 8:41 p.m. Councilors provided comments and discussion on the application. **Carney/Cornwell...** Council tentatively approve the land use applications and direct staff to submit an ordinance for consideration at the next City Council meeting. The motion passed unanimously.

SEVERE WEATHER CENTER OPERATION AGREEMENT

Mayor Swenson and Councilor Swanson declared a potential conflict of interest on this agenda

COUNCIL MEETING MINUTES DECEMBER 13, 2021

item and left the Council Chambers. Council President Carney introduced the agenda item. City Administrator Derickson provided a staff report. Curt Jones provided information on the severe weather center. **Carney/Schaub...** consider approval of the attached two-year agreement with A Ray of Hope, Today! for Severe Weather Center Program services in exchange for up to \$5,000 in reimbursable funds per year. The motion passed unanimously.

Mayor Swenson and Councilor Swanson returned to the Council Chambers.

AWARD A CONTRACT FOR PROFESSIONAL PLAN REVIEW AND INSPECTION SERVICES ON AN AS NEEDED BASIS

Community Development Director Kerr provided a staff report. **Carney/Schaub...** award a Contract for Professional Plan Review and Inspection Services on an As Needed Basis to Clair Company, Inc. and authorize the City Administrator to sign the Agreement. The motion passed unanimously.

BUSINESS OREGON SPECIAL PUBLIC WORKS FUND (SPWF) APPLICATION – BUTTEVILLE ROAD REALIGNMENT PROJECT

Economic Development Director Johnk provided a staff report. **Carney/Cornwell...** Authorize staff to apply for funding through the Business Oregon SPWF program for the Butteville Road Realignment Project and authorize the City Administrator to sign the application for submission. The motion passed unanimously.

CITY ADMINISTRATOR'S REPORT

City Administrator Derickson reported the following:

- Announced that this is the last City Council Meeting that Eric Liljequist will attend and thanked him for all he has done for the City.
- ODOT changed the lighting at Lawson and Evergreen so that there will no longer be a flashing turn light.
- The light at Hwy 214/Settlemer/Boones Ferry will be changed to make sure that pedestrians crossing will not coincide with a green light.
- Speed signs that flash will be placed on Settlemer, Umpqua, Country Club, Meridian, Woodland, and Hardcastle.
- Annual Audit is due December 31st and the City will make that deadline, however, the presentation will take place in January.

MAYOR AND COUNCIL REPORTS

Councilor Schaub wished everyone a Merry Christmas and Happy New Year.

ADJOURNMENT

Carney/Swanson... meeting be adjourned. The motion passed unanimously. The meeting adjourned at 9:33 p.m.

APPROVED _____
ERIC SWENSON, MAYOR

ATTEST _____

**COUNCIL MEETING MINUTES
DECEMBER 13, 2021**

Heather Pierson, City Recorder
City of Woodburn, Oregon

DRAFT



Agenda Item

January 10, 2022

TO: Honorable Mayor and City Council through City Administrator

FROM: Curtis Stultz, Public Works Director

SUBJECT: **Acceptance of Public Access and Utility Easements at Stacy Allison Way, Woodburn, OR 97071 (Tax Lot 052W14 02300)**

RECOMMENDATION:

Accept the three attached public access and utility easements granted by West Coast Real Estate Holdings, LLC to comply with the land use approval requirements for the Stacy Allison Way Apartments.

BACKGROUND:

The property owner is required to provide three public access and utility easements in order to satisfy the conditions of approval of Design Review for the Stacy Allison Way Apartments, Phase I (DR 2019-05, EXCP 2020-05, PP 2019-01, PLA 2019-04, & VAR 2019-04).

DISCUSSION:

The first easement contains a 98-foot by 66-foot permanent access and utility easement. This easement provides a permanent right to construct, reconstruct, operate, and maintain public utilities and their appurtenances, and for the public to access the easement area and its plaza during the same hours and subject to the rules and regulations of city parks.

The second easement is a 20-foot wide permanent access and utility easement. This easements provides a permanent right to construct, reconstruct, operate, and maintain public utilities and appurtenances, and for the public to have pedestrian access (ingress and egress) between Stacy Allison Way and Town Center at Woodburn, Lot 10 (tax lot 052W13 01600).

The third easement is a 16-foot wide public waterline easement located throughout the property boundary as shown in the attached exhibit. This public utility easement provides a permanent right to construct, reconstruct, operate, and maintain water mains and appurtenances.

Agenda Item Review: City Administrator ____x____ City Attorney ____x____ Finance ____x____

FINANCIAL IMPACT:

There is no cost to the City for the Public Easements.

Attachments

Copies of the three Public Easement documents are included with Exhibit "A" and Exhibit "B" legal descriptions and drawings for each dedication.

AFTER RECORDING RETURN TO:

Woodburn City Recorder
City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

**CITY OF WOODBURN, OREGON
PUBLIC ACCESS AND UTILITY EASEMENT**

WEST COAST REAL ESTATE HOLDINGS, LLC, an Oregon Corporation, *GRANTOR*, grants to the CITY OF WOODBURN, OREGON, hereinafter called *CITY*, a permanent Access and Utility easement, including the permanent right to construct, reconstruct, operate, and maintain public utilities and appurtenances, and for the public to access the easement area and its plaza during the same hours and subject to the rules and regulations of city parks pursuant to ordinance Numbers 2060 (1991) and 2377 (2004), or as the city may amend ordinances, on the following described land:

See attached Exhibit "A" Legal Description of Permanent Easement and attached Exhibit "B" Sketch for Legal Description of Permanent Easement which are by this reference incorporated herein

GRANTOR reserves the right to use the surface of the land for any purpose that will not be inconsistent or interfere with the use of the easement by *CITY*. No building or utility shall be placed upon, under, or within the property subject to the foregoing easement during the term thereof, however, without the written permission of *CITY*.

Upon completion of the construction, *CITY* shall restore the surface of the property to its original condition and shall indemnify and hold *GRANTOR* harmless against any and all loss, cost, or damage arising out of the exercise of the rights granted herein.

The true consideration of this conveyance is ZERO (\$0.00), and other valuable consideration, the receipt of which is acknowledged by *GRANTOR*.

GRANTOR covenants to *CITY* that *GRANTOR* is lawfully seized in fee simple of the above-granted premises, free from all encumbrances and that *GRANTOR* and their heirs and personal representatives shall warrant and forever defend the said premises and every part thereof to *CITY* against the lawful claims and demands of all persons claiming by, through, or under *GRANTOR*.

DATED this 13th day of December, 2021.

WEST COAST REAL ESTATE HOLDINGS, LLC

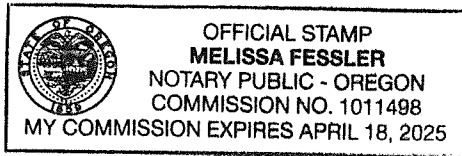
BY: 

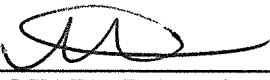
Eugene Labunsky, Member

CORPORATE ACKNOWLEDGEMENT

STATE OF OREGON, County of ^{Clatsop} ~~Marion~~ ss.

The foregoing instrument was acknowledged before me this 13th day of December 2021, by Eugene Labunsky, as Chief Executive Officer of West Coast Real Estate Holdings, LLC, a corporation, and the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and each of them acknowledged said instrument to be its voluntary act and deed.




NOTARY PUBLIC FOR OREGON
My Commission Expires: April 18, 2025

City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

(Grantee's Name and Address)

Accepted on behalf of the City of Woodburn:

City Recorder:

Heather Pierson

EXHIBIT A

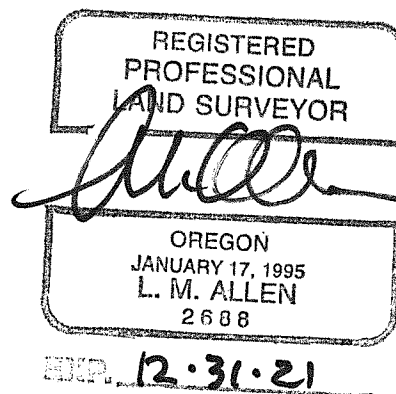
INGRESS AND EGRESS EASEMENT

A PARCEL OF LAND OVER, ACROSS AND UPON THOSE TRACTS OF LAND AS THE SAME ARE DESCRIBED AS "LOT 9" OF TOWN CENTER AT WOODBURN, A SUBDIVISION IN THE CITY OF WOODBURN, ON REEL 3881 AT PAGE 71, DEED RECORDS OF MARION COUNTY, OREGON, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF STACY ALLISON WAY AND HOOPER STREET, THE SAME AS SHOWN IN VOLUME 45 AT PAGE 72, MARION COUNTY BOOK OF TOWN PLATS, THENCE S54°06'06"E ON THE CENTERLINE OF SAID HOOPER STREET FOR A DISTANCE OF 350.00 FEET TO THE TRUE POINT OF BEGINNING, THENCE LEAVING SAID CENTERLINE N35°57'00"E FOR A DISTANCE OF 98.00 FEET, THENCE S54°06'06"E FOR A DISTANCE OF 66 FEET, THENCE S35°57'00"W FOR A DISTANCE OF 98.00 FEET, THENCE N54°06'06"W FOR A DISTANCE OF 66.00 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM:

ALL THAT PORTION OF LAND LYING WITHIN 30.00 FEET OF SAID CENTERLINE OF HOOPER STREET.



P:\60 (West Coast Home Solutions)\60-10 Allison Way Apartments 8-cc\DWG\60-10_PLA.dwg PLOT DATE/TIME: 7/7/2021 - 3:26pm

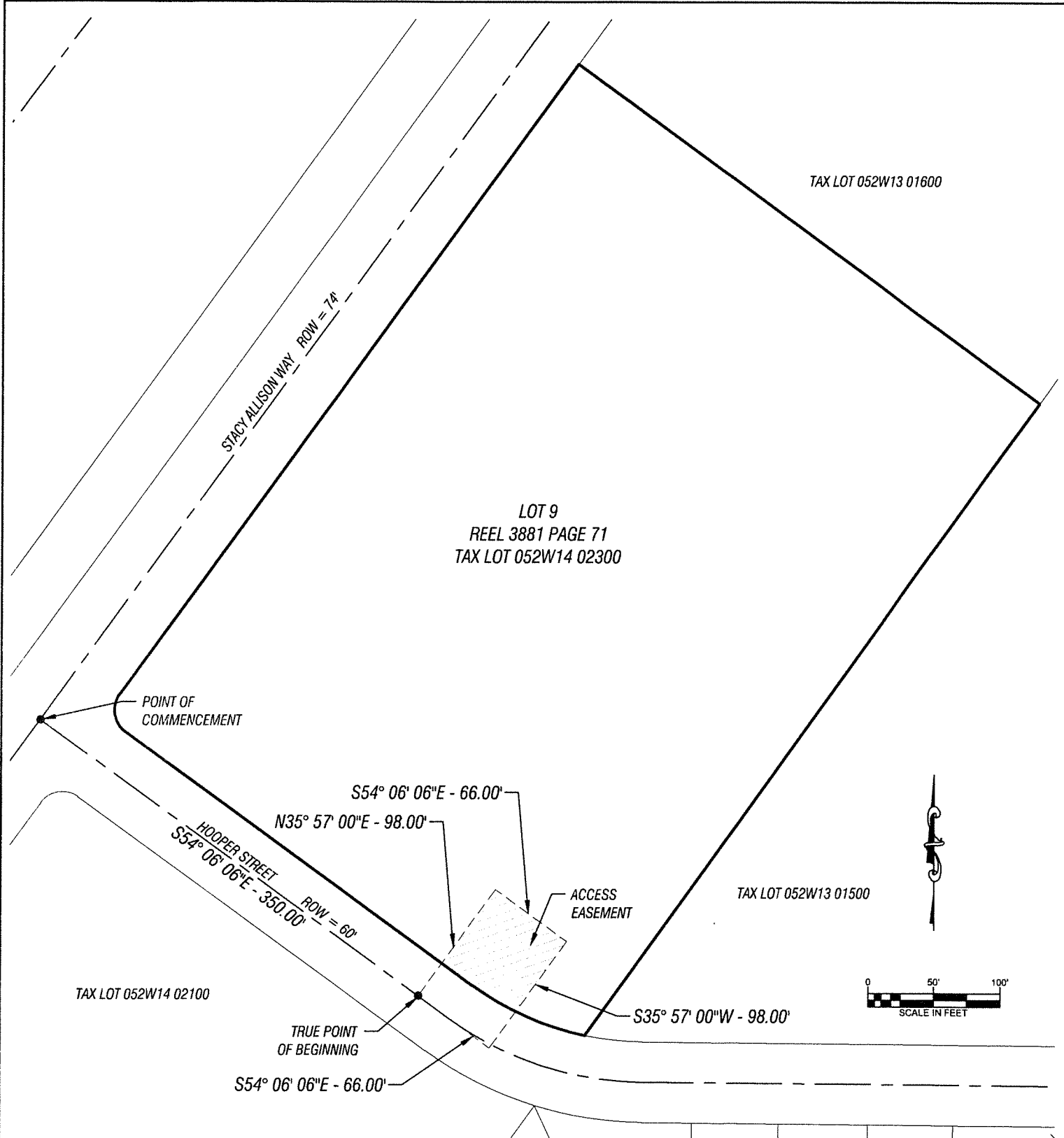


EXHIBIT B

ACCESS EASEMENT EXHIBIT

LEI ENGINEERING
& SURVEYING
OF OREGON

2564 19TH St SE
Salem, Oregon 97302
(503) 399-3828
www.leiengineering.com

SCALE:	1" = 100'
PROJECT NO.:	60-10
DATE:	12-09-2020
PAGE:	4 OF 4

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JANUARY 17, 1995
L. M. ALLEN
2688

EXPIRES 12/31/2021

AFTER RECORDING RETURN TO:

Woodburn City Recorder
City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

**CITY OF WOODBURN, OREGON
PUBLIC ACCESS AND UTILITY EASEMENTS
FOR THE BENEFIT OF 052W13 LOT 01600**

WEST COAST REAL ESTATE HOLDINGS, LLC, and Oregon Corporation, *GRANTOR*, grants to the CITY OF WOODBURN, OREGON, hereinafter called *CITY*, a permanent Access and Utility easement, including the permanent right to construct, reconstruct, operate, and maintain public utilities and appurtenances, and for the public to access (ingress and egress) between Stacy Allison Way and Town Center at Woodburn, Lot 10 (Tax Lot 052W13 01600), on the following described land:

See attached Exhibit "A" Legal Description of Permanent Easement and attached Exhibit "B" Sketch for Legal Description of Permanent Easement which are by this reference incorporated herein

GRANTOR reserves the right to use the surface of the land for any purpose that will not be inconsistent or interfere with the use of the easement by *CITY*. No building or utility shall be placed upon, under, or within the property subject to the foregoing easement during the term thereof, however, without the written permission of *CITY*.

Upon completion of the construction, *CITY* shall restore the surface of the property to its original condition and shall indemnify and hold *GRANTOR* harmless against any and all loss, cost, or damage arising out of the exercise of the rights granted herein.

The true consideration of this conveyance is ZERO (\$0.00), and other valuable consideration, the receipt of which is acknowledged by *GRANTOR*.

GRANTOR covenants to *CITY* that *GRANTOR* is lawfully seized in fee simple of the above-granted premises, free from all encumbrances and that *GRANTOR* and their heirs and personal representatives shall warrant and forever defend the said premises and every part thereof to *CITY* against the lawful claims and demands of all persons claiming by, through, or under *GRANTOR*.

Pursuant to Woodburn Development Ordinance (WDO) 3.04.03B.3, the public shared access (ingress and egress) right of this easement is revocable only with the written concurrence of the Community Development Director.

DATED this 13th day of December, 2021.

WEST COAST REAL ESTATE HOLDINGS, LLC

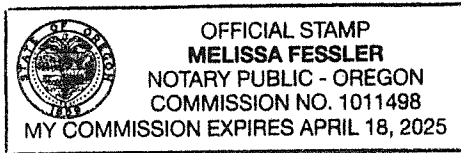
BY: 

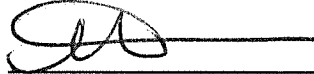
Eugene Labunsky, Member

CORPORATE ACKNOWLEDGEMENT

STATE OF OREGON, County of ^{Clackamas} ~~Marion~~ ss.

The foregoing instrument was acknowledged before me this 13th day of December 2021, by Eugene Labunsky, as Chief Executive Officer of West Coast Real Estate Holdings, LLC, and the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and each of them acknowledged said instrument to be its voluntary act and deed.




NOTARY PUBLIC FOR OREGON
My Commission Expires: April 18, 2025

City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

(Grantee's Name and Address)

Accepted on behalf of the City of Woodburn:

City Recorder:

Heather Pierson

EXHIBIT A

INGRESS AND EGRESS EASEMENT

A STRIP OF LAND 20.00 FEET IN WIDTH OVER, ACROSS AND UPON THOSE TRACTS OF LAND AS THE SAME ARE DESCRIBED AS "LOT 9" OF TOWN CENTER AT WOODBURN, A SUBDIVISION IN THE CITY OF WOODBURN, ON REEL 3881 AT PAGE 71, DEED RECORDS OF MARION COUNTY, OREGON, BEING 10.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT A POINT ON THE WESTERLY LINE OF SAID "LOT 9" BEING S 35°57'00" W AND DISTANT 35.00 FEET FROM THE NORTHWEST CORNER THEREOF AND THE WESTERN TERMINUS OF THE CENTERLINE BEING DESCRIBED HEREIN, THENCE LEAVING SAID WESTERLY LINE S 54°03'00" E FOR A DISTANCE OF 33.00 FEET TO A POINT DESIGNATED "A" FOR THE SAKE OF THIS CENTERLINE DESCRIPTION, THENCE CONTINUING S 54°03'00" E FOR A DISTANCE OF 365.00 FEET TO A POINT DESIGNATED "B" FOR THE SAKE OF THIS CENTERLINE DESCRIPTION AND THE EASTERN TERMINUS OF THE CENTERLINE DESCRIBED HEREIN.

TOGETHER WITH:

A STRIP OF LAND 20.00 FEET IN WIDTH BEING 10.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

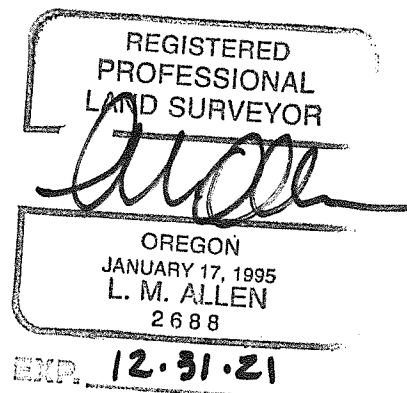
BEGINNING AT THE PREVIOUSLY DESCRIBED AND DESIGNATED POINT "A", THENCE N 35°57'00" E FOR A DISTANCE OF 35.00 FEET TO THE NORTH LINE OF SAID "LOT 9".

TOGETHER WITH:

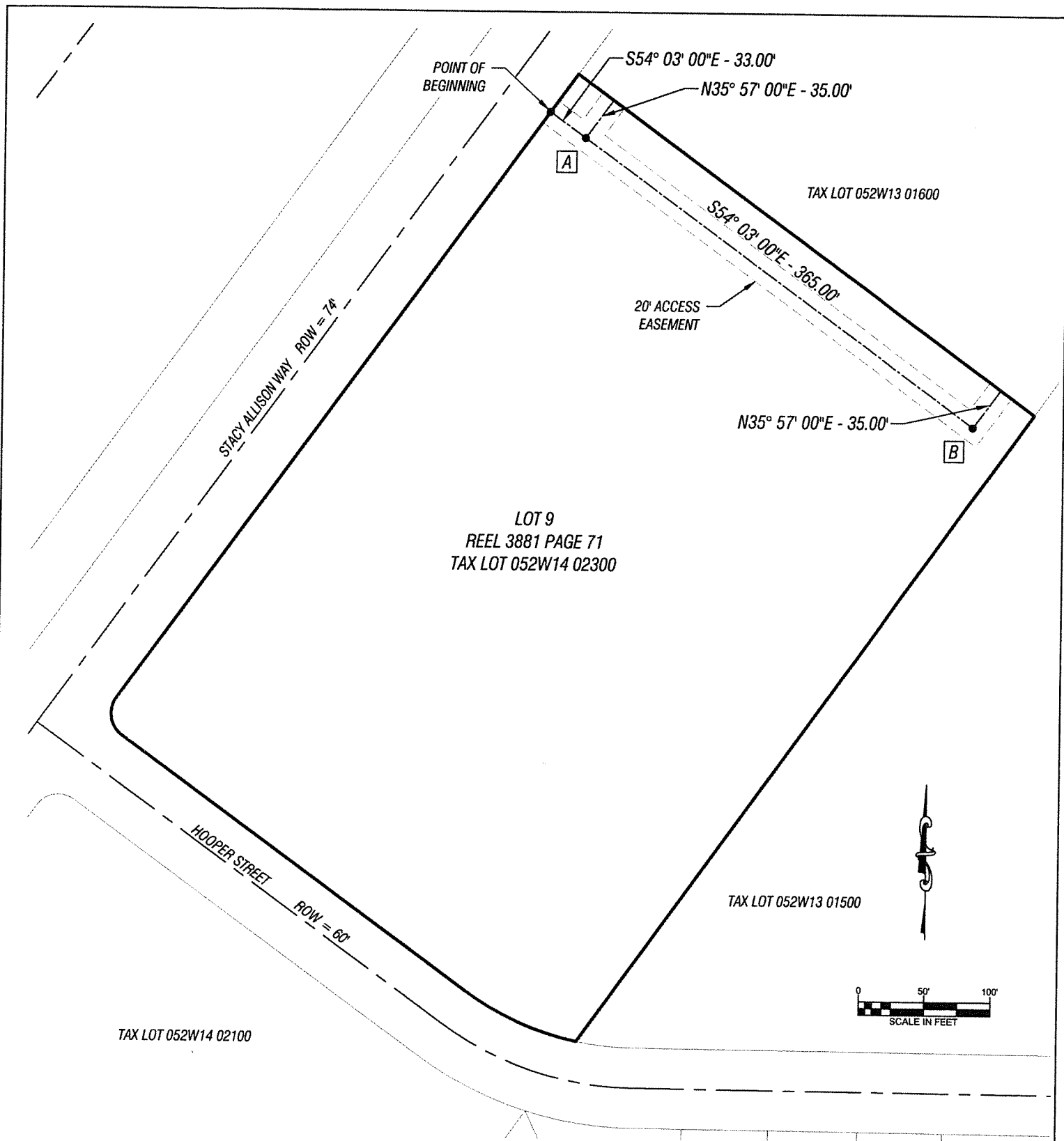
A STRIP OF LAND 20.00 FEET IN WIDTH BEING 10.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE PREVIOUSLY DESCRIBED AND DESIGNATED POINT "B", THENCE N 35°57'00" E FOR A DISTANCE OF 35.00 FEET TO THE NORTH LINE OF SAID "LOT 9".

