

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
TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i-iv
Organization of the City of Woodburn, Oregon	v
Certificate of Achievement for Excellence in Financial Reporting	vi
List of Officials	vii
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	
	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	
	4-9
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11-12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13
Reconciliation of Balance Sheet - Governmental Funds to the Statement of Net Position	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	16
Statement of Net Position - Proprietary Funds	17
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	18
Statement of Cash Flows - Proprietary Funds	19-20
Notes to Basic Financial Statements	21-50
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual General Fund	51
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) – Oregon Public Employee's Retirement System	52
Schedule of the City's Contributions – Oregon Public Employee's Retirement System	53
Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios - Implicit Rate Subsidy	54
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset) – Oregon Public Employee's Retirement System Retiree Health Insurance Account	55
Schedule of the City's Contributions – Oregon Public Employee's Retirement System Retiree Health Insurance Account	56
Notes to the Required Supplementary Information	57-58

CITY OF WOODBURN, OREGON
TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION (Continued)	
SUPPLEMENTARY INFORMATION	
Governmental Funds	
Combining Balance Sheet – Nonmajor Funds	59-62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Funds	63-66
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Street Fund	67
Transit Fund	68
Building Inspection Fund	69
Asset Forfeiture Fund	70
Housing Rehabilitation Fund	71
Lavelle Black Trust Fund	72
Urban Renewal Fund	73
General Capital Construction Fund	74
Special Assessment Fund	75
Street & Storm Capital Construction Fund	76
Parks SDC Fund	77
Street SDC Fund	78
Storm SDC Fund	79
Equipment Replacement Fund	80
GO Debt Service Fund	81
Proprietary Funds	
Enterprise Funds	
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual	
Water Operations Combining	82
Water Fund	83
Water SDC Fund	84
Water Capital Construction Fund	85
Sewer Operations Combining	86
Sewer Fund	87
Sewer SDC Fund	88
Sewer Capital Construction Fund	89
Internal Services Funds	
Combining Statement of Fund Net Position	90
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	91
Combining Statement of Cash Flows	92
Schedules of Revenues, Expenditures and Changes in Fund Balances (Budgetary Basis) Budget and Actual	
Information Technology Fund	93
Insurance Fund	94
STATISTICAL SECTION	
CONTENTS	95
FINANCIAL TRENDS	
Net Position by Component	96
Changes in Net Position	97-98
Fund Balance of Governmental Funds	99
Changes in Fund Balances of Governmental Funds	100

CITY OF WOODBURN, OREGON
TABLE OF CONTENTS

	<u>Page</u>
STATISTICAL SECTION (Continued)	
REVENUE CAPACITY	
Market and Assessed Value of Taxable Property	101
Direct and Overlapping Governments	102
Principal Property Taxpayers	103
Property Tax Levies and Collections	104
DEBT CAPACITY	
Ratios of Outstanding Debt by Type	105
Ratios of General Bonded Debt Outstanding	106
Direct and Overlapping Governmental Activities Debt	107
Legal Debt Margin	108
Pledged Revenue Coverage	109
DEMOGRAPHIC AND ECONOMIC INFORMATION	
Demographic and Economic Statistics	110
Principal Employers	111
OPERATING INFORMATION	
Full Time Equivalent Employees by Function	112
Operating Indicators by Function	113
Capital Asset Statistics by Function	114
OTHER INFORMATION	
Water System Coverage Calculation	115
Top Ten Water Customers	116
COMPLIANCE SECTION	
Independent Auditor's Report Required by Oregon State Regulations	117-118

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.

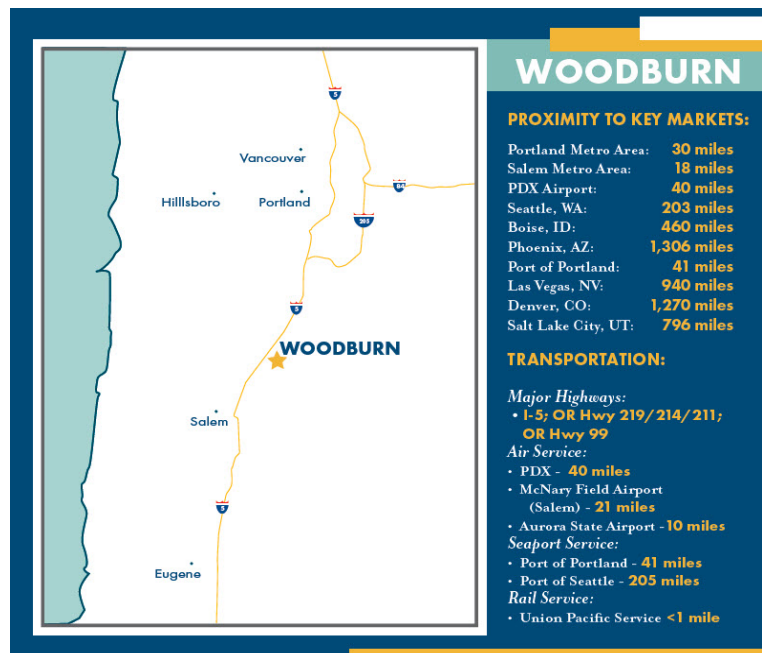
State law requires that an Annual Financial Report and component unit financial statements be published within six months of the fiscal year end and be audited in accordance with generally accepted auditing standards by independent certified public accountants. Independent auditors, Grove, Mueller & 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.

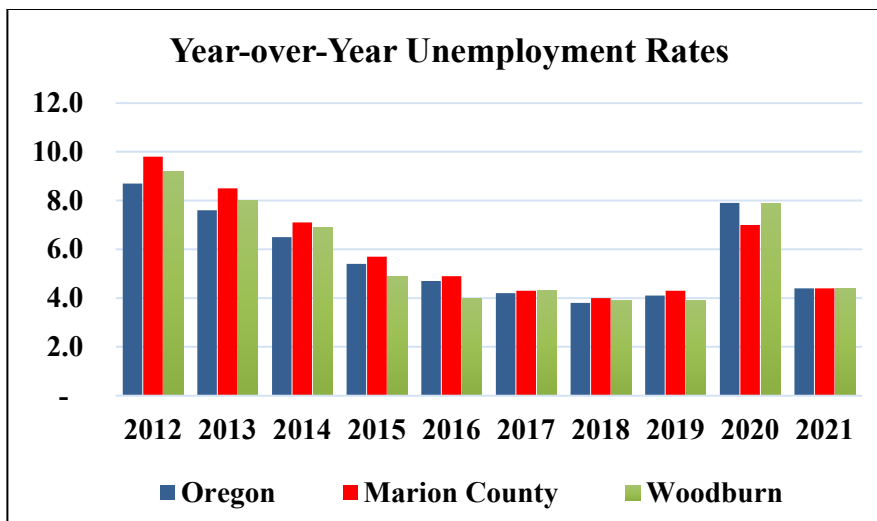
ECONOMIC ENVIRONMENT

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, pursuit 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.

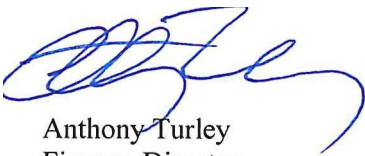
¹ Source: State of Oregon Employment Department, August 2019 Employment and Unemployment in Oregon Counties

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.