THE SIDELINES OF THE ABOVE DESCRIBED STRIPS OF LAND TO BE LENGTHENED OR SHORTENED TO TERMINATE AT THEIR RESPECTIVE BOUNDARY INTERSECTIONS.



P:\60 (West Coast Home Solutions)\60-10 Allison Way Apartments 6-cc\DWG\60-10 PL.dwg PLOT DATE/TIME: 8/5/2021 - 1:37pm



LOT 9
REEL 3881 PAGE 71
TAX LOT 052W14 02300

EXHIBIT B

20' ACCESS EASEMENT EXHIBIT

**LEI ENGINEERING
& SURVEYING
OF OREGON**

2564 19TH St SE
Salem, Oregon 97302
(503) 399-3828
www.leiengineering.com

SCALE:	1" = 100'
PROJECT NO.:	60-10
DATE:	12-09-2020
PAGE:	4 OF 4

REGISTERED
PROFESSIONAL
LAND SURVEYOR



OREGON
JANUARY 17, 1995
L. M. ALLEN
2688

EXPIRES 12/31/2021

AFTER RECORDING RETURN TO:

Woodburn City Recorder
City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

**CITY OF WOODBURN, OREGON
PUBLIC UTILITY EASEMENTS**

WEST COAST REAL ESTATE HOLDINGS, LLC, *GRANTOR*, grants to the CITY OF WOODBURN, OREGON, hereinafter called *CITY*, a permanent easement and right-of-way, including the permanent right to construct, reconstruct, operate, and maintain WATER UTILITIES on the following described land:

See attached Exhibit "A" Legal Description of Permanent Easement and attached Exhibit "B" Sketch for Legal Description of Permanent Easement which are by this reference incorporated herein

GRANTOR reserves the right to use the surface of the land for any purpose that will not be inconsistent or interfere with the use of the easement by *CITY*. No building or utility shall be placed upon, under, or within the property subject to the foregoing easement during the term thereof, however, without the written permission of *CITY*.

Upon completion of the construction, *CITY* shall restore the surface of the property to its original condition and shall indemnify and hold *GRANTOR* harmless against any and all loss, cost, or damage arising out of the exercise of the rights granted herein.

The true consideration of this conveyance is ZERO (\$0.00), and other valuable consideration, the receipt of which is acknowledged by *GRANTOR*.

GRANTOR covenants to *CITY* that *GRANTOR* is lawfully seized in fee simple of the above-granted premises, free from all encumbrances and that *GRANTOR* and their heirs and personal representatives shall warrant and forever defend the said premises and every part thereof to *CITY* against the lawful claims and demands of all persons claiming by, through, or under *GRANTOR*.

DATED this 13th day of December, 20 21.

WEST COAST REAL ESTATE HOLDINGS, LLC

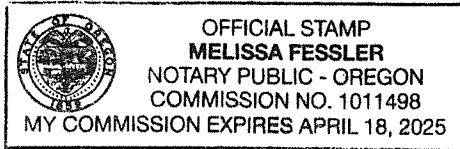
BY: 

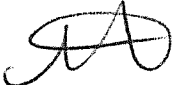
Eugene Labunsky, CEO

CORPORATE ACKNOWLEDGEMENT

STATE OF OREGON, County of Clatsop ss.

The foregoing instrument was acknowledged before me this 13th day of December 2021 by Eugene Labunsky, as Chief Executive Officer of West Coast Real Estate Holdings, LLC, a corporation and the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and each of them acknowledged said instrument to be its voluntary act and deed.




NOTARY PUBLIC FOR OREGON
My Commission Expires: April 18, 2025

City of Woodburn
270 Montgomery Street
Woodburn, OR 97071

(Grantee's Name and Address)

Accepted on behalf of the City of Woodburn:

City Recorder:

Heather Pierson

EXHIBIT A

WATERLINE EASEMENT

A STRIP OF LAND 16.00 FEET IN WIDTH OVER, ACROSS AND UPON THOSE TRACTS OF LAND AS THE SAME ARE DESCRIBED AS "LOT 9" ON REEL 3881 AT PAGE 71, DEED RECORDS OF MARION COUNTY, OREGON, BEING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT A POINT ON THE WESTERLY LINE OF SAID "LOT 9" BEING S 35°57'00" W AND DISTANT 35.00 FEET FROM THE NORTHWEST CORNER THEREOF AND THE NORTHERN TERMINUS OF THE CENTERLINE BEING DESCRIBED HEREIN, THENCE LEAVING SAID POINT ON WESTERLY LINE OF SAID "LOT 9", S 54°03'00" E PARALLEL WITH THE NORTHERLY LINE OF SAID "LOT 9" FOR A DISTANCE OF 64.50' FEET TO A POINT DESIGNATED "A" FOR THE SAKE OF THIS CENTERLINE DESCRIPTION, THENCE CONTINUING S 54°03'00" E FOR A DISTANCE OF 302.00" FEET TO A POINT DESIGNATED "B" FOR THE SAKE OF THIS CENTERLINE DESCRIPTION, THENCE CONTINUING S 54°03'00" E FOR A DISTANCE OF 12.50' FEET, THENCE S 09° 03' 00" E FOR A DISTANCE OF 22.63 FEET, THENCE S 35°57'00" W PARALLEL WITH THE WESTERLY LINE OF SAID "LOT 9" FOR A DISTANCE OF 196.06 FEET TO A POINT DESIGNATED "C" FOR THE SAKE OF THIS CENTERLINE DESCRIPTION, THENCE CONTINUING S 35°57'00" W FOR A DISTANCE OF 296.00 FEET TO A POINT DESIGNATED "D" FOR THE SAKE OF THIS CENTERLINE DESCRIPTION, THENCE CONTINUING S 35°57'00" W FOR A DISTANCE OF 51.59 FEET TO A POINT ON THE SOUTH LINE OF SAID "LOT 9" AND THE SOUTHERN TERMINUS OF THE CENTERLINE BEING DESCRIBED HEREIN;

THE SIDELINES OF THE ABOVE-DESCRIBED STRIPS OF LAND TO BE LENGTHENED OR SHORTENED TO TERMINATE AT THEIR RESPECTIVE BOUNDARY INTERSECTIONS.

TOGETHER WITH:

A STRIP OF LAND 16.00 FEET IN WIDTH BEING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE PREVIOUSLY DESCRIBED AND DESIGNATED POINT "A", THENCE S 35°57'00" W FOR A DISTANCE OF 26.00 FEET.

ALSO, TOGETHER WITH:

A STRIP OF LAND 16.00 FEET IN WIDTH BEING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE PREVIOUSLY DESCRIBED AND DESIGNATED POINT "B", THENCE S 35°57'00" W FOR A DISTANCE OF 26.00 FEET.

ALSO, TOGETHER WITH:

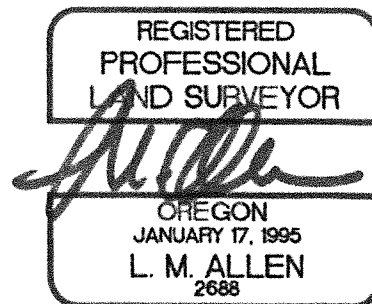
A STRIP OF LAND 16.00 FEET IN WIDTH BEING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE PREVIOUSLY DESCRIBED AND DESIGNATED POINT "C", THENCE N 54°03'00" W FOR A DISTANCE OF 19.00 FEET.

ALSO, TOGETHER WITH:

A STRIP OF LAND 16.00 FEET IN WIDTH BEING 8.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE PREVIOUSLY DESCRIBED AND DESIGNATED POINT "D", THENCE N 54°03'00" W FOR A DISTANCE OF 19.00 FEET.



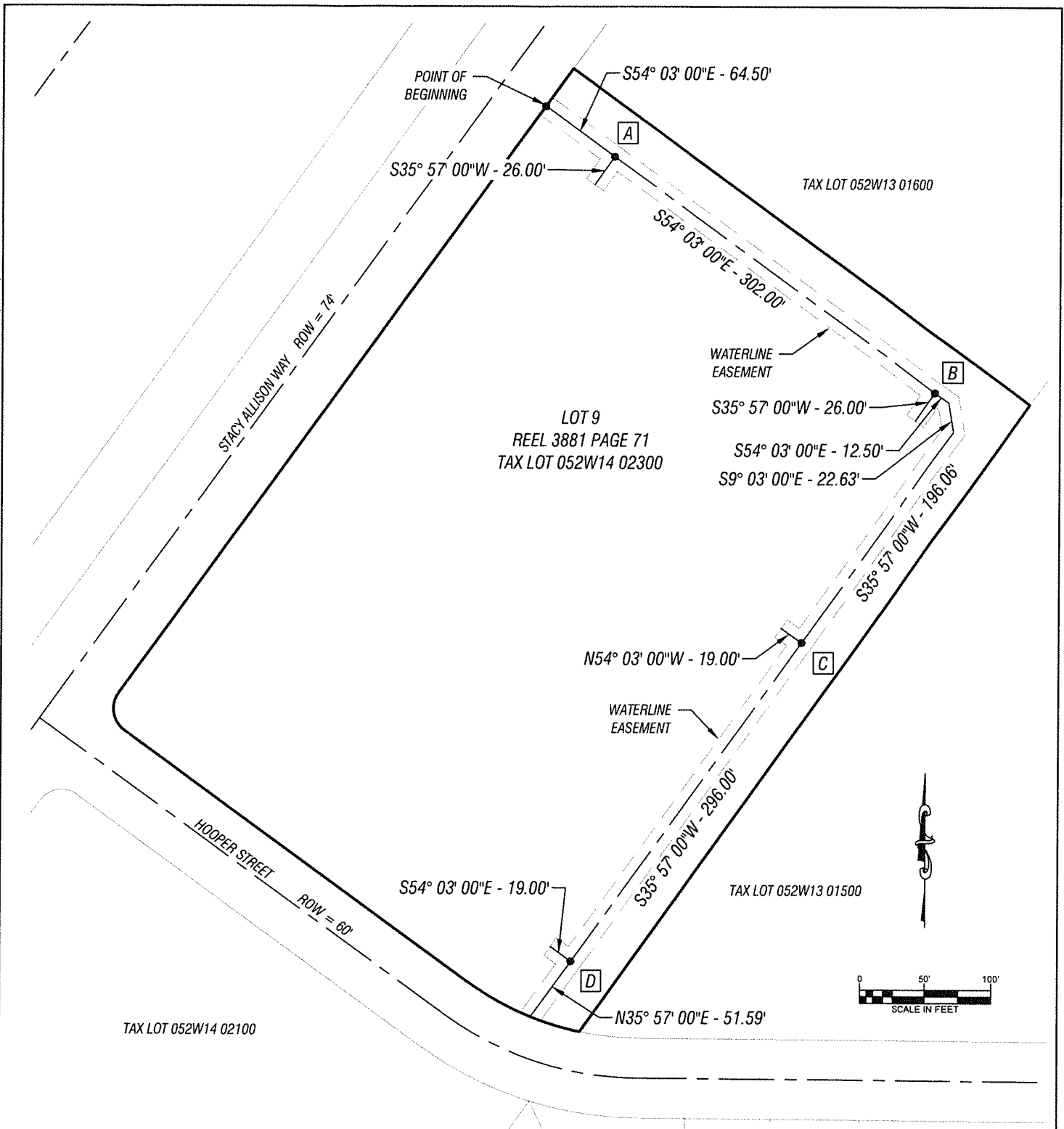


EXHIBIT B

WATER LINE EASEMENT EXHIBIT

LEI ENGINEERING & SURVEYING OF OREGON

2564 19TH St SE
Salem, Oregon 97302
(503) 399-3828
www.leiengineering.com

SCALE: 1" = 100'
PROJECT NO.: 60-10
DATE: 6-3-2021
PAGE: 4 OF 4

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JANUARY 17, 1995
L. M. ALLEN
2688

EXPIRES 12/31/2021

December 14, 2021

Property Identification

Account ID:

335428

Tax Account ID:

335428

Tax Roll Type:

Real Property

Situs Address:

0 STACY ALLISON WAY NE WOODBURN, OR 97071

Map Tax Lot:

052W140002300

Owner:

STACY ALLISON WAY HOLDINGS LLC

25030 SW PARKWAY AVE STE 110

WILSONVILLE, OR 97070

Manufactured Home Details:**Other Tax Liability:****Subdivision:**

TOWN CENTER AT WOODBURN LOT 9

Related Accounts:

Owner History

Grantee	Grantor	Sales Info	Deed Info
STACY ALLISON WAY HOLDINGS LLC 25030 SW PARKWAY AVE STE 110 WILSONVILLE OR 97070	WEST COAST REAL ESTATE HOLDINGS LLC 25030 SW PARKWAY AVE STE 110 WILSONVILLE OR 97070	12/13/2019 \$2,325,000.00 06 1	12/13/2019 42770374 B&S 335428
WEST COAST REAL ESTATE HOLDINGS LLC 25030 SW PARKWAY AVE STE 110 WILSONVILLE OR 97070	WBRP LLC 25030 SW PARKWAY AVE STE 110 WILSONVILLE OR 97070	12/13/2019 12 1	12/13/2019 42770373 WD 335428
WBRP LLC 25030 SW PARKWAY AVE STE 110 WILSONVILLE OR 97070	WBRP LLC 2925 RYAN DR SE SALEM OR 97301	6/3/2019 13 1	6/3/2019 42020105 CON 335428
WBRP LLC 2925 RYAN DR SE WILSONVILLE OR 97070	CAPITAL DEVELOPMENT COMPANY PO BOX 3487 LACEY WA 98509	11/14/2016 \$1,292,000.00 20 1	11/14/2016 38810071 WD 335428

Grantee	Grantor	Sales Info	Deed Info
CAPITAL DEVELOPMENT COMPANY PO BOX 3487 LACEY WA 98509			10/13/2004 T.P.45-072 PP 335420, 335421, 335422, 335423, 335424, 335425, 335426, 335427, 335428, 335429, 335430, 335431, 335432, 335433, 335434

Property Details

Property Class:

200

Levy Code Area:

03930

Zoning:

CG (Contact Local Jurisdiction)

Notes:**Exemption (Begin/End):****Deferral (Begin/End):****Land/On-Site Developments Information:**

ID	Type	Acres	Sq Ft
1	002 Commercial	5.93	258311

Improvements/Structures:

ID	Type	Stat CClass	Make/Model	Class	Area/Count	Year Built
----	------	-------------	------------	-------	------------	------------

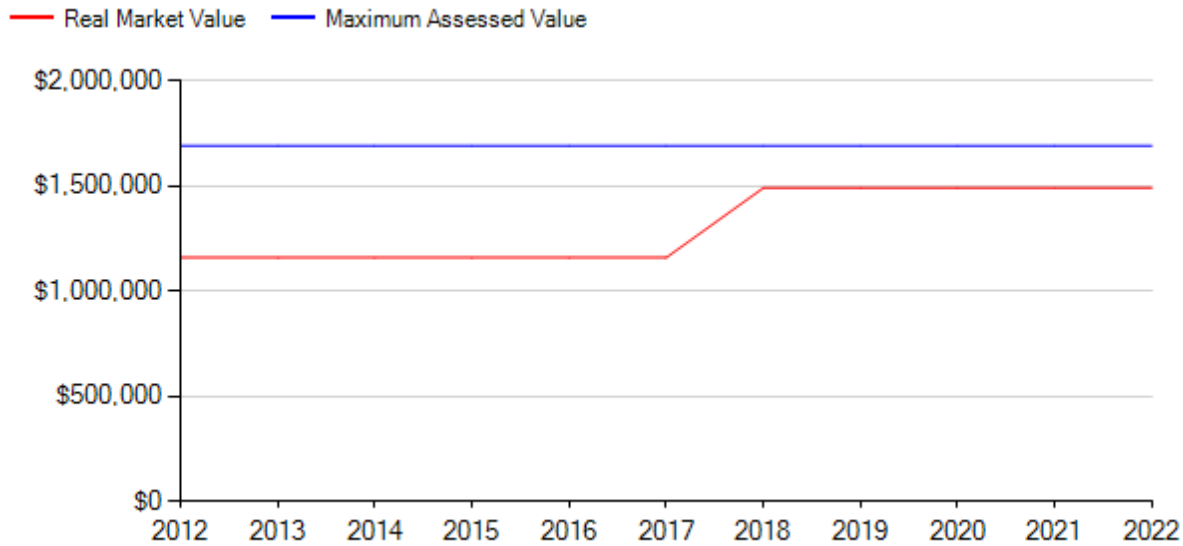
No Improvement Details

Value Information (per most recent certified tax roll)

RMV Land Market: \$1,491,750**RMV Land Spec.** \$0**Assess.:****RMV Structures:** \$0**RMV Total:** \$1,491,750**AV:** \$1,491,750**SAV:** \$0**Exception RMV:** \$0**Exemption Value:** \$0**Exemption Description:** None**M5 Taxable:** \$1,491,750**MAV:** \$1,693,340**MSAV:** \$0

Graph shows tax roll Real Market Value and Maximum Assessed Value of this property for past 10 years.

For a detailed explanation, please see definition of Assessed Value above (hover over the "i").



Assessment History

Year	Improvements RMV	Land RMV	Special Mkt/Use	Exemptions	Total Assessed Value
2021	\$0	\$1,491,750	\$0/\$0	None	\$1,491,750
2020	\$0	\$1,491,750	\$0/\$0	None	\$1,491,750
2019	\$0	\$1,491,750	\$0/\$0	None	\$1,491,750
2018	\$0	\$2,066,490	\$0/\$0	None	\$1,693,340
2017	\$0	\$1,160,000	\$0/\$0	None	\$1,160,000
2016	\$0	\$1,160,000	\$0/\$0	None	\$1,160,000
2015	\$0	\$1,160,000	\$0/\$0	None	\$1,160,000
2014	\$0	\$1,160,000	\$0/\$0	None	\$1,160,000
2013	\$0	\$1,160,000	\$0/\$0	None	\$1,160,000
2012	\$0	\$1,627,360	\$0/\$0	None	\$1,627,360
2011	\$0	\$2,066,490	\$0/\$0	None	\$1,744,140

Taxes: Levy, Owed

Taxes Levied 2021-22:	\$27,210.56
Tax Rate:	19.8993
Tax Roll Type:	R
Current Tax Payoff Amount:	\$27,331.50

Year	Total Tax Levied	Tax Paid
------	------------------	----------

Year	Total Tax Levied	Tax Paid
2021	\$27,210.56	\$0.00
2020	\$27,188.18	\$28,122.71
2019	\$27,233.24	\$27,233.24
2018	\$27,116.14	\$32,807.03
2017	\$21,079.06	\$21,079.06
2016	\$21,060.73	\$21,060.73
2015	\$21,045.89	\$21,045.89
2014	\$20,574.22	\$20,574.22

Tax Payment History

Year	Receipt ID	Tax Paid	Discount	Interest	Amount Paid	Date Paid
2020		\$934.53	\$0.00	\$0.00	-\$934.53	8/24/2021
2020	3870897	-\$27,188.18	\$0.00	\$2,175.06	\$29,363.24	7/23/2021
2020	3870897	-\$934.53	\$0.00	\$0.00	\$934.53	7/23/2021
2019	39051	-\$27,233.24	\$0.00	\$121.04	\$27,354.28	12/16/2019
2018	176169	\$5,690.89	\$0.00	-\$284.54	-\$5,975.43	3/26/2019
2018	176394	-\$27,116.14	\$813.48	\$0.00	\$26,302.66	3/20/2019
2018	176393	\$32,983.04	-\$989.49	\$0.00	-\$31,993.55	3/20/2019
2018	176392	-\$5,690.89	\$0.00	\$0.00	\$5,690.89	3/20/2019
2018	207138	-\$32,983.04	\$989.49	\$0.00	\$31,993.55	11/19/2018
2017	410259	-\$21,079.06	\$632.37	\$0.00	\$20,446.69	11/13/2017
2016	503321	-\$21,060.73	\$631.82	\$0.00	\$20,428.91	11/17/2016
2015	659771	-\$21,045.89	\$631.38	\$0.00	\$20,414.51	11/17/2015
2014	805132	-\$20,574.22	\$617.23	\$0.00	\$19,956.99	11/19/2014



Agenda Item

January 10, 2022

TO: Honorable Mayor and City Council
FROM: N. Robert Shields, City Attorney
SUBJECT: **Status of LUBA Remand of the Trillium Annexation**

RECOMMENDATION:

Receive the report.

BACKGROUND:

As you recall, Tukwila Development LLC appealed the City Council's May 10, 2021, denial of the Trillium annexation to the Oregon Land Use Board of Appeals (LUBA). Although Trillium argued that the City Council's decision should be reversed, LUBA disagreed with this remedy and instead remanded the case to the City Council for further consideration. Until recently, City staff was working on drafting proposed new Findings for City Council presentation.

DISCUSSION:

The course of this case has dramatically changed because of recent actions taken by Holt Homes ("Holt"). Holt legally controls Tukwila Development LLC, the entity that filed the LUBA appeal (see attached letter).

Holt has now agreed to withdraw the current application that was the subject of the LUBA appeal. This means that the City Council will no longer be required to reconsider the application on the LUBA remand. Holt has explained that its withdrawal of the current application is unconditional because it wishes to show a commitment to work with the City.

Holt is now represented by attorney Mike Robinson. Attorney Kelly Hossaini will no longer be involved. City staff (the City Administrator, City Attorney, and Planning Director) will meet later this month with Holt's representatives to discuss its new application.

Agenda Item Review: City Administrator ___x___ City Attorney ___x___ Finance ___x___

FINANCIAL IMPACT:

From a public resource perspective, it will save significant time and money by not having to draft new Findings and reconsider the current application pursuant to the LUBA remand.

Attachment:

Letter from Michael C. Robinson dated December 16, 2021

December 16, 2021

Michael C. Robinson
Admitted in Oregon
T: 503-796-3756
C: 503-407-2578
mrobinson@schwabe.com

VIA E-MAIL

Mr. N. Robert Shields
City Attorney
City of Woodburn, Oregon
270 Montgomery Street
Woodburn, OR 97071

RE: Tukwila Property

Dear Mr. Shields:

This office represents Holt Homes. Holt Homes controls Tukwila Development, LLC ("Tukwila"). The Oregon Secretary of State's Business Search website shows that Holt's entities are the LLC's members and all of the addresses associated with the LLC are Holt's principal place of business in Vancouver, Washington. Tukwila was the applicant for the concurrent annexation and conceptual Planned Development applications and the Petitioner in *Tukwila Development, LLC v. City of Woodburn*, __ Or LUBA __ (LUBA No. 2021-058, November 9, 2021).

You have asked whom I represent and if the attorney that represented Tukwila before the City and LUBA will be involved in further discussions with the City or a future application for the Tukwila property. I represent Holt Homes and because Holt controls Tukwila, I am authorized by Holt to speak on behalf of the applicant and the Petitioner, and will continue to solely represent Holt as it relates to the applications and related matters for the Tukwila property. Holt has informed me that I may tell you that the attorney who represented Tukwila will not be involved in further discussions with the City or a future application for the Tukwila property.

I hope this information satisfactorily answers your questions.

Very truly yours,



Michael C. Robinson

MCR:jmhi

cc: Holt Homes, Inc. (via email)

PDX\014915\265191\MCR\32507143.1

CITY OF WOODBURN
Community Development Department

MEMORANDUM

270 Montgomery Street

Woodburn, Oregon 97071

(503) 982-5246

Date: January 3, 2021

To: Chris Kerr, Community Development Director

From: Melissa Gitt, Building Official

Subject: Building Activity for December 2021

	2019		2020		2021	
	No.	Dollar Amount	No.	Dollar Amount	No.	Dollar Amount
Single-Family Residential	0	\$0	31	\$8,101,165	12	\$3,206,782
Multi-Family Residential	0	\$0	0	\$0	0	\$0
Assisted Living Facilities	0	\$0	0	\$0	0	\$0
Residential Adds & Alts	2	\$49,847	3	\$13,562	2	\$57,798
Industrial	0	\$0	0	\$0	1	\$451,339,834**
Commercial	7	\$280,995	6	\$1,002,784	2	\$227,379
Signs and Fences	0	\$0	0	\$0	0	\$0
Manufactured Homes	0	\$0	0	\$0	0	\$0
TOTALS	9	\$330,842	40	\$9,117,511	17	\$458,171,304
Fiscal Year to Date (July 1 – June 30)		\$4,127,581		\$17,217,167		\$486,730,487

- Totals based off of permit valuation

**** Project Basie (Amazon) permit valuation**



Agenda Item

January 10, 2022

TO: Honorable Mayor and City Council

FROM: Jim Row, Assistant City Administrator

SUBJECT: **Repeal of DataVision Communications, LLC Cable Television Franchise**

RECOMMENDATION:

Adopt the ordinance.

BACKGROUND:

In June 2018, the City granted DataVision Communications, LLC a 5-year non-exclusive Cable Television Franchise through which they have been providing a subscription based video streaming service. This service has been provided to customers through their telecommunications facilities.

On December 2, 2021, DataVision provided the City with written notice of its intent to cease providing the video streaming service that was authorized under the franchise, effective December 31, 2021.

DISCUSSION:

DataVision has contacted its streaming video customers to inform them that the video service will no longer be available after December 31, 2021. As of late 2021, DataVision had approximately 35 subscribers to the service.

DataVision still has an active Telecommunications franchise with the City.

FINANCIAL IMPACT:

DataVision will no longer pay the City 5% of gross revenues (\$595 in FY 20/21) derived from the Cable Television franchise to the City. Additionally, DataVision will no longer pay a fee of \$1.25 per subscriber per year (\$11 in FY 20/21) to the City in support of Public, Education and Government (PEG) programming equipment needs.

Agenda Item Review: City Administrator ☒ City Attorney ☒ Finance ☒

COUNCIL BILL NO. 3168

ORDINANCE NO. 2595

AN ORDINANCE REPEALING ORDINANCE 2558 (AN ORDINANCE GRANTING A CABLE TELEVISION FRANCHISE TO DATAVISION COMMUNICATIONS, LLC) EFFECTIVE ON MARCH 1, 2022

WHEREAS, on June 25, 2018, the City Council adopted Ordinance 2558, an ordinance granting a cable television franchise to DataVision Communications, LLC and declaring an emergency; and

WHEREAS, Ordinance 2558 authorized DataVision Communications, LLC to provide cable television services to the public, utilizing existing and future telecommunications facilities for a period of five years; and

WHEREAS, DataVision Communications, LLC has provided cable television services to its customers since the adoption of Ordinance 2558; and

WHEREAS, On December 2, 2021, DataVision Communications, LLC provided written notice to the City that it would cease providing cable television services to its customers on December 31, 2021; and

WHEREAS, the City and DataVision Communications, LLC agree that it is in the interest of both parties to mutually terminate their franchise agreement and DataVision has filed with the City written acceptance of the termination provisions outlined by this Ordinance; and

WHEREAS, the City Council finds that there is no longer a need for Ordinance 2558; **NOW, THEREFORE**,

THE CITY OF WOODBURN ORDAINS AS FOLLOWS:

Section 1. DataVision has advised the City that it will cease providing cable services in the City after December 31, 2021.

Section 2. All facilities currently located within the City which are owned by DataVision Cable division, will be transferred to DataVision Telecom. DataVision Telecom will be responsible for all facilities and abide by all city codes and ordinances with regards to the facilities.

Section 3. All outstanding Public, Education and Government (PEG) and franchise fees owed by DataVision Communications, LLC, along with their accompanying statements, shall be paid to the City by March 1, 2022.

Section 4. Ordinance 2558 is repealed, effective March 1, 2022.

Approved as to form: _____
City Attorney Date

Approved: _____
Eric Swenson, Mayor

Passed by the Council _____
Submitted to the Mayor _____
Approved by the Mayor _____
Filed in the Office of the Recorder _____

ATTEST: _____
Heather Pierson, City Recorder
City of Woodburn, Oregon



Agenda Item

January 10, 2022

TO: Honorable Mayor and City Council through City Administrator

FROM: Chris Kerr, Community Development Director
Colin Cortes, AICP, CNU-A, Senior Planner

SUBJECT: **Final Land Use Approval of Valentina Estates No. 2 Development (Annexation 2020-02, Zone Change 21-01, Subdivision 2020-02 and Variance 21-04 (Valentina Estates No. 2))**

RECOMMENDATION:

Adopt the attached ordinances and authorize the mayor to sign the final decision document.

BACKGROUND:

The Council on December 13, 2021 tentatively approved Annexation ANX 2020-02 for the Valentina Estates No. 2 Property at 1251 Brown Street and directed staff to prepare ordinances for Council adoption that annex and designate City zoning. It also tentatively approved the Valentina Estates No. 2 subdivision with a variance regarding lot depth measurement for Lots 2 & 3 and directed staff to prepare a final decision document.

Attachments:

1. Ordinance to annex
 - A. Exhibit A: Legal Description
 - B. Exhibit B: Map
 - C. Exhibit C: Analyses & Findings
2. Ordinance to designate City zoning
 - A. Exhibit A: Legal Description
 - B. Exhibit B: Map
3. Final decision document and its attachments

COUNCIL BILL NO. 3169

ORDINANCE NO. 2596

AN ORDINANCE ANNEXING APPROXIMATELY 0.95 ACRES OF PROPERTY INTO THE CITY OF WOODBURN KNOWN AS THE VALENTINA ESTATES NO. 2 AND LOCATED ALONG THE WEST SIDE OF BROWN STREET SOUTH OF VINE AVENUE, MARION COUNTY, OREGON

WHEREAS, the subject property is owned by Northwest Willamette Homes, LLC, of which the manager is Vassa Bodunov, and is legally described in Exhibit "A" and mapped in Exhibit "B", which are affixed hereto and by this reference incorporated herein; and

WHEREAS, the subject property is composed of Marion County Tax Lot 051W18C000900; and

WHEREAS, consistent with Oregon Revised Statutes (ORS) 222.111(2) the owner of real property in the territory to be annexed initiated by petition a proposal for annexation, a copy of the petition being on file with the City Recorder (ANX 2020-02); and

WHEREAS, the applicant, Vassa Bodunov, Northwest Willamette Homes, LLC, and the applicant's representative, Gerald ("Jerry") Horner, Engineer, Willamette Engineering, obtained written consent from the owners of the territory and has requested annexation of the subject property; and

WHEREAS, the property to be annexed is within the City Urban Growth Boundary (UGB); and

WHEREAS, the property to be annexed is contiguous to the City and can be served with City services; and

WHEREAS, the applicant intends to develop the territory into the Valentina Estates No. 2 subdivision; and

WHEREAS, on October 14, 2021 the Woodburn Planning Commission considered the annexation application and, after a duly advertised public hearing, recommended approval of the annexation; and

WHEREAS, on December 13, 2021, the Woodburn City Council held a public hearing, reviewed the record, heard all public testimony presented on said application, and, upon deliberation, concluded that the proposed

annexation meets the applicable approval criteria under City of Woodburn Development Ordinance (WDO) 5.04.01C; **NOW, THEREFORE,**

THE CITY OF WOODBURN ORDAINS AS FOLLOWS:

Section 1. That the subject property, legally described in Exhibit "A" and mapped in Exhibit "B", is annexed to the City of Woodburn.

Section 2. That the City Council adopts the Analysis & Findings, affixed hereto as Exhibit "C" and by this reference incorporated herein.

Approved as to form: _____
City Attorney Date

Approved: _____
Eric Swenson, Mayor

Passed by the Council _____
Submitted to the Mayor _____
Approved by the Mayor _____
Filed in the Office of the Recorder _____

ATTEST: _____
Heather Pierson, City Recorder
City of Woodburn, Oregon

Legal Description for:
City of Woodburn
Property to be annexed

A tract of land situated in the southwest one-quarter of Section 18, Township 5 South, Range 1 West of the Willamette Meridian, Marion County, Oregon, more particularly described as follows:

Beginning at the Southwest corner of that tract of land recorded in Volume 269, Page 220, Marion County Deed Records, said corner shown as being South 11°00' West 1258.98 feet and North 88°57'30" West 688.75 feet from the Northeast corner of the Peter Raymond Donation Land Claim No. 58 per Marion County Survey Record 18989; and running thence:

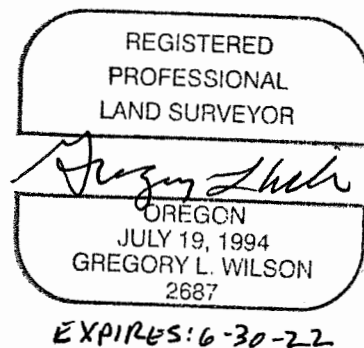
North 89°20'47" West 283.20 feet to the southwest corner of that property described in that instrument recorded in Reel 4330, Page 131, Marion County Deed Records;

thence North 01°00'54" West 163.57 feet along the west line of said property to the northwest corner thereof;

thence South 89°23'19" East 283.09 feet along the north line of said property and the Easterly extension thereof to a point in the centerline of Brown Street;

thence South 01°03'10" East 163.78 feet along said centerline to the Point of Beginning, containing 46,324 square feet of land, more or less.

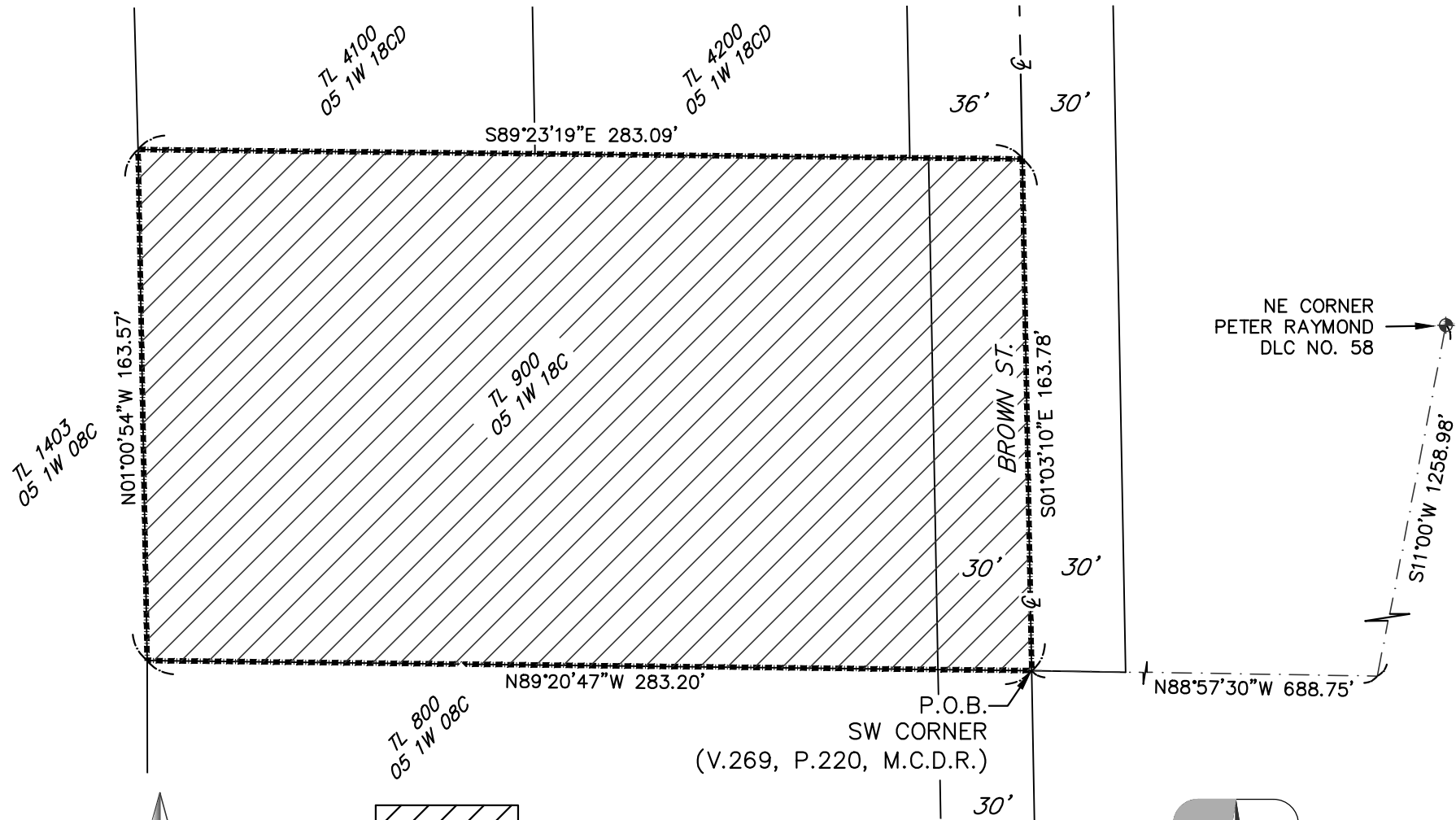
Bearings are based on the plat of VALENTINA ESTATES, as platted and recorded in Volume H48, Page 30, Book of Town Plats for Marion County, Oregon.



Ordinance
Exhibit A

EXHIBIT B

AREA TO BE ANNEXED INTO THE CITY OF WOODBURN
IN THE SW 1/4 OF SEC. 18, T. 5 S., R. 1 W., WM
JULY 15, 2021



GRAPHIC SCALE
1" = 50'



— PROPOSED ANNEXATION AREA
46,324 SQUARE FEET

P.O.B. — POINT OF BEGINNING
M.C.D.R. — MARION COUNTY DEED RECORDS
V. — VOLUME
B. — BOOK
P. — PAGE
DLC — DONATION LAND CLAIM
----- CURRENT CITY LIMITS



**BARKER
SURVEYING**

3657 KASHMIR WAY SE
SALEM, OREGON 97317
PHONE (503) 588-8800
FAX (503) 363-2469
EMAIL: INFO@BARKERWILSON.COM

ANX 2020-02: Analyses & Findings

This attachment to the staff report analyzes the application materials and finds through statements how the application materials relate to and meet applicable provisions such as criteria, requirements, and standards. They confirm that a given standard is met or if not met, they call attention to it, suggest a remedy, and have a corresponding recommended condition of approval. Symbols aid locating and understanding categories of findings:

<i>Symbol</i>	<i>Category</i>	<i>Indication</i>
✓	Requirement (or guideline) met	No action needed
✗	Requirement (or guideline) not met	Correction needed
⊖	Requirement (or guideline) not applicable	No action needed
▲	<ul style="list-style-type: none"> Requirement (or guideline) met, but might become unmet because of condition applied to meet separate and related requirement that is not met Plan sheets and/or narrative inconsistent Other special circumstance benefitting from attention 	Revision needed for clear and consistent records
■	Deviation: Planned Unit Development, Zoning Adjustment, and/or Variance	Request to modify, adjust, or vary from a requirement

Section references are to the [Woodburn Development Ordinance \(WDO\)](#).

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Project Name & Case File Numbers

The applicant submitted the project name Schultz Farm, but through re-submittal renamed it to Dove Landing. The land use application master/parent case file number is Annexation ANX 2020-03, and the children/corollary case file numbers are Planned Unit Development PUD 2020-02, Preliminary Subdivision SUB 2020-03, & Zone Change 2020-02.

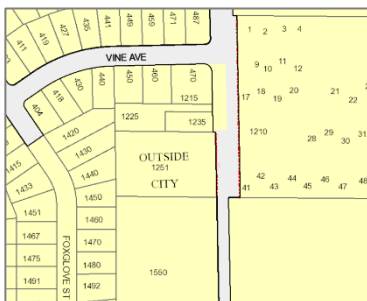
Location

<i>Address(es)</i>	1251 Brown St
<i>Tax Lot(s)</i>	051W18C000900, 0.95 acres
<i>Nearest intersection</i>	Brown St & Vine Ave

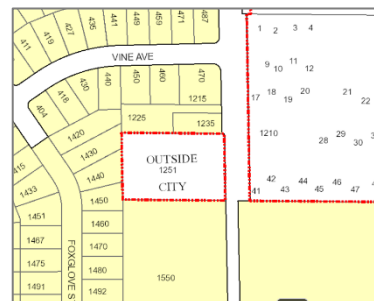
Land Use & Zoning

<i>Comprehensive Plan Land Use Designation</i>	Low Density Residential
<i>Zoning District</i>	To be zoned Residential Single Family (RS) upon annexation
<i>Overlay District(s)</i>	none
<i>Existing Use(s)</i>	Demolished rural homestead

For context, the comprehensive plan land use map designations and zoning are illustrated below with excerpts from the City geographic information system (GIS), the subject property labeled “outside city”, and the zoning is tabulated further below:



Comprehensive Plan land use map excerpt



Zoning map excerpt

Cardinal Direction | Adjacent Zoning

North	Residential Single Family (RS)
East	No City zoning because not annexed; Lazy Acres Mobile Home Park.
South	RS; "Brown Street Properties"
West	RS; Boones Crossing Phase 4 PUD subdivision

Statutory Dates

<i>Application Completeness</i>	August 11, 2021
<i>120-Day Final Decision Deadline</i>	December 9, 2021 per Oregon Revised Statutes (ORS) 227.178 . (The nearest and prior regularly scheduled City Council date would November 22.)*

*However, the Assistant City Attorney had counseled staff on January 16, 2018 that an annexation request is not subject to the 120-day deadline for final action per 227.178(8).

Annexation Provisions

Because the proposal is for annexation, per 5.04 it requires a Type IV review with City Council decision. The applicant submitted application materials on October 22, 2020 and revised and additional materials through August 3, 2021 (excerpted within Attachment 103).

5.04.01 Annexation

- A. Purpose:** The purpose of this Type IV review is to provide a procedure to incorporate contiguous territory into the City in compliance with state requirements, Woodburn Comprehensive Plan, and Woodburn Development Ordinance.
- B. Mandatory Pre-Application Conference:** Prior to requesting annexation to the City, a Pre-Application Conference (Section 4.01.04) is required. ...
- C. Criteria:**
1. Compliance with applicable Woodburn Comprehensive Plan goals and policies regarding annexation.
 2. Territory to be annexed shall be contiguous to the City and shall either:
 - a. Link to planned public facilities with adequate capacity to serve existing and future development of the property as indicated by the Woodburn Comprehensive Plan; or
 - b. Guarantee that public facilities have adequate capacity to serve existing and future development of the property.
 3. Annexations shall show a demonstrated community need for additional territory and development based on the following considerations:
 - a. Lands designated for residential and community uses should demonstrate substantial conformance to the following:
 - 1) The territory to be annexed should be contiguous to the City on two or more sides;
 - 2) The territory to be annexed should not increase the inventory of buildable land designated on the Comprehensive Plan as Low or Medium Density Residential within the City to more than a 5-year supply;
 - 3) The territory proposed for annexation should reflect the City's goals for directing growth by using public facility capacity that has been funded by the City's capital improvement program;
 - 4) The site is feasible for development and provides either:
 - a) Completion or extension of the arterial/collector street pattern as depicted on the Woodburn Transportation System Plan; or
 - b) Connects existing stub streets, or other discontinuous streets, with another public street.

- 5) Annexed [*sic*] fulfills a substantial unmet community need, that has been identified by the City Council after a public hearing. Examples of community needs include park space and conservation of significant natural or historic resources.
- b. Lands designated for commercial, industrial and other uses should demonstrate substantial conformance to the following criteria:
- 1) The proposed use of the territory to be annexed shall be for industrial or other uses providing employment opportunities;
 - 2) The proposed industrial or commercial use of the territory does not require the expansion of infrastructure, additional service capacity, or incentives that are in excess of the costs normally borne by the community for development;
 - 3) The proposed industrial or commercial use of the territory provides an economic opportunity for the City to diversify its economy.
- D. Procedures:
1. An annexation may be initiated by petition based on the written consent of:
 - a. The owners of more than half of the territory proposed for annexation and more than half of the resident electors within the territory proposed to be annexed; or
 - b. One hundred percent of the owners and fifty percent of the electors within the territory proposed to be annexed; or
 - c. A lesser number of property owners.
 2. If an annexation is initiated by property owners of less than half of property to be annexed, after holding a public hearing and if the City Council approves the proposed annexation, the City Council shall call for an election within the territory to be annexed. Otherwise no election on a proposed annexation is required.
- E. Zoning Designation for Annexed Property: All land annexed to the City shall be designated consistent with the Woodburn Comprehensive Plan, unless an application to re-designate the property is approved as part of the annexation process.
- F. The timing of public improvements is as follows:
1. Street dedication is required upon annexation.
 2. Dedication of public utility easements (PUE) is required upon annexation.
 3. Street improvements are required upon development.
 4. Connection to the sanitary sewer system is required upon development or septic failure.
 5. Connection to the public water system is required upon development or well failure.
 6. Connection to the public storm drain system is required upon development.

Regarding subsection B., staff hosted pre-application conference Pre-App PRE 2020-15 on July 14, 2020.

The applicant requests that the City designate the annexed territory with the Residential Single Family (RS) zoning district.

Regarding the criteria of subsection C.:

1. The City Comprehensive Plan, Section G. Growth Management and Annexation contains annexation policies on pp. 30-31. The annexation criteria in the WDO already reflect the goals, including efficient City services.

First, the territory to be annexed is within the Woodburn Urban Growth Boundary (UGB). The premise of a UGB is to define an area feasible for the City to provide services to greenfield development over approximately 20 years as described in the Comprehensive Plan. So, in this way the annexation of territory within the UGB is consistent with the comp plan.

Second, the territory also is adjacent to infrastructure that development can make use of or extend into the territory to develop it:

- Roads and street: Brown Street borders to the property to the east, providing a means of access. (The annexation legal description and map series excludes the right-of-way (ROW) adjacent to the site. ANX 2018-01 Brown Street properties annexed the ROW through Ordinance No. 2563 [2018], Exhibit B.)
 - Transit: Along Brown Street, the City and other agencies could run transit vehicles. To mitigate the effect of additional dwellings on the City bus transit system, staff applies a condition to development itself to assess a small fee.
 - Potable water, sanitary sewer, and stormwater sewer: These are adjacent or nearby, and as the Public Works Department Engineering Division directs at the civil engineer plan (CEP) review and public works permit stage, the developer will upgrade and extend them as necessary to provide laterals to the site development and for these upgraded and extended utilities to accommodate the demands of the development.
 - Other: Other franchise utility providers attend to such utilities as electric power, cable television and internet, natural gas, and cellular wireless telephony, often using existing or extended ROWs. However, because required street improvements through 3.01 affect 3.02.04 relating to electric power lines and other utilities, staff applies a condition or conditions to development itself to clarify how staff applies 3.02.04 and ensure either that adjacent power lines go from a rural overhead state to an urban underground state or that a developer pays a reasonable contribution towards such.
2. The territory is contiguous to the City. Per the comp plan and with implementation through the WDO, upon development of the territory the City would require

improvements that guarantee that public facilities have adequate capacity to serve such development.

The Public Works Department identified no impediments to serve the development that would not be resolved at the permitting stage, evidenced by the Public Works comments that are Attachment 102A.

Second, the Public Works Department, Woodburn Fire District (WFD), and Woodburn School District (WSD) submitted service provider letters (SPLs) as annexation applications require. They are in Attachment 103A. The Public Works one dated August 31, 2020 states:

“This letter is to certify that the City of Woodburn has no capacity issue with the public wastewater treatment facility or public water treatment facility. However, the subject property is not adjacent to an existing collection system for water, wastewater or a public storm sewer collection system. The requirements for these collection facilities would still need to be determined. The capacity analysis, design and installation would be the responsibility of the applicant/property owner.”

Along with the Public Works comments that are Attachment 102A, it appears to Planning Division staff that the Public Works Department Engineering Division has no objection to annexation and that public works can serve the development through typical public improvements by a developer of the territory to be annexed.

Additionally, the applicant’s narrative (October 21, 2020, p. 1) states:

“The existing sanitary sewer will extended to the south to serve the annexed property. This sanitary sewer has adequate capacity for the annexed property. The water system is existing in front of the proposed annexation property. This water system has adequate capacity. The storm system for the annexed property will be to connect to the system to the south. This south system has adequate capacity and elevation for the proposed annexation.”

There’s no written objection by the Public Works Department Engineering Division to the applicant’s narrative.

The staff bullet 2 and 4 comments on criterion 1, regarding transit and electric power lines, are relevant also to this criterion 2 about public facility (infrastructure) adequate capacity.

3. a. Examining the considerations under subsection a. because the Comprehensive Plan land use map designates the territory Low Density Residential, and the territory is to be

Valentina Estates No. 2 ANX 2020-02, ZC 21-01, SUB 2020-02, & VAR 21-04 Staff Report

Attachment 102

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designated with Residential Single Family (RS) base zoning district consistent with both the applicant's request and Comprehensive Plan Policy Table 1:

- 1) The territory to be annexed at its north, south, and west boundaries meets the guideline that it "should be contiguous to the City on two or more sides".

- 2) The applicant's narrative (p. 2) states:

"Woodburn Buildable Lots are in low supply. These new proposed 5 lots will be far below the Woodburn 5-year supply."

Staff concurs.

- 3) The applicant's narrative (p. 2) states:

"The proposed annexation utilizes available Street, Water, Sanitary sewer and Storm water systems."

There's no written objection by the Public Works Department Engineering Division to the applicant's narrative.

- 4) Regarding (a), the applicant's narrative (p. 2) states:

"Brown Road is a developed Street within Woodburn and the Marion County Portion to the south is a gravel road. This gravel road does match the alignment in Woodburn. The improved Brown Road fronting 1251 Brown Road will meet Woodburn Transportation Plan."

Staff concurs and adds that regarding (b), the narrative adds that this is not applicable, and staff concurs.

- 5) The applicant asserts no unmet community need. Because these analyses and findings come before the first public hearing by the Planning Commission, it is yet unknown if annexation fulfills a substantial unmet community need because the City Council has not yet identified such a need.

Annexation of the subject territory demonstrates substantial conformance with the criteria.

Regarding D., the applicant obtained the requisite written consent and such that no election is needed.

Regarding E., the applicant confirms the proposal includes no request to amend the Comprehensive Plan land use designation or upon annexation to designate the territory with a City base zoning district other than RS. (Pursuant to Comprehensive Plan Policy Table 1, RS is the only applicable zoning district that implements the Low Density Residential designation.)

Regarding F., the applicant need not address subsection 1. because the territory to be annexed is adjacent to annexed ROW and because the public improvements including ROW and public utility easement (PUE) dedications that F. describes are addressed through development review, i.e. land use review of site plans and, after land use review, civil engineering plan (CEP) review by the Public Works Department Engineering Division, instead of annexation itself

✓ The annexation meets the criteria, including with conditions on the development itself.

Zoning Map Change Provisions

Zoning Map Change Provisions

5.04.04

A. Purpose: The purpose of an Owner Initiated Official Zoning Map Change is to provide a procedure to change the Official Zoning Map, in a manner consistent with the Woodburn Comprehensive Plan.

B. Criteria: The following criteria shall be considered in evaluating an Official Zoning Map Change;

- 1. Demonstrated need for the proposed use and the other permitted uses within the proposed zoning designation.**
- 2. Demonstrated need that the subject property best meets the need relative to other properties in the existing developable land inventory already designated with the same zone considering size, location, configuration, visibility and other significant attributes of the subject property.**
- 3. Demonstration that amendments which significantly affect transportation facilities ensure that allowed land uses are consistent with the function, capacity, and level of service of the facility identified in the Transportation System Plan. This shall be accomplished by one of the following:**
 - a. Limiting allowed land uses to be consistent with the planned function of the transportation facility; or**
 - b. Amending the Transportation System Plan to ensure that existing, improved, or new transportation facilities are adequate to support the proposed land uses consistent with the requirement of the Transportation Planning Rule; or,**
 - c. Altering land use designations, densities, or design requirements to reduce demand for automobile travel and meet travel needs through other modes of transportation.**

Staff interprets this section such that it applies only to rezoning – a change from one City zoning district to another. Because the zone change proposed through ZC 21-01 comes with annexation in order to assign City zoning, and the proposed zoning districts comply with the Comprehensive Plan land use map designations, the criteria are not applicable.

➡ Not applicable.

Subdivision Preliminary Approval Provisions

Subdivision Preliminary Approval Provisions

5.03.10 Subdivision Preliminary Approval

A. Purpose: The purpose of a Type III Subdivision decision is to ensure that the division of properties into 4 or more lots complies with the standards of this Ordinance (Sections 2 and 3). Subdivisions are allowed in all zones, provided the proposal meets applicable standards.

B. Criteria: Preliminary approval of a Subdivision shall require compliance with the following:

1. That approval does not impede the future best use of the remainder of the property under the same ownership or adversely affect the safe and efficient development of the remainder of any adjoining land or access thereto.

2. That the proposed development shall be served with city streets, water, sewer and storm drainage facilities with adequate capacity.

3. That the plan for the development takes into account topography, vegetation and other natural features of the site.

4. That adequate measures have been planned to alleviate identified hazards and limitations to development:

a. For wetlands these shall be the measures required by the Division of State Lands for regulatory wetlands.

b. For unstable areas, demonstration that streets and building sites are on geologically stable soil considering the stress and loads.

5. The preliminary plat complies with all applicable provisions of this Ordinance (Sections 2 and 3), except where waived by variance.

Regarding the subdivision criteria:

1. Adjacent development of residential subdivisions exists to the north (Valentina Estates plat) and west (Boones Crossing Phase 4 PUD plat). To the south is annexed property yet to be redeveloped from rural to urban and for which there will have been a pre-application meeting for subdivision, Pre-App PRE 21-26.

2. The Public Works Department Engineering Division will see to this no later than during civil engineering plan (CEP) review following land use / planning / zoning approval.

3. The site appears mostly flat, and the site plan appears to take this into account. Regarding tree preservation, see staff examination farther below for 3.06.07. The same analysis and findings there apply also to this subdivision criterion.

4. Staff knows of no natural hazards, and none of the applicant's narratives or site plan sheets identify any. Staff knows of no wetlands on site. If any exist, the developer remains responsible for obtaining necessary permits from relevant outside agencies. Staff knows of no steep slope. If any exist, the developer remains responsible for obtaining a grading permit, if required, and per a condition documenting grading

Valentina Estates No. 2 ANX 2020-02, ZC 21-01, SUB 2020-02, & VAR 21-04 Staff Report

Attachment 102

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through a geotechnical report and sufficiently compacting and retaining dirt prior to construction of dwellings. Second, conflicting vehicular turning movements can be a hazard, and because Brown Street is a Service Collector class street (of higher functional class than a local street), and 3.04.03 allows for access management, staff applies a condition or conditions to limit the number of driveways to 2 instead of 3 and to limit the widths of the driveways to lessen speeding, swooping turns into and out of the driveways.

5. Regarding this criterion, yes if with the conditions of approval and except for VAR 21-04 regarding lot depth for Lots 2 & 3. Each lot meets minimum lot area and lot width and access conforms to the allowance for flag lots and for such lots to share access per 1.02 "Lot ... Flag lot", Figure 1.02D (figure example Lots 3 & 4), and the lot dimensional standards in Table 2.02B.

Staff applies conditions to specify administrative matters about how the developer carries out tasks such as how to record the subdivision, construct the half-street improvements, bury or pay towards burial of electric power lines, provide for a shared driveway and walkway as well as a public shared access easement covering them, and obtain City approval of new street addresses.

■ VAR: Staff further addresses the variance to apply the lot depth standard differently below under the Variance Provisions section.

▲ Staff applies a condition or conditions addressing the subdivision criterion of 5.03.10B.3 regarding tree preservation as well as 3.06.07 regarding Significant Trees and also applies a condition or conditions regarding access management to lessen vehicular turning movement hazard.

Variance Provisions

The variance application is for one request to measure lot depth north-south from the shared access easement instead of east-west from the front lot lines parallel to Brown Street as WDO 1.02 and Figure 1.02D would require. (1.02 “Lot ... Flag lot”, Figure 1.02D)

The applicant submitted narrative text addressing the criteria.

Variance Criteria

5.03.12 Variance

A. Purpose: The purpose of this Type III Variance is to allow use of a property in a way that would otherwise be prohibited by this Ordinance. Uses not allowed in a particular zone are not subject to the variance process. Standards set by statute relating to siting of manufactured homes on individual lots; siding and roof of manufactured homes; and manufactured home and dwelling park improvements are non-variable.

B. Criteria: A variance may be granted to allow a deviation from development standard of this ordinance where the following criteria are met:

1. Strict adherence to the standards of this ordinance is not possible or imposes an excessive burden on the property owner, and
2. Variance to the standards will not unreasonably impact existing or potential uses or development on the subject property or adjacent properties.

C. Factors to Consider: A determination of whether the criteria are satisfied involves balancing competing and conflicting interests. The factors that are listed below are not criteria and are not intended to be an exclusive list and are used as a guide in determining whether the criteria are met.

1. The variance is necessary to prevent unnecessary hardship relating to the land or structure, which would cause the property to be unbuildable by application of this Ordinance. Factors to consider in determining whether hardship exists, include:
 - a. Physical circumstances over which the applicant has no control related to the piece of property involved that distinguish it from other land in the zone, including but not limited to, lot size, shape, and topography.
 - b. Whether reasonable use similar to other properties can be made of the property without the variance.
 - c. Whether the hardship was created by the person requesting the variance.
2. Development consistent with the request will not be materially injurious to adjacent properties. Factors to be considered in determining whether development consistent with the variance [is] materially injurious include, but are not limited to:

- a. Physical impacts such development will have because of the variance, such as visual, noise, traffic and drainage, erosion and landslide hazards.
- b. Incremental impacts occurring as a result of the proposed variance.
3. Existing physical and natural systems, such as but not limited to traffic, drainage, dramatic land forms or parks will not be adversely affected because of the variance.
4. Whether the variance is the minimum deviation necessary to make reasonable economic use of the property;
5. Whether the variance conflicts with the Woodburn Comprehensive Plan.

Variance Request: How the City Applies the Lot Depth Definition

1.02 “Lot ... Flag lot” & Figure 1.02D

The applicant’s sole variance request is to request for Lots 2 & 3 to measure lot depth north-south from the shared access easement instead of east-west from the front lot lines parallel to Brown Street as WDO 1.02 “Lot ... Flag lot” and Figure 1.02D would require. The applicant’s variance narrative (submitted August 3, 2021; p. 3) states:

“Woodburn Development Code Figure 1.02D indicate that Lots 2 and 3 of the proposed Valentina Estates 2 would be defined as flag lots.

The development code further stipulates in Section 1.02 that the front line ‘in the case of a flag lot, the lot line which is most nearly parallel to the street that provides access to the interior lot.’ The front lines of Lots 2 and 3 which are most nearly parallel to the street are the east lines. With the east lines being the front line, without variance, the lot depth would be defined to be as 79.04' and the minimum depth by Woodburn Development Code is 90'.

Therefore, a variance is being pursued to designate the south lines of lots 2 and 3 to be the south line of each of the lots. This south line is the property line that is the frontage property line along the access lane.”

Staff concurs with the applicant’s description of the request. Regarding the criteria, B.1 & 2, the narrative states (pp. 3-4):

“Strict adherence to the Woodburn Development Standards would limit the development to 4 residential lots. The Valentina Estates Phase 2 as presented provides 5 buildable lots meeting Woodburn Development Lot Sizes and dimensions. Allowing the frontage of Lots 2 and 3 to be the south lines parallel to the private access lane would provide 5 buildable lots.

Limiting the development to 4 lots imposes an excessive burden on the property owner.

The proposed Valentina Estates 2 has frontage along Brown Street and access from the private lane for Lots 2, 3, 4, and 5. There are no through streets in the proposed development. The proposed development is an island of infill in the Woodburn residential areas.

The proposed development will not impact existing or potential uses of the development on the subject property or adjacent properties.”

Staff concurs and recommends conditions of approval.

▲ The variance criteria are met with conditions.

Remaining Provisions

These are applicable provisions not already addressed in the application type provisions sections above.

4.01.07 Consolidated Applications

An applicant may request, in writing, to consolidate applications needed for a single development project. Under a consolidated review, all applications shall be processed following the procedures applicable for the highest type decision requested. It is the express policy of the City that development review not be segmented into discrete parts in a manner that precludes a comprehensive review of the entire development and its cumulative impacts.

The proposal is consolidated.

2.07 Special Uses

There is no “community club building” (clubhouse).

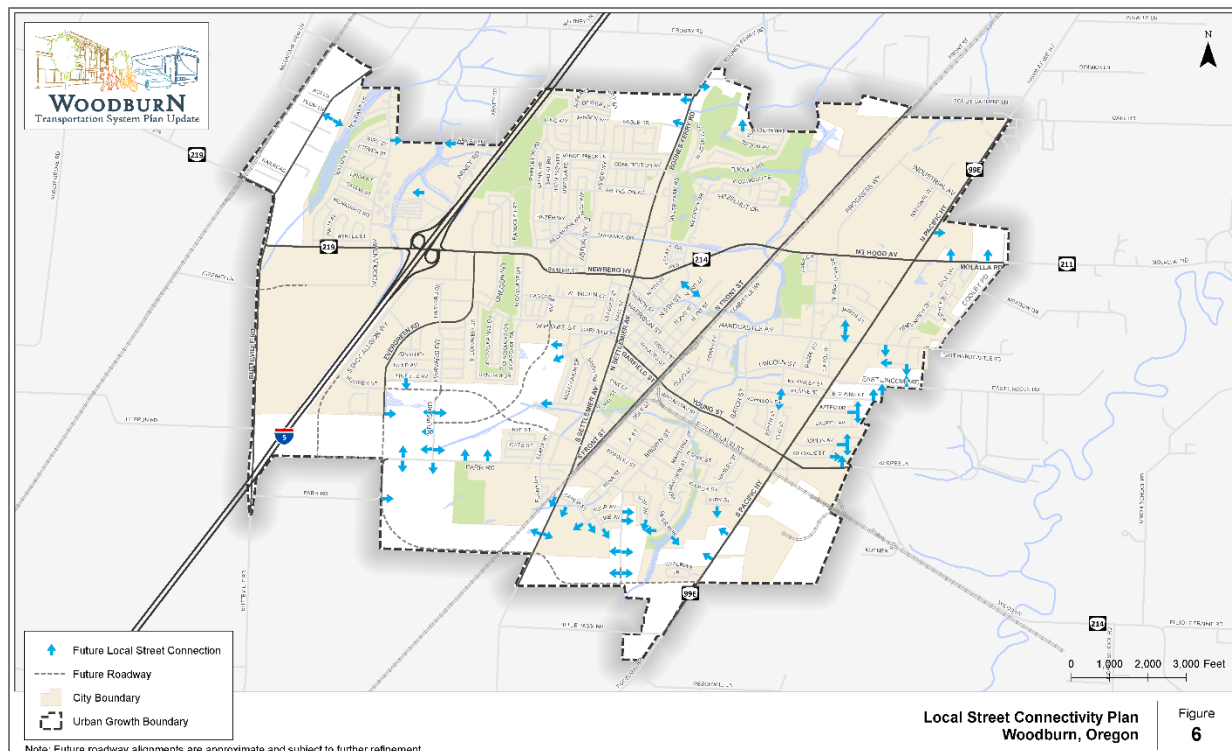
– None apply.

3.01 Streets

3.01, and 3.02.04 relating to electric power lines and other utilities, regulate street improvements.

Long-range Planning

TSP Figure 6 “Local Street Connectivity Plan” shows no street connections into the south area of the urban growth boundary (UGB) affecting the subject property, particularly compared with the constructed street network. A street is neither expected nor required by Fig. 6 to enter or cross the subject property, and every lot can have direct or indirect access to a public street without a new public street per 3.04.01A.



TSP Figure 6

- ▲ Staff applies a *Condition SUB -2* to leave no doubt about what half-street improvements are required and *variance Conditions V2a, b, & c* and *V3* to spell out how staff applies 3.01 and make it less difficult for PW to direct specifications and drawings during civil engineering plan (CEP) review that PW leads.

3.04 Vehicular Access

3.04.03 Driveway Guidelines and Standards

B. Joint Access

3. Every joint driveway or access between separate lots shall be established by an access easement and maintenance agreement to the satisfaction of the Director and revocable only with the concurrence of the Director.

3.04.01A regulates lot access to a public street and driveway widths. Subsection A.1 allows for indirect access by easement, and 3.02.01 & 3.04.03B regulate easements. The subdivision proposal includes indirect access to and from Brown Street for the west 3 of the 5 lots (Lots 2-4).

The WDO lacks specific steps for the developer about how to meet the shared access easement option. Staff seeks to limit driveway number and width along Brown Street, which is a Service Collector class street (of higher functional class than a local street), and to minimize both interruption of planter strip and developer effort to plant the required street trees.

▲ Staff applies *Condition SUB-3* and *V2, V4, & V5* to spell out for the developer how to meet the shared access easement standards, meet the lot access requirement, and to limit driveway number and width along Brown Street, which is a Service Collector class street (of higher functional class than a local street), because of functional class, and to minimize both interruption of planter strip and developer effort to plant the required street trees.

3.04.05 Traffic Impact Analysis

A. A Traffic Impact Analysis (TIA) may be required by the Director prior to the approval of a City access permit when the Director estimates a development proposal may generate either 100 or more additional, peak hour trips, or 1,000 or more additional daily trips, within ten years of a development application.

The applicant submitted neither a TIA nor a traffic letter or memo, and the Director does not estimate that the development proposal would generate either 100 or more additional, peak hour trips, or 1,000 or more additional daily trips, within ten years of a development application. However, staff experience with the conventional Institute of Transportation Engineers (ITE) *Trip Generation Manual*, reflected in the trip generation table in Resolution No. 1893, Exhibit A, indicates that a house (ITE code 210) on average generates 1.01 peak hour trips, so 5 houses would generate 5.05 peak hour trips.

New dwellings affect the need for transit that adopted long-range plans, the Transportation System Plan (TSP; 2019) and the Transit Plan Update Approved Final Report (2010), envision, and a modest contribution is needed towards implementing transit planning goals, generally described as transportation demand management (TDM) to lessen vehicular traffic by attracting City bus riders.

▲ Staff applies *Condition V9-T* to charge a small fee towards the City bus transit system.

3.06 Landscaping

3.06.02 General Requirements

Staff expects the development to meet this section as applicable.

✓ The requirement is met.

3.06.03 Landscaping Standards

A. Street Trees

The site plans fail to illustrate street trees.

✗ To secure a minimum amount of street trees and to the necessary specifications, staff applies conditions.

3.06.07 Significant Trees on Private Property

A. The purpose of this Section is to establish processes and standards which will minimize cutting or destruction of significant trees within the City. Significant trees enhance neighborhoods by creating a sense of character and permanence. In general, significant trees on private property shall be retained, unless determined to be hazardous to life or property.

B. The provisions of this Section apply to the removal of any significant tree and the replacement requirements for significant tree removal.

D. The issuance of a significant tree removal permit requires the property owner to replace each tree removed with one replacement tree. Each replacement tree shall be at least two inches in caliper. Each replacement tree shall be of a species not prohibited by this Section. The replacement tree shall be of the same size range at maturity as the significant tree replaced. ...

F. The property owner shall pay a mitigation fee for each required replacement tree that is not planted pursuant to this Section. The applicant shall pay the mitigation fee into the City's tree fund. The amount of the mitigation fee shall be established by the City Council in the Master Fee Schedule, based on the average value of a two inch caliper tree available from local nurseries, plus planting costs.

3.06.07 applies in addition to subdivision criterion 5.03.10B.3 staff examined earlier above. Site plan Sheet C2.0 of existing conditions (May 5, 2021; Attachment 103B) has min 38 tree circles, and as of October 4, 2021, County Assessor aerial view (Attachment 103C) shows min 10 larger tree canopies on site.

There might or might not be Significant Trees among the 38 trees that site plan existing conditions Sheet C2.0 illustrates.

Also, because of the nature of the proposal – a small subdivision of 5 lots and no common area tract(s), there is no reasonable expectation the developer would fit new trees on the lots and that homeowners would retain the trees. Therefore, staff conditions the subsection F fee, found in the Planning Division Fee Schedule as the Tree Credit.

✗ Staff applies *Condition V7* through Attachment 206 requiring fees to remove Significant Trees as 1.02 defines, if any.

Staff expects the development to meet the remainder of 3.06 as applicable.

[Other]

ORS 92.040(3) sets a 10-year expiration on development approvals in order to help with the issue of entitlement “vesting”. It also local governments to set shorter periods, and staff opts to do so in case the project begins to manifest during the 3-year land use approval window but slows down or stops afterwards. Condition SUB-1 sets an ultimate deadline. As an example, were another recession like the Great Recession to occur and lead to a “zombie” project, it would be clear when an apparently dormant project was dead.

▲ Staff applies *Condition SUB-1* through Attachment 202 to clarify the issue of “vesting”.

A geotechnical or “geotech” report is necessary for subdivision improvements. It became necessary for Smith Creek Development building permits, and the master developer happened to have prepared one in keeping with private agreements with homebuilders and so was able to submit it on short notice. Thankfully, the report document no field conditions that needed correction. The Building Official thought Public Works handled Geotech reports, and this item isn’t a WDO requirement or a Planning Division policy item. So, staff established a condition that gets the developer to submit a copy prior to the City in a timely way.

▲ Staff applies a *Condition SUB-1* through Attachment 202 regarding a geotech report.

3.07.03 regulates architecture.

▲ Staff applies *Condition V8* to forestall confusion and questions about how to apply architectural provisions related to a dwelling “front” in the context of flag lots.

Recommended Conditions of Approval

Approval: Staff recommends that the Planning Commission consider the staff report and attachments and recommend to the City Council that it approve the consolidated applications package.

General

G1. As part of building permit application, the applicant shall submit revised site plans meeting the conditions of approval and obtain Planning Division approval through sign-off on permit issuance.

G2. The applicant or successors and assigns shall develop the property in substantial conformance with the final plans submitted and approved with these applications, except as modified by these conditions of approval. Were the applicant to revise plans other than to meet conditions of approval or meet building code, even if Planning Division staff does not notice and signs off on building permit issuance, Division staff retains the right to obtain restoration of improvements as shown on an earlier land use review plan set in service of substantial conformance.

G3. References: Attachment 201 serves as a dictionary or glossary defining certain abbreviations, acronyms, phrases, terms, and words in the context of the conditions of approval. The 200 series of attachments are as binding as the conditions of approval in the main body of the final decision.

G4. Due dates / public improvements:

- a. PLA/PAR/SUB: Unless a condition specifies otherwise, conditions inc. those relating to any of final subdivision, final partition, property line adjustment or lot consolidation recordation are due by any of (1) before completion of recordation with the County, specifically no later than a City official signing a plat or re-plat Mylar per WDO 5.01.06C.1 and (2) building permit application, whichever is earlier. Also prior to both any recordation of any final subdivision, final partition, or property line adjustment and any of (1) and (2), whichever of (1) or (2) is earlier, the applicant shall submit and obtain Planning Division approval of an [Address Assignment Request](#). (For suggested addresses to request, refer either to the Pre-App PRE 2020-15 follow-up notes p. 6. or to the staff report / final decision “Notes to the Applicant” section that comes after the conditions, Note 18.)
- b. Dedications & Construction: Unless a condition specifies otherwise, ROW and easement dedications and recordation(s), construction of frontage/street improvements, and construction of off-site, park, and other public improvements are due by any of (1) before completion of recordation with the County, specifically no later than a City official signing a plat or re-plat Mylar per WDO 5.01.06C.1 and (2) building permit application, whichever

is earlier. Where phasing is relevant, building permit issuance means issuance for the phase in which the conditioned improvement is located.

G5. Recordation due dates: The applicant shall apply to the County for recordations of items that the City requires no later than six (6) months prior to expiration of the land use approval as WDO 4.02.04B establishes, and shall complete recordations no later than three years past the land use “final decision” date. The due date to complete recordations shall not supersede when recordations are due per Condition G4.

G6. Improvements civil engineering plan (CEP) review: Per Attachment 203.

G7. Final plat application: The developer shall, prior to recordation with the County, apply to the City for Subdivision Final Plat Approval per WDO 5.01.06.

G8. Fees: The developer shall pay fees per Attachment 206.

G-PW. Public Works: The developer shall follow the appended PW comments (October 7, 2021; Attachment 102A).

Preliminary Subdivision 2020-03

SUB-1. Administration and documents: Per Attachment 202.

SUB-2. Brown Street: The developer shall:

- a. Streetside PUE: Dedicate 5 ft per WDO 3.02.01B and no wider per Condition V2a.
- b. Bicycle lane: Be required to construct per Condition V2b.
- c. Landscape strips: In addition to street trees per Condition V2d, landscape and irrigate per Condition V2c.
- d. ROW: Dedicate ROW to result in min 36 ft west of centerline to meet or exceed the min width necessary to conform to WDO Figure 3.01D.
- e. Improvements: Improve per both the half-street of Figure 3.01D plus 4 ft additional width of pavement east of centerline to conform to WDO 3.01.03C. Bury electric power lines per Condition V3.
- f. Subsurface/underground: Construct subsurface or underground improvements for potable water, sanitary sewer, and drainage or stormwater management as PW directs.

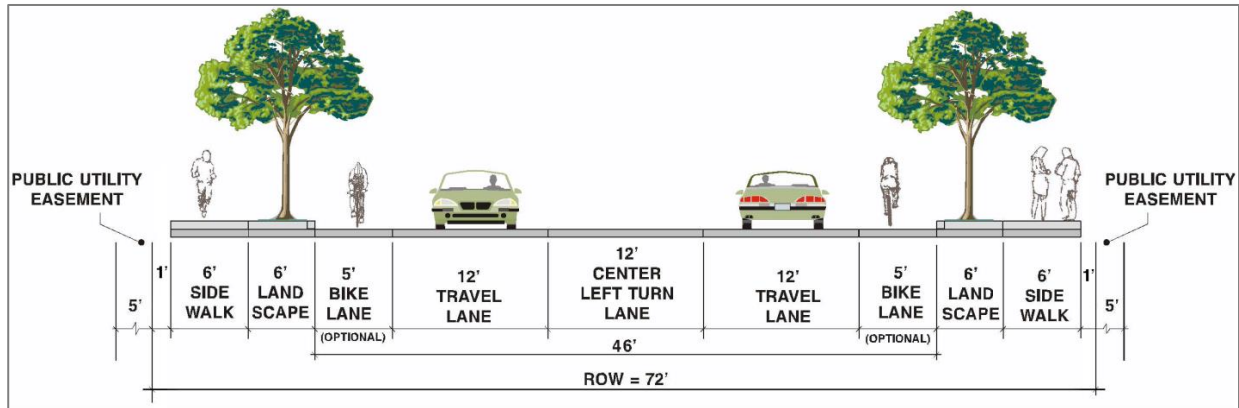


Exhibit SUB-2: Figure 3.01D – Service Collector

SUB-3. Access management and public shared access:

- a. Access management: The developer's choice of either Lot 1 or 5 is prohibited from its own direct driveway access to Brown Street and shall take vehicular access from the shared access driveway shared among Lots 2-4. The driveway on the remaining lot shall be max width per Condition V5.
- b. Shared access easement: To meet WDO 3.04.0A.2 & 3.04.03B.1, the developer shall establish a public shared access easement minimum 20 ft wide if the shared driveway is curbless, 21 ft if with curbs, or wider depending on how the developer conforms to walkway Condition V4, and revocable only with the concurrence of the Director. The easement centerline shall follow that or those of the shared driveway and extend between ROW and each driveway stub.
- c. Text: The easement shall grant public access (ingress/egress) to and from Brown Street to the benefit of Lots 2-4 as well as either Lot 1 or 5 and include the following text: "Pursuant to Woodburn Development Ordinance (WDO) 3.04.03B.3, the public shared access (ingress and egress) right of this easement is revocable only with the written concurrence of the Community Development Director."
- d. Driveway: The driveway shall be maximum 20 ft wide if curbless or 21 ft if with two 6-inch curbs. The developer may sharpen the appearance of the turn radius of the driveway "T" by installing "grasscrete". The developer shall pave the south jut of the fire apparatus turnaround to the south property line, without curbing, to be adjacent to Lot 2 or Lots 1 & 2 of a preliminary subdivision of the Brown Street Properties, including 1550 Brown Street, proposed through Pre App PRE 21-25 as Exhibit SUB-3 below illustrates.

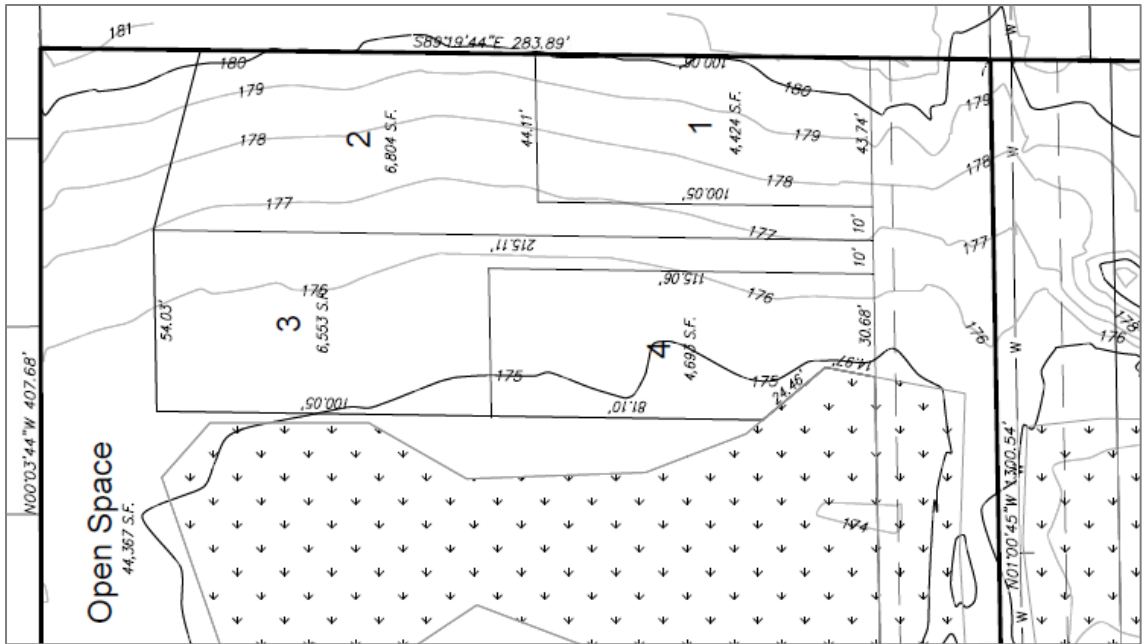


Exhibit SUB-3: PRE 21-25 draft subdivision plan

- e. Review: Regarding Condition G4, the developer shall submit a draft easement text and draft Exhibit A legal description and Exhibit B drawing prior to recordation and bundled with other materials for review regarding conditions that are due prior to final plat approval by the City.
- f. Utilities / off-street PUE: Atop the shared access driveway, the developer shall dedicate an off-street PUE minimum width 16 ft that both secures access to public utilities by each of min Lots 2-4 and to accomplish such as PW directs.
- g. Maintenance agreement: To meet WDO 3.04.03B.1 & 3, the developer shall establish a shared driveway private maintenance agreement addressing surface and subsurface/underground shared improvements. The developer need not submit a draft for Director review prior to recordation, but shall submit a copy of the recorded document by, as an exception to any conflicting general condition about due dates, building permit application.

Variance 21-04

V1. Lot depth: Varying from WDO 1.02 "Lot ... Flag lot" and Figure 1.02D, the developer may apply the lot depth standard for Lots 2 & 3 north-south instead of east-west.

V2. Brown Street: The developer shall:

- a. Streetside PUE: Not dedicate streetside PUE wider than 5 ft, with allowance for a jut or juts around fire hydrants to meet OFC as administered by the independent Woodburn Fire District or public works construction code.
- b. Bicycle lane: Construct the WDO Figure 3.01D west half-street bicycle lane, and stripe it both to be *MUTCD*-compliant and as PW directs.
- c. Landscape strips: Landscape the landscape strip or strips area remaining after street tree plantings with lawn grass or, if the City Engineer in writing allows, a species of groundcover. Cobblestones, gravel, pebbles, and rocks are prohibited. Bark dust, mulch, or wood chips are permissible only within the immediate vicinity of a street tree trunk. The developer shall install landscape strip irrigation, and shall provide temporary irrigation during construction, per the public works construction code.
- d. Street trees: Plant min 4 street trees inc. w/ root barriers as Attachment 201 defines. Fees in-lieu, if any, shall be per Attachment 206.

V3. Burial of electric power lines: The developer shall do either (a.) or (b.):

- a. Bury: At the site SE corner, remove from the electric power pole from the ROW, bury under the presently unpaved ROW the power line(s) that cross SW from the SE corner of Brown Street and the manufactured dwelling park driveway. (See Sheet C2.0 Existing Site Conditions as Attachment 103B for context). If the electric utility directs, it is permissible to install a new pole or poles within the easterly side of the Brown Street ROW beyond the gravel road to accomplish the lines going into and coming out of the ground east of the road. This shall be due the same as per Condition G4b; or
- b. Pay: Pay an electric power pole removal and line burial fee per Attachment 206.
- c. On-site: On site (outside ROW), the developer shall bury or underground all utility services per WDO 3.02.04C.

V4. Shared access walkway: The developer shall provide for shared walking access by constructing an ADA-compliant walkway min 3.5 ft wide, including curb width, along the required shared access driveway and that connects to each of Lots 2-4 as follows:

- a. Alignment/route: The walkway may follow the driveway within it or outside it. The walkway may be part of mountable curb if the flat area above the slope is min width 3.5 ft.
- b. Pavement: The walkway may be asphalt, poured concrete, or concrete pavers.
 - (1) If asphalt: Whether within the driveway 20-ft width of asphalt or as additional width of asphalt, the walkway shall be hatch-striped, similar to an ADA parking stall accessible aisle, min width 3.5 ft to distinguish it from adjacent vehicular area.
 - (2) If concrete: (a) if outside the driveway 20-ft width, then raised min 4 inches or (b) if within, then raised through mountable curbing. Either way, a concrete walkway

shall be constructed to the same PW structural support, thickness, and slope specifications as for sidewalk.

- c. Access easement: The shared access easement shall cover the walkway area. The walkway shall be constructed to the same PW structural support, thickness, and slope specifications as for sidewalk.
- d. Plan review: Drawings and documents necessary to administer the condition are due by building permit application, and walkway construction is due by final inspection.

V5. Driveway max: The shared driveway shall be 20 ft wide max measured between curbing, if any, unless the OFC as administered by the independent Woodburn Fire District causes driveway width to exceed the max, and the driveway approach / apron / curb cut for Lot 1 or 5 shall be 16 ft wide max and located no farther than 6 ft from the shared driveway curb cut.

V6. Bond / bonding / performance guarantee: If the City accepts a request to review bonding construction of public improvements, review and approval, if any, shall be per Attachments 204 & 206.

V7. Significant Tree removal: For any and every Significant Tree the developer would remove, the developer shall pay a fee per Attachment 206.

V8. Architecture: Where a WDO 3.07.03 provision regulates a dwelling front, for each dwelling on Lots 2 & 3 the provision shall apply to the south facade.

V9-T. Bus transit fee: To further transportation demand management (TDM) through bus transit, the developer shall pay a bus transit fee per Attachment 206.

Applicant Identity

<i>Applicant</i>	Vassa Boudunov, Northwest Willamette Homes LLC
<i>Applicant's Representative</i>	Gerald ("Jerry") Horner, Engineer, Willamette Engineering
<i>Landowner(s)</i>	Northwest Willamette Homes LLC

Notes to the Applicant

The following are not planning / land use / zoning conditions of approval, but are notes for the applicant to be aware of and follow:

1. Records: Staff recommends that the applicant retain a copy of the subject approval.
2. Fences, fencing, & free-standing walls: The approval excludes any fences, fencing, & free-standing walls, which are subject to WDO 2.06 and the permit process of 5.01.03.
3. Signage: The approval excludes any private signage, which is subject to WDO 3.10 and the permit process of 5.01.10.
4. SUB Time Limit: WDO 4.02.04B. specifies that, "A final decision on any application shall expire within three years of the date of the final decision unless: 1. a building permit to exercise the right granted by the decision has been issued; 2. the activity approved in the decision has commenced; or 3. a time extension, Section 4.02.05, has been approved. Because unrecorded re-plats lingering indefinitely have burdened staff, a condition sets sooner time limits for subsection 2. to begin and finish recordation.
5. Mylar signature: The Community Development Director is the authority that signs plat Mylars and not any of the mayor, City Administrator, Public Works Director, or City Engineer. Only one City signature title block is necessary.
6. PLA Plat Tracker: Marion County maintains a plat tracking tool at <http://apps.co.marion.or.us/plattracker/>. Use it to check on the status of a recordation request to the County. City staff does not track County plat recordation.
7. Technical standards:
 - a. Context: A reader shall not construe a land use condition of approval that reiterates a City technical standard, such as a PW standard, to exclude remaining standards or to assert that conditions of approval should have reiterated every standard the City has in order for those standards to be met.
 - b. Utilities: A condition involving altered or additional sidewalk or other frontage/street improvement that would in the field result in displacement or relocation of any of utility

Valentina Estates No. 2 ANX 2020-02, ZC 21-01, SUB 2020-02, & VAR 21-04 Staff Report

Attachment 102

Page 27 of 29

boxes, cabinets, vaults, or vault covers does not exempt the developer from having to move or pay to move any of these as directed by the City Engineer and with guidance from franchise utilities.

8. Other Agencies: The applicant, not the City, is responsible for obtaining permits from any county, state and/or federal agencies, which may require approval or permit, and must obtain all applicable City and County permits for work prior to the start of work and that the work meets the satisfaction of the permit-issuing jurisdiction. The Oregon Department of Transportation (ODOT) might require highway access, storm drainage, and other right-of-way (ROW) permits. All work within the public ROW or easements within City jurisdiction must conform to plans approved by the Public Works Department and must comply with a Public Works Right-of-Way permit issued by said department. Marion County plumbing permits must be issued for all waterline, sanitary sewer, and storm sewer work installed beyond the Public Right-of-Way, on private property.
9. Inspection: The applicant shall construct, install, or plant all improvements, including landscaping, prior to City staff verification. Contact Planning Division staff at least three (3) City business days prior to a desired date of planning and zoning inspection of site improvements. This is required and separate from and in addition to the usual building code and fire and life safety inspections. Note that Planning staff are not primarily inspectors, do not have the nearly immediate availability of building inspectors, and are not bound by any building inspector's schedule or general contractor convenience.
10. Stormwater management: The storm sewer system and any required on-site detention for the development must comply with the City Storm Water Management Plan, Public Works storm water practices and the Storm Drainage Master Plan.
11. Public Works Review: Staff performs final review of the civil plans during the building permit stage. Public infrastructure must be constructed in accordance with plans approved by the City, as well as current [Public Works construction specifications, Standard Drawings, Standard Details](#), and general conditions of a permit type issued by the Public Works Department.
12. ROW:
 - a. Dedication: The Public Works Department Engineering Division has document templates for ROW and easement dedications that developers are to use.

ROW – and public utility easement (PUE) – dedications are due prior to building permit per Public Works policy.
 - b. Work: All work within the public ROWs or easements within City jurisdiction must require plan approval and permit issuance from the Public Works Department. All public improvements construction work must be performed in accordance with the plans

stamped “approved” by the City, and comply with the City’s Standard Specifications and Standard drawings.

13. Franchises: The applicant provides for the installation of all franchised utilities in any required easements.
14. Water: All water mains and appurtenances must comply with Public Works, Building Division, and Woodburn Fire District requirements. Existing water services lines that are not going to be use with this new development must be abandoned at the main line. The City performs required abandonment of existing water facilities at the water main with payment by the property owner. All taps to existing water mains must be done by a “Hot Tap” method and by approved City of Woodburn Contractors. The applicant shall install the proper type of backflow preventer for all domestic, lawn irrigation and fire sprinkler services. The backflow devices and meters shall be located near the city water main within an easement, unless approved otherwise by Public Works. Contact Byron Brooks, City of Woodburn Water Superintendent, for proper type and installation requirements of the backflow device at (503) 982-5380.
15. Grease Interceptor/Trap: If applicable, a grease trap would need to be installed on the sanitary service, either as a central unit or in a communal kitchen/food preparation area. Contact Marion County Plumbing Department for permit and installation requirements, (503) 588-5147.
16. Fire: Fire protection requirements must comply with Woodburn Fire District standards and requirements, including how the District interprets and applies Oregon Fire Code (OFC). Place fire hydrants within the public ROW or public utility easement and construct them in accordance with Public Works Department requirements, specifications, standards, and permit requirements. Fire protection access, fire hydrant locations and fire protection issues must comply with current fire codes and Woodburn Fire District standards. See City of Woodburn Standard Detail No. 5070-2 Fire Vault. The fire vault must be placed within the public right-of-way or public utility easement.
17. SDCs: The developer pays System Development Charges prior to building permit issuance. Staff will determine the water, sewer, storm and parks SDCs after the developer provides a complete Public Works Commercial/Industrial Development information sheet as applicable.
18. Street addresses: Suggested addresses for the developer to apply for are:
 - Lot 1 = 1241 Brown Street
 - Lot 2 = 1245 Brown Street
 - Lot 3 = 1251 Brown Street (retain)
 - Lot 4 = 1255 Brown Street
 - Lot 5 = 1261 Brown Street.

COUNCIL BILL NO. 3170

ORDINANCE NO. 2597

AN ORDINANCE AMENDING THE WOODBURN ZONING MAP TO DESIGNATE ZONING OF APPROXIMATELY 0.95 ACRES OF ANNEXED TERRITORY KNOWN AS THE VALENTINA ESTATES NO. 2 AND LOCATED ALONG THE WEST SIDE OF BROWN STREET SOUTH OF VINE AVENUE, MARION COUNTY, OREGON AS RESIDENTIAL SINGLE FAMILY (RS) ZONING DISTRICT

WHEREAS, the subject property is owned by Northwest Willamette Homes, LLC, of which the manager is Vassa Bodunov, and is legally described in Exhibit "A" and mapped in Exhibit "B", which are affixed hereto and by this reference incorporated herein; and

WHEREAS, the subject property is composed of Marion County Tax Lot 051W18C000900; and

WHEREAS, consistent with Oregon Revised Statutes (ORS) 222.111(2) the owner of real property in the territory to be annexed initiated by petition a proposal for annexation, a copy of the petition being on file with the City Recorder (ANX 2020-02); and

WHEREAS, because the subject property is already within the Woodburn Urban Growth Boundary (UGB), it has an existing Comprehensive Plan map land use designation of Low Density Residential; and

WHEREAS, the landowner as applicant requested that, consistent with Woodburn Development Ordinance (WDO) 5.04.01 E., the City designate the annexed territory as Residential Single Family (RS), which is one of two zoning districts that are consistent with the Comprehensive Plan per its Policy Table 1 (ZC 21-01); and

WHEREAS, this zoning designation is contingent upon annexation of the subject property to the City of Woodburn, for which the applicant has petitioned and filed the petition with the City Recorder; and

WHEREAS, the applicant intends to develop the territory into the Valentina Estates No. 2 subdivision; and

WHEREAS, on October 14, 2021 the Woodburn Planning Commission considered the annexation application and, after a duly advertised public hearing, recommended approval of the annexation; and

WHEREAS, on December 13, 2021, the Woodburn City Council held a public hearing, reviewed the record, heard all public testimony presented on said application, and, upon deliberation, concluded that the proposed annexation meets the applicable approval criteria under City of Woodburn Development Ordinance (WDO) 5.04.01C; and

WHEREAS, the City Council agenda item cover staff memo mentioned that zoning designation follows annexation and that an RS district zoning designation conforms to the Comprehensive Plan land use map designation;
NOW, THEREFORE,

THE CITY OF WOODBURN ORDAINS AS FOLLOWS:

Section 1. Upon the effective date of the annexation enacted by Ordinance 2596 being considered contemporaneously with this request, the Woodburn Zoning Map is amended designating the zoning on the subject property described in Exhibit "A" and mapped in Exhibit "B" as Residential Single Family (RS). This Zoning Map Amendment is justified by the Analysis and Findings affixed as Exhibit "C" to Ordinance 2596, which is incorporated by this reference.

Approved as to form: _____
City Attorney Date

Approved: _____
Eric Swenson, Mayor

Passed by the Council _____
Submitted to the Mayor _____
Approved by the Mayor _____
Filed in the Office of the Recorder _____

ATTEST: _____
Heather Pierson, City Recorder
City of Woodburn, Oregon

Legal Description for:
City of Woodburn
Property to be annexed

A tract of land situated in the southwest one-quarter of Section 18, Township 5 South, Range 1 West of the Willamette Meridian, Marion County, Oregon, more particularly described as follows:

Beginning at the Southwest corner of that tract of land recorded in Volume 269, Page 220, Marion County Deed Records, said corner shown as being South 11°00' West 1258.98 feet and North 88°57'30" West 688.75 feet from the Northeast corner of the Peter Raymond Donation Land Claim No. 58 per Marion County Survey Record 18989; and running thence:

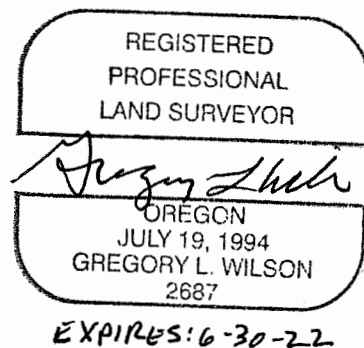
North 89°20'47" West 283.20 feet to the southwest corner of that property described in that instrument recorded in Reel 4330, Page 131, Marion County Deed Records;

thence North 01°00'54" West 163.57 feet along the west line of said property to the northwest corner thereof;

thence South 89°23'19" East 283.09 feet along the north line of said property and the Easterly extension thereof to a point in the centerline of Brown Street;

thence South 01°03'10" East 163.78 feet along said centerline to the Point of Beginning, containing 46,324 square feet of land, more or less.

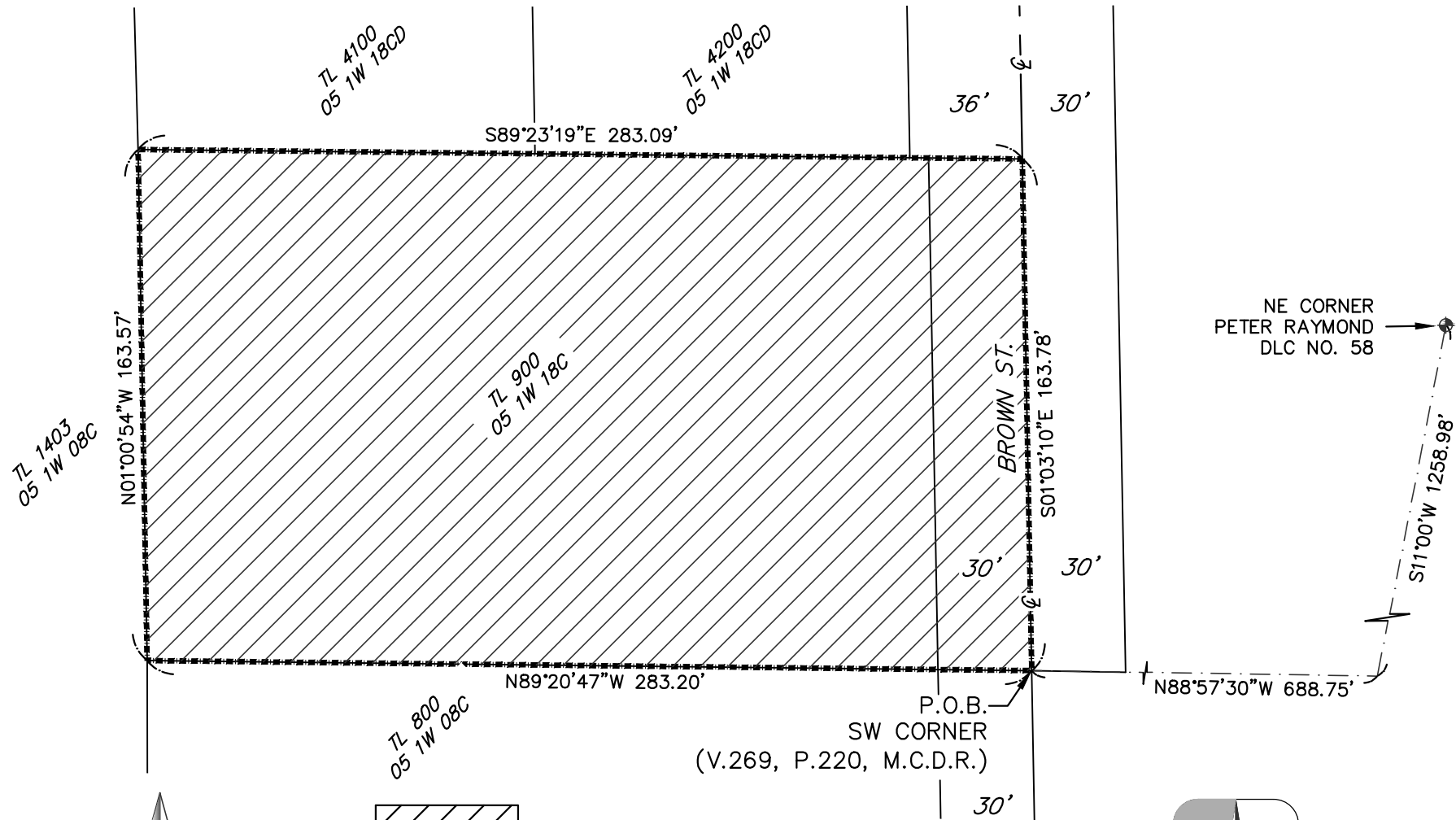
Bearings are based on the plat of VALENTINA ESTATES, as platted and recorded in Volume H48, Page 30, Book of Town Plats for Marion County, Oregon.



Ordinance
Exhibit A

EXHIBIT B

AREA TO BE ANNEXED INTO THE CITY OF WOODBURN
IN THE SW 1/4 OF SEC. 18, T. 5 S., R. 1 W., WM
JULY 15, 2021



GRAPHIC SCALE
1" = 50'



— PROPOSED ANNEXATION AREA
46,324 SQUARE FEET

P.O.B. — POINT OF BEGINNING
M.C.D.R. — MARION COUNTY DEED RECORDS
V. — VOLUME
B. — BOOK
P. — PAGE
DLC — DONATION LAND CLAIM
----- — CURRENT CITY LIMITS



**BARKER
SURVEYING**

3657 KASHMIR WAY SE
SALEM, OREGON 97317
PHONE (503) 588-8800
FAX (503) 363-2469
EMAIL: INFO@BARKERWILSON.COM



Final Decision

City Council

File number(s): SUB 2020-02, VAR 21-04, & ZC 21-01 Related to ANX 2020-02

Project name: Valentina Estates No. 2

Date of decision: January 10, 2022

Applicant: Vassa Bodunov, Northwest Willamette Homes LLC, 14768 Union School Rd NE, Woodburn, OR 97071-8626

Landowner: Same as applicant

Site location: 1251 Brown St; Tax Lot 051W18C000900

Summary: First, the Planning Commission held a public hearing on October 14, 2021 and unanimously recommended that the City Council approve the consolidated applications package (Type IV) with the conditions recommended by staff through the staff report published October 7.

Second, the City Council held a public hearing on December 13, 2021 and unanimously tentatively approved the consolidated applications package with the conditions recommended by staff through the Commission staff report.

The development applications depend upon annexation ANX 2020-02 through the annexation and zoning designation ordinances the Council is to have adopted January 10, 2022. (Ordinances take effect on the 30th day after adoption per the City Charter, Chapter VIII, Section 34, p. 10.)

The request was for annexation, zone change, preliminary subdivision, and variance to develop a demolished rural homestead of approximately 0.95 acres into 5 lots including 3 flag lots, Lots 2-4.

The variance request was for Lots 2 & 3 to measure lot depth north-south from the shared access easement instead of east-west from the front lot lines parallel to Brown Street as WDO 1.02 "Lot ... Flag lot" and Figure 1.02D would have required.

The subject property is in the Residential Single Family (RS) zoning district.

No parties testified besides the applicant.

Section references are to the [Woodburn Development Ordinance \(WDO\)](#).

Conditions of Approval:

General

G1. As part of building permit application, the applicant shall submit revised site plans meeting the conditions of approval and obtain Planning Division approval through sign-off on permit issuance.

G2. The applicant or successors and assigns shall develop the property in substantial conformance with the final plans submitted and approved with these applications, except as modified by these conditions of approval. Were the applicant to revise plans other than to meet conditions of approval or meet building code, even if Planning Division staff does not notice and signs off on building permit issuance, Division staff retains the right to obtain restoration of improvements as shown on an earlier land use review plan set in service of substantial conformance.

G3. References: Attachment 201 serves as a dictionary or glossary defining certain abbreviations, acronyms, phrases, terms, and words in the context of the conditions of approval. The 200 series of attachments are as binding as the conditions of approval in the main body of the final decision.

G4. Due dates / public improvements:

- a. PLA/PAR/SUB: Unless a condition specifies otherwise, conditions inc. those relating to any of final subdivision, final partition, property line adjustment or lot consolidation recordation are due by any of (1) before completion of recordation with the County, specifically no later than a City official signing a plat or re-plat Mylar per WDO 5.01.06C.1 and (2) building permit application, whichever is earlier. Also prior to both any recordation of any final subdivision, final partition, or property line adjustment and any of (1) and (2), whichever of (1) or (2) is earlier, the applicant shall submit and obtain Planning Division approval of an [Address Assignment Request](#). (For suggested addresses to request, refer either to the Pre-App PRE 2020-15 follow-up notes p. 6. or to the staff report / final decision “Notes to the Applicant” section that comes after the conditions, Note 18.)
- b. Dedications & Construction: Unless a condition specifies otherwise, ROW and easement dedications and recordation(s), construction of frontage/street improvements, and construction of off-site, park, and other public improvements are due by any of (1) before completion of recordation with the County, specifically no later than a City official signing a plat or re-plat Mylar per WDO 5.01.06C.1 and (2) building permit application, whichever is earlier. Where phasing is relevant, building permit issuance means issuance for the phase in which the conditioned improvement is located.

G5. Recordation due dates: The applicant shall apply to the County for recordations of items that the City requires no later than six (6) months prior to expiration of the land use approval as WDO 4.02.04B establishes, and shall complete recordations no later than three years past the land use “final decision” date. The due date to complete recordations shall not supersede when recordations are due per Condition G4.

G6. Improvements civil engineering plan (CEP) review: Per Attachment 203.

G7. Final plat application: The developer shall, prior to recordation with the County, apply to the City for Subdivision Final Plat Approval per WDO 5.01.06.

G8. Fees: The developer shall pay fees per Attachment 206.

G-PW. Public Works: The developer shall follow the appended PW comments (October 7, 2021; Attachment 102A).

Preliminary Subdivision 2020-03

SUB-1. Administration and documents: Per Attachment 202.

SUB-2. Brown Street: The developer shall:

- a. Streetside PUE: Dedicate 5 ft per WDO 3.02.01B and no wider per Condition V2a.
- b. Bicycle lane: Be required to construct per Condition V2b.
- c. Landscape strips: In addition to street trees per Condition V2d, landscape and irrigate per Condition V2c.
- d. ROW: Dedicate ROW to result in min 36 ft west of centerline to meet or exceed the min width necessary to conform to WDO Figure 3.01D.
- e. Improvements: Improve per both the half-street of Figure 3.01D plus 4 ft additional width of pavement east of centerline to conform to WDO 3.01.03C. Bury electric power lines per Condition V3.
- f. Subsurface/underground: Construct subsurface or underground improvements for potable water, sanitary sewer, and drainage or stormwater management as PW directs.

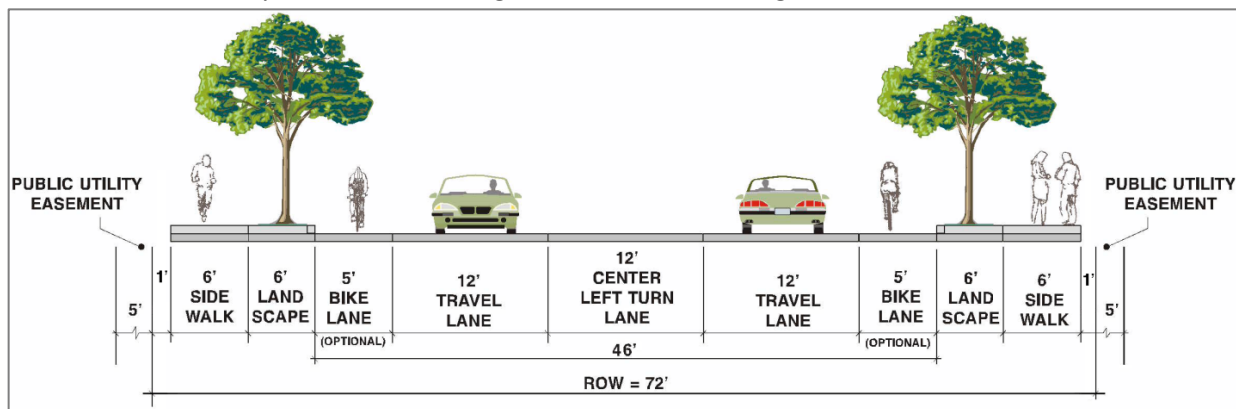


Exhibit SUB-2: Figure 3.01D – Service Collector

SUB-3. Access management and public shared access:

- a. Access management: The developer's choice of either Lot 1 or 5 is prohibited from its own direct driveway access to Brown Street and shall take vehicular access from the shared access driveway shared among Lots 2-4. The driveway on the remaining lot shall be max width per Condition V5.
- b. Shared access easement: To meet WDO 3.04.0A.2 & 3.04.03B.1, the developer shall establish a public shared access easement minimum 20 ft wide if the shared driveway is curbsless, 21 ft if with curbs, or wider depending on how the developer conforms to walkway Condition V4, and revocable only with the concurrence of the Director. The easement centerline shall follow that or those of the shared driveway and extend between ROW and each driveway stub.

- c. Text: The easement shall grant public access (ingress/egress) to and from Brown Street to the benefit of Lots 2-4 as well as either Lot 1 or 5 and include the following text: "Pursuant to Woodburn Development Ordinance (WDO) 3.04.03B.3, the public shared access (ingress and egress) right of this easement is revocable only with the written concurrence of the Community Development Director."
- d. Driveway: The driveway shall be maximum 20 ft wide if curbless or 21 ft if with two 6-inch curbs. The developer may sharpen the appearance of the turn radius of the driveway "T" by installing "grasscrete". The developer shall pave the south jut of the fire apparatus turnaround to the south property line, without curbing, to be adjacent to Lot 2 or Lots 1 & 2 of a preliminary subdivision of the Brown Street Properties, including 1550 Brown Street, proposed through Pre App PRE 21-25 as Exhibit SUB-3 below illustrates.

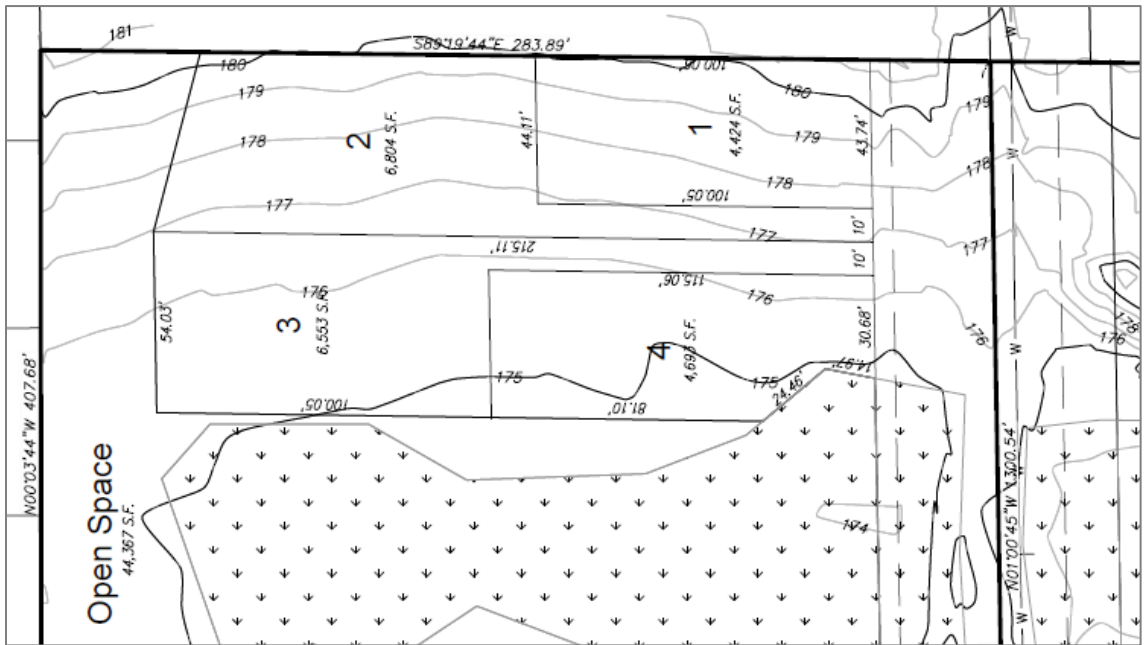


Exhibit SUB-3: PRE 21-25 draft subdivision plan

- e. Review: Regarding Condition G4, the developer shall submit a draft easement text and draft Exhibit A legal description and Exhibit B drawing prior to recordation and bundled with other materials for review regarding conditions that are due prior to final plat approval by the City.
- f. Utilities / off-street PUE: Atop the shared access driveway, the developer shall dedicate an off-street PUE minimum width 16 ft that both secures access to public utilities by each of min Lots 2-4 and to accomplish such as PW directs.
- g. Maintenance agreement: To meet WDO 3.04.03B.1 & 3, the developer shall establish a shared driveway private maintenance agreement addressing surface and subsurface/underground shared improvements. The developer need not submit a draft for Director review prior to recordation, but shall submit a copy of the recorded document by, as an exception to any conflicting general condition about due dates, building permit application.

Variance 21-04

V1. Lot depth: Varying from WDO 1.02 “Lot ... Flag lot” and Figure 1.02D, the developer may apply the lot depth standard for Lots 2 & 3 north-south instead of east-west.

V2. Brown Street: The developer shall:

- a. Streetside PUE: Not dedicate streetside PUE wider than 5 ft, with allowance for a jut or juts around fire hydrants to meet OFC as administered by the independent Woodburn Fire District or public works construction code.
- b. Bicycle lane: Construct the WDO Figure 3.01D west half-street bicycle lane, and stripe it both to be *MUTCD*-compliant and as PW directs.
- c. Landscape strips: Landscape the landscape strip or strips area remaining after street tree plantings with lawn grass or, if the City Engineer in writing allows, a species of groundcover. Cobblestones, gravel, pebbles, and rocks are prohibited. Bark dust, mulch, or wood chips are permissible only within the immediate vicinity of a street tree trunk. The developer shall install landscape strip irrigation, and shall provide temporary irrigation during construction, per the public works construction code.
- d. Street trees: Plant min 4 street trees inc. w/ root barriers as Attachment 201 defines. Fees in-lieu, if any, shall be per Attachment 206.

V3. Burial of electric power lines: The developer shall do either (a.) or (b.):

- a. Bury: At the site SE corner, remove from the electric power pole from the ROW, bury under the presently unpaved ROW the power line(s) that cross SW from the SE corner of Brown Street and the manufactured dwelling park driveway. (See Sheet C2.0 Existing Site Conditions as Attachment 103B for context). If the electric utility directs, it is permissible to install a new pole or poles within the easterly side of the Brown Street ROW beyond the gravel road to accomplish the lines going into and coming out of the ground east of the road. This shall be due the same as per Condition G4b; or
- b. Pay: Pay an electric power pole removal and line burial fee per Attachment 206.
- c. On-site: On site (outside ROW), the developer shall bury or underground all utility services per WDO 3.02.04C.

V4. Shared access walkway: The developer shall provide for shared walking access by constructing an ADA-compliant walkway min 3.5 ft wide, including curb width, along the required shared access driveway and that connects to each of Lots 2-4 as follows:

- a. Alignment/route: The walkway may follow the driveway within or outside it. The walkway may be part of mountable curb if the flat area above the slope is min width 3.5 ft.

- b. Pavement: The walkway may be asphalt, poured concrete, or concrete pavers.
 - (1) If asphalt: Whether within the driveway 20-ft width of asphalt or as additional width of asphalt, the walkway shall be hatch-striped, similar to an ADA parking stall accessible aisle, min width 3.5 ft to distinguish it from adjacent vehicular area.
 - (2) If concrete: (a) if outside the driveway 20-ft width, then raised min 4 inches or (b) if within, then raised through mountable curbing. Either way, a concrete walkway shall be constructed to the same PW structural support, thickness, and slope specifications as for sidewalk.
- c. Access easement: The shared access easement shall cover the walkway area. The walkway shall be constructed to the same PW structural support, thickness, and slope specifications as for sidewalk.
- d. Plan review: Drawings and documents necessary to administer the condition are due by building permit application, and walkway construction is due by final inspection.

V5. Driveway max: The shared driveway shall be 20 ft wide max measured between curbing, if any, unless the OFC as administered by the independent Woodburn Fire District causes driveway width to exceed the max, and the driveway approach / apron / curb cut for Lot 1 or 5 shall be 16 ft wide max and located no farther than 6 ft from the shared driveway curb cut.

V6. Bond / bonding / performance guarantee: If the City accepts a request to review bonding construction of public improvements, review and approval, if any, shall be per Attachments 204 & 206.

V7. Significant Tree removal: For any and every Significant Tree the developer would remove, the developer shall pay a fee per Attachment 206.

V8. Architecture: Where a WDO 3.07.03 provision regulates a dwelling front, for each dwelling on Lots 2 & 3 the provision shall apply to the south facade.

V9-T. Bus transit fee: To further transportation demand management (TDM) through bus transit, the developer shall pay a bus transit fee per Attachment 206.

Expiration: Per Woodburn Development Ordinance (WDO) 4.02.04B., a final decision expires within three years of the date of the final decision unless:

1. A building permit to exercise the right granted by the decision has been issued;
2. The activity approved in the decision has commenced; or
3. A time extension, Section 4.02.05, has been approved.

Notes to the Applicant:

1. Records: Staff recommends that the applicant retain a copy of the subject approval.
2. Fences, fencing, & free-standing walls: The approval excludes any fences, fencing, & free-standing walls, which are subject to WDO 2.06 and the permit process of 5.01.03.
3. Signage: The approval excludes any private signage, which is subject to WDO 3.10 and the permit process of 5.01.10.
4. SUB Time Limit: WDO 4.02.04B. specifies that, "A final decision on any application shall expire within three years of the date of the final decision unless: 1. a building permit to exercise the right granted by the decision has been issued; 2. the activity approved in the decision has commenced; or 3. a time extension, Section 4.02.05, has been approved. Because unrecorded re-plats lingering indefinitely have burdened staff, a condition sets sooner time limits for subsection 2. to begin and finish recordation.
5. Mylar signature: The Community Development Director is the authority that signs plat Mylars and not any of the mayor, City Administrator, Public Works Director, or City Engineer. Only one City signature title block is necessary.
6. PLA Plat Tracker: Marion County maintains a plat tracking tool at <http://apps.co.marion.or.us/plattracker/>. Use it to check on the status of a recordation request to the County. City staff does not track County plat recordation.
7. Technical standards:
 - a. Context: A reader shall not construe a land use condition of approval that reiterates a City technical standard, such as a PW standard, to exclude remaining standards or to assert that conditions of approval should have reiterated every standard the City has in order for those standards to be met.
 - b. Utilities: A condition involving altered or additional sidewalk or other frontage/street improvement that would in the field result in displacement or relocation of any of utility boxes, cabinets, vaults, or vault covers does not exempt the developer from having to move or pay to move any of these as directed by the City Engineer and with guidance from franchise utilities.
8. Other Agencies: The applicant, not the City, is responsible for obtaining permits from any county, state and/or federal agencies, which may require approval or permit, and must obtain all applicable City and County permits for work prior to the start of work and that the work meets the satisfaction of the permit-issuing jurisdiction. The Oregon Department of Transportation (ODOT) might require highway access, storm drainage, and other right-of-way (ROW) permits. All work within the public ROW or easements within City jurisdiction must conform to plans approved by the Public Works Department and must comply with a Public Works Right-of-Way permit issued by said department. Marion County plumbing permits must be issued for all waterline, sanitary sewer, and storm sewer work installed beyond the Public Right-of-Way, on private property.

9. Inspection: The applicant shall construct, install, or plant all improvements, including landscaping, prior to City staff verification. Contact Planning Division staff at least three (3) City business days prior to a desired date of planning and zoning inspection of site improvements. This is required and separate from and in addition to the usual building code and fire and life safety inspections. Note that Planning staff are not primarily inspectors, do not have the nearly immediate availability of building inspectors, and are not bound by any building inspector's schedule or general contractor convenience.
10. Stormwater management: The storm sewer system and any required on-site detention for the development must comply with the City Storm Water Management Plan, Public Works storm water practices and the Storm Drainage Master Plan.
11. Public Works Review: Staff performs final review of the civil plans during the building permit stage. Public infrastructure must be constructed in accordance with plans approved by the City, as well as current [Public Works construction specifications, Standard Drawings, Standard Details](#), and general conditions of a permit type issued by the Public Works Department.
12. ROW:
 - a. Dedication: The Public Works Department Engineering Division has document templates for ROW and easement dedications that developers are to use.

ROW – and public utility easement (PUE) – dedications are due prior to building permit per Public Works policy.
 - b. Work: All work within the public ROWs or easements within City jurisdiction must require plan approval and permit issuance from the Public Works Department. All public improvements construction work must be performed in accordance with the plans stamped “approved” by the City, and comply with the City's Standard Specifications and Standard drawings.
13. Franchises: The applicant provides for the installation of all franchised utilities in any required easements.
14. Water: All water mains and appurtenances must comply with Public Works, Building Division, and Woodburn Fire District requirements. Existing water services lines that are not going to be use with this new development must be abandoned at the main line. The City performs required abandonment of existing water facilities at the water main with payment by the property owner. All taps to existing water mains must be done by a “Hot Tap” method and by approved City of Woodburn Contractors. The applicant shall install the proper type of backflow preventer for all domestic, lawn irrigation and fire sprinkler services. The backflow devices and meters shall be located near the city water main within an easement, unless approved otherwise by Public Works. Contact Byron Brooks, City of Woodburn Water Superintendent, for proper type and installation requirements of the backflow device at (503) 982-5380.
15. Grease Interceptor/Trap: If applicable, a grease trap would need to be installed on the sanitary service, either as a central unit or in a communal kitchen/food preparation area. Contact Marion County Plumbing Department for permit and installation requirements, (503) 588-5147.
16. Fire: Fire protection requirements must comply with Woodburn Fire District standards and requirements, including how the District interprets and applies Oregon Fire Code (OFC). Place fire hydrants within the public ROW or public utility easement and construct them in accordance with

Public Works Department requirements, specifications, standards, and permit requirements. Fire protection access, fire hydrant locations and fire protection issues must comply with current fire codes and Woodburn Fire District standards. See City of Woodburn Standard Detail No. 5070-2 Fire Vault. The fire vault must be placed within the public right-of-way or public utility easement.

17. SDCs: The developer pays System Development Charges prior to building permit issuance. Staff will determine the water, sewer, storm and parks SDCs after the developer provides a complete Public Works Commercial/Industrial Development information sheet as applicable.

18. Street addresses: Suggested addresses for the developer to apply for are:

- Lot 1 = 1241 Brown Street
- Lot 2 = 1245 Brown Street
- Lot 3 = 1251 Brown Street (retain)
- Lot 4 = 1255 Brown Street
- Lot 5 = 1261 Brown Street.

Appeals: The decision is final unless appealed to the Oregon Land Use Board of Appeals (LUBA) pursuant to Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR) 661-010. The appeal due date is “on or before the 21st day” after the decision date per OAR 661-010-0015(1)(a). A valid appeal must meet the rules. If appealing to LUBA, as a courtesy inform City staff in writing.

A copy of the decision is available for inspection at no cost, and the City would provide a copy at reasonable cost at the Community Development Department, City Hall, 270 Montgomery Street, Woodburn, OR 97071-4730. For questions or additional information, contact Cassandra Martinez, Administrative Specialist, at (503) 982-5246 or cassandra.martinez@ci.woodburn.or.us.

Testifiers:

Name	Address	Planning Commission		City Council	
		Written	Verbal	Written	Verbal
n/a: none					

Attachments:

- Planning Commission October 14, 2021 Staff Report Attachment 101. Marked Tax Map
- 102A. Public Works comments (Oct. 7, 2021; 2 pages)
- 103B. Site plan existing site conditions Sheet C2.0 (dated May 4, 2021; submitted May 5, 2021)
- 103C. Marion County Assessor's Office aerial view of tree canopies (Oct. 6, 2021)
- 103D. Site plan Sheet C1.0 (dated July 23, 2021; submitted July 26, 2021)
- 104. Transportation System Plan (TSP) Fig. 2 "Functional Roadway Classification"
- 201.* ANX 2020-02 Valentina Estates No. 2: Dictionary & Glossary
- 202. ANX 2020-02 Valentina Estates No. 2: Administration Provisions
- 203. ANX 2020-02 Valentina Estates No. 2: Civil Engineering Plan (CEP) Review Provisions
- 204. ANX 2020-02 Valentina Estates No. 2: Performance Guarantee / Bond / Bonding Provisions
- 205. [Number skipped.]
- 206. ANX 2020-02 Valentina Estates No. 2: Conditioned Fees

*The 200 series of attachments are details for the conditions of approval.

Sincerely,



Colin Cortes, AICP, CNU-A

Senior Planner

As authorized by the City Council on January 10, 2022

Eric Swenson, Mayor

Date

ES/cmc

cc: Chris Kerr, Community Development Director

Dago Garcia, P.E., City Engineer

Melissa Gitt, Building Official

Jason Space, GIS Technician

Vassa Bodunov, Northwest Willamette Homes LLC, 14768 Union School Rd NE, Woodburn, OR 97071-8626 (applicant)

Gerald Horner, Engineer, Willamette Engineering, P.O. Box 9032, Salem, OR 97305-0032 (applicant's representative)

Testifiers: n/a

Oregon Dept. of Revenue (DOR)

Casey Knecht, P.E., Development Review Coordinator, Oregon Dept. of Transportation (ODOT) Region 2

Dani Morley, Oregon Secretary of State Archives Division

Marion County Assessor's Office

Marion County Geographic Information System (GIS)

Marion County Public Works Dept.

ANX 2020-03 Dove Landing PUD:

Attachment 201: Dictionary & Glossary

This document defines and explains abbreviations, acronyms, phrases, and words particularly in the context of conditions of approval.

- “ADA” refers to the federal Americans with Disabilities Act of 1990.
- “CEP” refers to civil engineering plan review, which is a review process independent of land use review led by the Community Development Department Planning Division and that is led by the Public Works Department Engineering Division through any application forms, fees, and review criteria as the Division might establish. A staff expectation is that CEP follows land use review and approval, that is, a final decision, and precedes building permit application.
- “County” refers to Marion County.
- “Director” refers to the Community Development Director.
- “exc.” means excluding.
- “ft” refers to feet.
- “max” means maximum.
- “min” means minimum.
- “Modal share” means the percentage of travelers using a particular type of transportation or number of trips using a type, as examples walking, cycling, riding transit, and driving.
- “Modal shift” means a change in modal share.
- “MUTCD” refers to *Manual on Uniform Traffic Control Devices* of the U.S. Department of Transportation (U.S. DOT) Federal Highway Administration (FHWA).
- “NE” means northeast.
- “NW” means northwest.
- “OAR” refers to Oregon Administrative Rules.
- “o.c.” refers to on-center spacing, such as of trees or shrubs.
- “ODOT” refers to the Oregon Department of Transportation.
- “ORS” refers to Oregon Revised Statutes.
- “PUE” refers to public utility easement, whether along and abutting public ROW (“roadside” or “streetside” PUE) or extending into or across the interior of private property (“off-street” PUE). In the context of property line adjustment, partition, or subdivision, the developer records through the plat with drawings and notes on the face of the plat. Absent this context, recordation is separate from land use review pursuant to a document template or templates established by PW. PW is the project manager for receiving, reviewing, accepting, obtaining City Council approval for, and recording public easement materials that a developer submits.

- “PW” refers to the Public Works Department.
- “Root barrier” refers to that illustrated by PW SS&Ds, [Drawing No. 1 “Street Tree Planting New Construction”](#).
- “ROW” refers to right-of-way.
- “RPZ” refers to root protection zone in the context of tree preservation.
- “SE” means southeast.
- “SDA” refers to site development area, the entire territory that is the subject of the land use application package.
- “sq ft” refers to square feet.
- “SS&Ds” refers to PW [standard specifications and drawings](#).
- “Street trees” refer to trees that conform to the WDO, including 3.06.03A and Tables 3.06B & C, and that have root barriers where applicable per PW [Drawing No. 1 “Street Tree Planting New Construction”](#).
- “Substantial construction” means that all grading necessary to accommodate full construction of both public improvements and common area improvements is complete, the developer constructed and dedicated all required public improvements, and the developer improved and dedicated all required common area tracts.
- “SW” means southwest.
- “Tot.” means total.
- “TDM” refers to transportation demand management, which means according to the TSP (p. 82), “a policy tool as well as a general term used to describe any action that removes single occupant vehicle trips from the roadway during peak travel demand periods”, and according to Wikipedia as of October 13, 2020, “the application of strategies and policies to reduce travel demand, or to redistribute this demand in space or in time.”
- “TSP” means the [Woodburn Transportation System Plan \(TSP\)](#).
- “Walkway” refers to what would otherwise be called sidewalk except the paved walking surface is on private property outside of any of ROW or an easement granting public access.
- “WDO” refers to the [Woodburn Development Ordinance](#).
- “WFD” refers to the Woodburn Fire District.
- “WTS” refers to the Woodburn Transit System.
- “w/i” means within.
- “w/o” means without.
- “VCA” refers to vision clearance area as WDO 1.02 and 3.03.06 establish or as a specific condition establishes.

ANX 2020-02 Valentina Estates No. 2:

Attachment 202: Administration Provisions

Refer to Condition G3 / Attachment 201 for a dictionary/glossary, including acronyms and shorthand text.

A. Documents:

1. Plats: Where any of Property Line Adjustment or Partition or Subdivision Final Plat are relevant, a developer may not apply for building permit until having completed recordation with the County and providing electronic copies of the recorded drawings and documents to the City, including as-builts.
2. Easements: Where any of extinguished, altered, or additional public easements are involved, a developer shall not apply for building permit until having completed recordation with the County and providing electronic copies of the recorded easement documents and drawings to the City, including as-builts.
3. Geotech report: After grading permit approval, if applicable, and by building permit application, the developer shall submit to the Director and PW a geotechnical report documenting that, whether or not the developer spreads any fill or spoil dirt across lots and tracts, soil is compacted and ready to accommodate the construction of buildings on lots and tracts proposed for development.
4. Electronic copies: Upon recordation, the developer shall submit to PW and cc the Director Adobe PDFs of the subdivision plat and any and all ancillary documents necessary to conform to conditions of approval and not addressed on the face of the plat, including easements and as-builts. Failure to do so shall result in the City declining to accept building permit application.
5. Piecemealing: The developer shall not piecemeal submittal of items due for review prior to completion of recordation, and should submit a comprehensive, holistic set of documents as part of or at the same time as CEP review application to PW.

B. Expiration: Based on ORS 92.040(3), development per the Council land use final decision may continue 3 years past the decision date, the 3-year approval period being established by WDO 4.02.04, as follows:

1. Subdivision Final Plat: WDO 4.02.04B.2 shall mean that application to the City for final plat per WDO 5.01.06 occurs prior to 3 years past the final decision date. The developer shall apply to the City for final plat prior to applying to the County for recordation.

2. Recordation with Marion County: Same as WDO 5.01.06C.1. (within 30 calendar days of the Director's signature on the plat Mylar).
3. Vesting: The decision is vested unless:
 - a. The developer fails to meet subdivision and, where applicable, PUD requirements, resulting in the City being unable to authorize staff to sign a final plat Mylar by the 3 years past the final decision date; or
 - b. There is no substantial construction (as defined through Condition G3) by July 1, 2026.

ANX 2020-02 Valentina Estates No. 2:

Attachment 203: Civil Engineering Plan (CEP) Review Provisions

Refer to Condition G3 / Attachment 201 for a dictionary/glossary, including acronyms and shorthand text.

- A. Purpose: For other departments and divisions, to facilitate review of plans that following a land use final decision a developer submits to the PW Engineering Division for civil engineering plan (CEP) review. To be a means of implementing land use final decision conditions of approval affecting street improvements, both surface and underground, and extending into PUEs. To specify public improvement standards where there is no detailed specification in the WDO or the public works construction code.
- B. Administration: The process by which to receive, review, and approve drawings and other documents related to public improvements required by land use conditions of approval may be through CEP that is paired with or incorporated into building permit review, if the City Engineer in writing allows the latter.
- C. Application: For CEP, per what PW requires, and original / 1st submittal shall be due no later than final plat application to the Director.
- D. Cover letter: Upon submitting CEP application to PW, a developer shall simultaneously alert the Director through a cover letter to the attention of the Community Development Department Planning Division referencing the intended or, if known, actual submittal date as well as the project name, tax lot number(s), street address(es), and the land use final decision conditions of approval that require the public improvements that are the subject of the civil engineering plans. Referencing conditions may be by quotation or citing the identification numbers. The developer shall identify the specific sheet (by number) or document page number that illustrates or notes how each part of a condition is met.
- E. Contact information: The developer shall state the applicant's name, company, phone number, e-mail address, and desired date for City staff to respond with review comments. The cover letter to the Director may include these. The developer may submit to the attention of the Director a copy of the stamped CEP application form submitted to PW if the form includes this required information.
- F. Fees: The developer shall pay review fees per Attachment 206 and submit to the attention of the Director a copy of proof of payment, which should be bundled with other materials for the Director.

G. Site plans and other drawings: For any of CEP review by the Director:

1. Sizes/copies: From among the minimum number of copies submitted to PW, submit to the attention of the Director at least 4 plan size copies of plan sets, 2 plotted at native scale (minimum 22 by 34 inches, maximum 24 by 36) and 2 at ledger (11 by 17). Within the cover sheet title block(s), include the date or anticipated date of submittal and the phrase "Civil Engineering Plans" or "Civil Plans for CEP".

2. Folding/electronic: Fold the plan size sets if thin enough to do so. Submit also Adobe PDF copies using a fileshare service.

H. Developer's role: The developer is the project manager. Because the Engineering Division may establish that CEP applicants have a single point of contact termed the "engineer of record", the developer manages the engineer of record who handles the CEP and also interacts with the Community Development Director regarding DDP review. For the Director, the developer is the point of contact, namely whoever on the developer's team the developer tasks with being the project manager. The developer shall be responsible for integrating Director directions into CEP review that the engineer of record leads with the Engineering Division. If, when, and where conflicts arise between Director directions and Engineering Division directions, the developer shall be responsible for communicating with formal cover or transmittal letters messages from the conflicting division to the other division, and shall communicate such.

I. [Letter "I" skipped].

J. Approved plan set: There shall result an official version of a civil engineering plan set marked approved and issued by PW that shows all common area improvements and public improvements, including off-street public improvements, resulting from CEP, and where applicable resulting from DDP, that conforms to land use final decision conditions of approval. It shall come to be prior to building permit application, and CEP approved plan set approval and issuance shall be prohibited until the developer pays any CEP review fees per Attachment 206. The developer shall submit to the Director print and electronic copies of the plan set marked approved and issued by PW.

CEP approval shall precede any of (1) completion of recordation with the County, specifically no later than a City official signing a plat or re-plat Mylar per WDO 5.01.06C.1 and (2) building permit application, whichever is earlier.

ANX 2020-02 Valentina Estates No. 2:

Attachment 204: Performance Guarantee / Bond / Bonding Provisions

The following provisions supersede WDO 4.02.08 and do not relate to the usual warranty bond or bonds that PW requires for constructed public improvements or to franchise utility construction:

A. Applicability: Construction, installation, or improvement of public facilities, including streets including street trees, greenways, off-street bicycle pedestrian facilities, bus transit, and related improvements. For private, on-site improvements such as landscaping, Subsection L below instead applies.

B. Review: When an applicant has an obligation to construct, install, or improve public facilities, the obligation shall be fulfilled prior to the issuance of a building permit unless the City Council has granted a written waiver of this requirement and the applicant has filed with the City Recorder and City Engineer a bond or other performance guarantee. Administration and review of performance guarantee requests related to public improvements as well as establishing administrative policy and review criteria for requests default to the Public Works Department Engineering Division. The Community Development Director may advise the Division. The City is not obligated to consider or accept for review any performance guarantee request, and the Engineering Division may refuse a request instead of accepting a request for review, reviewing it, and presenting it to the Council.

C. Fees: Per Attachment 206.

D. Approval document:

1. Council approval of a performance guarantee shall be in writing, signed by the Mayor or Council President as well as the City Administrator.

2. The approval document, such as a letter, shall include the Council meeting date, the approval date, the due date by which either the developer will construct the public improvements or the City will call the bond or other performance guarantee, and the contact information of the developer, the developer's civil engineer, the performance guarantee company, and the Public Works Department Engineering Division.

3. It shall also list and describe the bonded improvements, enclose or incorporate the cost estimate or estimates that were the basis of the amount or percentage of the performance guarantee, and list the obligations of the developer. Where any are relevant, the approval document shall also reference the land use approval case file number or numbers, land use approval expiration date per the final decision document, plat lot and tract designations, tax lot number(s), City address(es), and land development project name.
4. The due date shall be no later than the City business day closest to one year past the meeting date on which the Council voted to approve the performance guarantee.
- E. Percent: The performance guarantee shall be an amount equal to a percent of the cost of fulfilling the obligation as estimated by the City Engineer for the date by which fulfillment of the obligation is anticipated. The minimum shall be 200 percent. A sufficient performance bond, cash deposit or a letter of credit are acceptable forms of security.
- F. Maintenance/Warranty: As an additional and separate part of the performance guarantee, the applicant shall agree to maintain the public facility or improvement for a period of one year following acceptance by the City Administrator, to include but not be limited to repair, replacement and all things necessary to ensure its operational integrity.
- G. The security shall be forfeited to the City if the applicant does not fulfill the requirements stated in the performance guarantee and the City may use the security to complete the obligation or any part of it. Until the obligation is completed, the security shall remain in the custody of the City or shall be placed in an escrow account subject to City control.
- H. Release: Upon receipt of written notice to the City Administrator and City Engineer that the public facility or required improvements have been completed and are ready for final inspection and acceptance, the City Administrator or City Engineer shall, within ten City business days, inspect. When upon inspection or re-inspection the City Engineer finds and documents the work as acceptable, the City Administrator shall in writing authorize the City Engineer to release the performance guarantee within 45 days of inspection or re-inspection. The City Administrator shall place on the agenda of the next regularly scheduled Council meeting, for which the agenda packet due date has not already passed, written briefing that release will happen, is happening, or happened.

I. Call: If the applicant fails to fulfill the obligation to complete the public facility or required improvement, the City Engineer shall issue written notice shall be given within 5 City business days past the due date and detailing the failure and stating that the City is using the security given to complete the obligation, that is, to call the bond or other performance guarantee, and the City shall do so. The notice shall be courtesy copied to the City Administrator, City Attorney, City Recorder, and Community Development Director. After the City completes the obligation and if the required security is not sufficient to compensate the City for costs incurred, the excess amount due to the City, plus a ten percent administrative charge, shall constitute a lien in favor of the City upon the real property subject to the obligation.

J. The lien attaches upon entry in the City lien docket and the giving of notice of the claim for the amount due for the completion of the obligation. The notice shall demand the amount due, allege the insufficiency of the bond or other security to compensate the City fully for the cost of the fulfillment of the obligation, and allege the applicant's failure to complete the required obligation.

K. Once docketed, the lien may be foreclosed in the manner prescribed by ORS Chapter 223 for foreclosing liens on real property.

L. Private, on-site: When an applicant has an obligation to construct, install, or improve private, on-site facilities, the obligation shall be fulfilled prior to the issuance of a building permit unless the City Administrator has granted a written waiver of this requirement and the applicant has filed with the City Administrator, City Recorder, and Community Development Director a bond or other performance guarantee. The City Administrator is not obligated to consider or accept for review any performance guarantee request, and may refuse a request instead of accepting a request for review, reviewing it, and approving it. Fees and percent shall be per subsections C and E above, and the approval document shall contain information similar to what subsections D.2-4 above require.

ANX 2020-02 Valentina Estates No. 2:

Attachment 206: Conditioned Fees

All of the following conditioned fees are due as applicable, whether or not mentioned directly by a condition of approval.

Refer to Condition G3 / Attachment 201 for a dictionary/glossary, including acronyms and shorthand text.

Part A. Fee Provisions

1. Any and all conditioned fees are in addition to, and not in place or as discounts of, any existing charge or fee however termed ordinarily assessed based on any existing ordinance, resolution, or administrative policy, inc. adopted fee schedules. If and when the City amends any ordinance, resolution, or administrative policy, inc. a fee schedule, to increase a charge or fee that is both (1) the same kind of charge or fee that is conditioned, (2) the amended charge or fee amount would exceed the amount conditioned, and (3) the increase takes effect before the conditioned fee is due, then the developer shall pay the greater amount.
2. Payments of conditioned fees shall reference a final decision case file number and the condition of approval letter/number designation, be it in a check memo field or through a cover or transmittal letter. For administrative and logistical details of such fee payments, the developer is to contact and administrative assistant or similar position in either PW or the Community Development Dept. as applicable.
3. For a development of multiple buildings for which the developer applies for a building permit for each, the due date shall apply to issuance of whatever permit is first issued, unless a condition of approval as found in a land use final decision document specifies later for a given building.

For all administrative and logistical questions about fee payment, the developer is to contact the permit/planning technician at (503) 982-5246 and refer to this attachment within the ANX 2020-02 Valentina Estates No. 2 final decision.

For payment method policy details, the developer is to contact the Finance Department at (503) 982-5222, option zero, for payment method policy details.

Part B. Fee Table

<i>Table 206B. Conditioned Fees</i>					
<i>Condition Reference</i>	<i>Fee Type</i>	<i>Amount</i>	<i>Context</i>	<i>Timing</i>	<i>Staff Tracking:</i>
G6 through this Attachment 206	Civil engineering plan (CEP) review: Review by Planning Division	\$250; \$341	CEP. Original/1 st submittal; each subsequent inc. deferral/piecemeal	Before final plat approval by the City	
	Inspections by Planning Division	none; \$341	Subdivision public and private improvements and building permit. Any 2 nd inspection or PW “walkthrough”; 3 rd & each subsequent	Upon inspection request or PW “walkthrough” invitation to Planning Division staff;	
V2d	Fee for street trees omitted through civil engineering plan (CEP) review, or inspection missing tree fee	\$950 per tree	Applies to omitted street trees or ones missing from required number	By building permit inspection (of first dwelling)	
V3	Electric power pole(s) removal and line(s) burial	\$568 per lineal ft of line assessed at minimum 56 ft, then discounted by 50%.	Based on subdivision existing conditions Sheet C2.0 (May 5, 2021). (Anticipated that adjacent Brown Street Properties subdivision following Pre-App PRE 21-25 would contribute remaining 50%.)	By building permit inspection (of first dwelling)	
V6 through Attachment 204	Bond / bonding / performance guarantee: construction of public improvements: consideration and review of request to bond	\$4,474; \$341	Original/1 st submittal; each subsequent inc. deferral/piecemeal	Were developer to request and if City willing to consider request	
V7	Tree removal: Significant Trees	\$185 per tree assessed at min 10 trees except per Note 1 at right.	Per the Planning Division Fee Schedule, Tree Credit. Applies to Significant Trees as WDO 1.02 defines. Note 1: Developer may lessen default fee by revising and re-submitting subdivision existing conditions Sheet C2.0 (May 5, 2021;	Before any site grading occurs (As of October 4, 2021, County Assessor aerial view (Attachment 103C) shows min 10 larger tree canopies on site, and	

Valentina Estates No. 2 ANX 2020-02, ZC 21-01, SUB 2020-02, & VAR 21-04 Staff Report / Final Decision

Attachment 206

Page 2 of 3

<i>Table 206B. Conditioned Fees</i>					
<i>Condition Reference</i>	<i>Fee Type</i>	<i>Amount</i>	<i>Context</i>	<i>Timing</i>	<i>Staff Tracking:</i>
			Attachment 103B) no later than per Timing column to confirm number and locations of existing Significant Trees.	Sheet C2.0 has min 38 tree circles.)	
V9-T	Transit: Bus	\$290 per dwelling	For City bus transit	Building permit issuance per each dwelling	

January 10, 2022

TO: Honorable Mayor and City Council

FROM: Jesse Cuomo, Community Services Director

SUBJECT: **Resolution Updating Parks and Recreation SDC Fees**

RECOMMENDATION:

Adopt the resolution approving a Parks and Recreation System Development Charges (SDC) schedule, which has been updated to account for increasing construction costs, consistent with Ordinance 2250; and establishing an effective date of February 1, 2022.

BACKGROUND:

SDC legislation was first adopted by the State of Oregon in 1989. SDCs are one time fees assessed on new development to fund the expansion of infrastructure for parks, streets, water, wastewater, or storm water management systems. By statute, SDC fees can only be utilized to fund capital improvements that add capacity to the system, such as parkland acquisition or the construction of new parks or park facilities. SDCs may not be utilized to fund non-capacity increasing projects, such as maintenance or operations. The City of Woodburn has collected and utilized parks and recreation SDCs since 1992.

State law has strict provisions that require a city to develop a formula, or "methodology", which takes into account the value of existing or planned capacity in the infrastructure system necessary to serve new development.

The methodology must consider the cost of existing facilities, prior contributions by existing users, the value of unused capacity, grants, and other relevant factors. SDC fees are designed to recover all or a portion of the costs of planned capital improvements that add system capacity to serve future development.

The City's adopted Parks and Recreation SDC Methodology, which was last updated in 2016, includes a parks Capital Improvement Project (CIP) list, which identifies SDC eligible projects, the estimated timing of each project, and the growth-related portion of each project that is eligible for SDC funding.

Agenda Item Review: City Administrator ☒ City Attorney ☒ Finance ☒

Pursuant to Ordinance 2250, this adjustment is to be calculated and take effect on January 1 of each year. The Ordinance, provides for the SDC fees to be adjusted in an amount equal to the change in construction costs according to the *Engineering News Record (ENR) Northwest (Seattle, Washington)* Construction Cost Index. As of December 2021, the annual construction cost index increase was 6.6%.

DISCUSSION:

Effective Feb 1, 2022, all Parks and Recreation SDC fees will increase 6.6%.

The updated schedule is as follows:

	Old Fee	New Fee
Residential (all housing types)	\$3,929/ dwelling unit	\$4,188/ dwelling unit
Non-residential	\$156/ employee	\$166 employee

FINANCIAL IMPACT:

The increased revenues that are expected to result from the updated SDC fee schedule are dependent upon the level of future development activity, which is unknown at this time. As of November 30, 2021, the Parks and Recreation SDC Fund had a balance of approximately \$2.6 million.

COUNCIL BILL NO. 3171

RESOLUTION NO. 2181

A RESOLUTION SETTING AMOUNT OF THE PARKS AND RECREATION SYSTEMS DEVELOPMENT CHARGES UNDER AN EXISTING METHODOLOGY; ESTABLISHING AN ALTERNATIVE RATE REVIEW FEE; AND SETTING AN EFFECTIVE DATE FOR IMPOSITION OF THE FEES AND CHARGES

WHEREAS, ORS 223.297 – 223.314 authorizes local governments to impose system development charges; and

WHEREAS, the City has adopted Ordinance 2250 establishing Parks and Recreation Systems Development Charges; and

WHEREAS, the City has adopted methodologies pursuant to Ordinance 2250 to justify the Parks and Recreation Systems Development Charges; and

WHEREAS, Ordinance 2250 provides that the amounts of the Parks and Recreation and Parks Systems Development shall be set by resolution; and

WHEREAS, Ordinance 2250 provides that the amounts of the Parks and Recreation and Parks Systems Development charges shall be adjusted annually to account for changes in the cost of constructing facilities; and

WHEREAS, Ordinance 2250 also allows the City to establish an alternative rate review fee by resolution; **NOW THEREFORE**,

THE CITY OF WOODBURN RESOLVES AS FOLLOWS:

Section 1. PARKS AND RECREATION SYSTEMS DEVELOPMENT CHARGE.

The schedule of Parks and Recreation Systems Development Charges attached as Exhibit "A", and, by this reference, incorporated herein is hereby adopted to be imposed beginning the effective date identified in Section 3 of this resolution.

Section 2. ALTERNATIVE RATE REVIEW FEE

The minimum fee for review of an alternative rate review calculation shall be two-hundred-and-fifty dollars (\$250), to be paid at the time the alternative rate calculation is submitted for review. If the City hires a consultant to assist in reviewing the information submitted, the cost of the consultant's review shall be

shared equally by the City and the applicant, and the applicant shall pay its share of the cost of the consultant's review at the time the City decides whether or not to accept the alternative rate.

Section 3. EFFECTIVE DATE

The effective date for imposition of the fees and charges identified in this resolution shall be February 1, 2022.

Approved as to form: _____
City Attorney Date

Approved: _____
Eric Swenson, Mayor

Passed by the Council _____

Submitted to the Mayor _____

Approved by the Mayor _____

Filed in the Office of the Recorder _____

ATTEST: _____
Heather Pierson, City Recorder
City of Woodburn, Oregon

EXHIBIT "A"

PARKS AND RECREATION SYSTEM DEVELOPMENT CHARGES SCHEDULE

Effective: February 1, 2022

<u>DEVELOPMENT TYPE</u>	<u>SDC PER UNIT</u>
Residential (all housing types)	\$ 4,188 /dwelling unit
Non-residential	\$ 166/employee

The non-residential fee is assessed based on a structure's gross square footage per employee as determined by the following *Metro Employment Density Study* guidelines:

SQUARE FEET PER EMPLOYEE (Recommended Guidelines from Metro Employment Density Study)

<u>Standard Industry Classification (SIC)</u>	<u>Square Feet Per Employee</u>	<u>Standard Industry Classification (SIC)</u>	<u>Square Feet Per Employee</u>
Manufacturing:		Trucking	1,500
General	700	Communications	250
Food Related	775	Utilities	225
Textile, Apparel	575		
Lumber, Wood Products	560	Retail:	
Paper and Related	1,400	General	700
Printing and Publishing	600	Hardware	1,000
Chemicals, Petrol,		Food Stores	675
Rubber, Plastics	850	Restaurant/ Bar	225
Cement, Stone, Glass, Clay	800	Appliance/ Furniture	1,000
Furniture and Furnishings	600	Auto Dealerships	650
Primary Metals	1,000	Gas Station (gas only)	300
Secondary Metals	800	Gas Station (Gas and Service)	400
Non-Electrical Machinery	600	Regional Shopping Center	600
Electrical Machinery	375		
Electrical Design	325	Services:	
Transportation Equipment	500	Hotel/ Motel	1,500
Other	400	Health Services (hospital)	500
		Health Services (clinic)	350
Wholesale Trade:		Educational	1,300
Durable Goods	1,000	Cinema	1,100
Non-Durable Goods	1,150	Personal Services (office)	600
		Finance, Insurance, Real Estate,	
Warehousing:		Business Services (office)	350
Storage	20,000		
Distribution	2,250	Government Administration	300



Agenda Item

January 10, 2022

TO: Honorable Mayor and City Council (acting in its capacity as the Local Contract Review Board) through City Administrator

FROM: Curtis Stultz, Public Works Director

SUBJECT: **Award a Contract for Preliminary Design Services for the Wastewater Facilities Master Plan Update & Rate Study to Murraysmith, Inc.**

RECOMMENDATION:

Award a Contract for preliminary design services for the Wastewater Facilities Master Plan & Rate Study to Murraysmith, Inc. in the amount of \$569,539.00 and authorize the City Administrator to sign the Agreement.

BACKGROUND:

The City prepared and submitted final designs for compliance upgrades to its Wastewater Treatment Facility to Oregon DEQ in January 2012. Subsequently, the Environmental Protection Agency, based on a court decision, disapproved Oregon DEQ using National Conditions Criteria for establishing TMDL's for Thermal Loading, which is what the Molalla-Pudding River TMDL is based on. The disagreement between the two agencies resulted in the City pausing any work on the planned facility upgrades. A recent decision, however, was made in this regard, and it is now time to go forward with compliance upgrades, of which updating the Wastewater Facilities Plan is a major first step.

A Comprehensive wastewater system evaluation of the City's sanitary sewer collection system and wastewater treatment plant will conform to Oregon Department of Environmental Quality requirements.

Staff utilized a Request for Proposals (RFP) process to solicit engineering and design services for the Wastewater Facilities Master Plan & Rate Study Project. The RFP was advertised on the City website and in the Daily Journal of Commerce. Staff received only one proposal that satisfied the requirements of the RFP. Staff reviewed the proposal in accordance with the RFP guidelines and state requirements (ORS 279C.105). After collaboration with pertinent City staff, a

Agenda Item Review: City Administrator ☒ City Attorney ☒ Finance ☒

decision was reached to select Murraysmith, Inc. as the highest-ranking (and only) proposer. City staff proceeded to negotiate a scope of work and fee for services to complete the update of the City's Wastewater Facilities Master Plan.

DISCUSSION:

Murraysmith, Inc. is a well-qualified firm and very familiar with the current City sewer system. The negotiated contract for preliminary engineering design work for this project is in the amount of \$569,539.00.

Murraysmith will provide professional engineering services to update the City's Wastewater Facilities Master Plan and to perform a wastewater rate study including an update of the wastewater System Development Charges in conjunction with the master plan update process.

The procurement process for soliciting these services and the contract award is in conformance with public contracting laws of the State of Oregon as outlined in ORS Chapter 279 and the laws and regulations of the City of Woodburn. Therefore, staff is recommending that the contract be awarded accordingly to the highest ranked proposer.

FINANCIAL IMPACT:

The Contract Agreement will be funded from the approved 2021/22 fiscal year budget from the sewer fund, with the remainder proposed in the 2022/23 fiscal year budget.



Agenda Item

January 10, 2022

TO: Honorable Mayor and City Council(acting in its capacity as the Local Contract Review Board) through City Administrator

FROM: Curtis Stultz, Public Works Director

SUBJECT: **Award a Contract for Preliminary Design Services for the Storm Drainage Master Plan Update to Murraysmith, Inc.**

RECOMMENDATION:

Award a Contract for preliminary design services for the Storm Drainage Master Plan Update to Murraysmith, Inc. in the amount of \$149,037.00 and authorize the City Administrator to sign the Agreement.

BACKGROUND:

The existing storm drainage master plan was written twenty years ago in 2001. It is now time for the master plan to be updated to reflect physical and regulatory changes that have occurred in Woodburn over the past 20-years. An important goal for the Master Plan update is to address the requirements needed to stay compliant as a Designated Management Agency (DMA), including meeting the requirements of the Final Revised Willamette Basin Mercury TMDL and Water Quality Management Permit (WQMP)

Additional aspects of the plan update are to provide an integrated storm water management strategy that is reflective of the system; identifies and proposes solutions for deficiencies in the current system; plans for runoff from future growth; provides recommended improvements for water quality, detention, and low impact development standards.

Staff utilized a Request for Proposals (RFP) process to solicit professional engineering services for the Storm Drainage Master Plan Update. The RFP was advertised on the City website and in the Daily Journal of Commerce. Staff received two proposals that satisfied the requirements of the RFP. Staff reviewed the proposals in accordance with the RFP guidelines and state requirements (ORS 279C.105). After collaboration with pertinent City staff, a decision was reached to select

Agenda Item Review: City Administrator ☒ City Attorney ☒ Finance ☒

Murraysmith, Inc. as the highest-ranking proposer. City staff proceeded to negotiate a scope of work and fee for services to complete the update of the City's Storm Drainage Master Plan.

DISCUSSION:

Murraysmith, Inc. is a well-qualified firm with the technical expertise to complete the Storm Drainage Master Plan. The negotiated contract for professional engineering services to complete this project is in the amount of \$149,037.00.

The procurement process for soliciting these services and the contract award is in conformance with public contracting laws of the State of Oregon as outlined in ORS Chapter 279 and the laws and regulations of the City of Woodburn. Therefore, staff is recommending that the contract be awarded accordingly to the highest ranked proposer.

FINANCIAL IMPACT:

The Contract Agreement will be funded from the approved 2021/22 fiscal year budget from the sewer fund, with the remainder proposed in the 2022/23 fiscal year budget.



Agenda Item

January 10, 2022

To: Honorable Mayor and City Council through City Administrator

From: Chris Kerr, Community Development Director *CK*

Subject: **Call-Up Briefing: Staff administrative approval of a Preliminary Partition application for 920 Hardcastle Avenue (PAR 21-02)**

RECOMMENDATION:

Staff recommends no action and briefs the Council on this item pursuant to Woodburn Development Ordinance (WDO) Section [4.02.02](#). The Council may call up this item for review if desired and, by majority vote, initiate a review of this decision.

BACKGROUND:

The subject property is approximately 0.34 acres, northeast of Washington Elementary School along Hardcastle Avenue, and within the Medium Density Residential (RM) zone. The property owner applied for Preliminary Partition PAR 21-02 in order to divide the lot into two new lots and construct a single-family home on each.

The proposal complies with all applicable standards in the Woodburn Development Ordinance, or can comply via the conditions of approval.

Agenda Item Review: City Administrator ___x___ City Attorney ___x___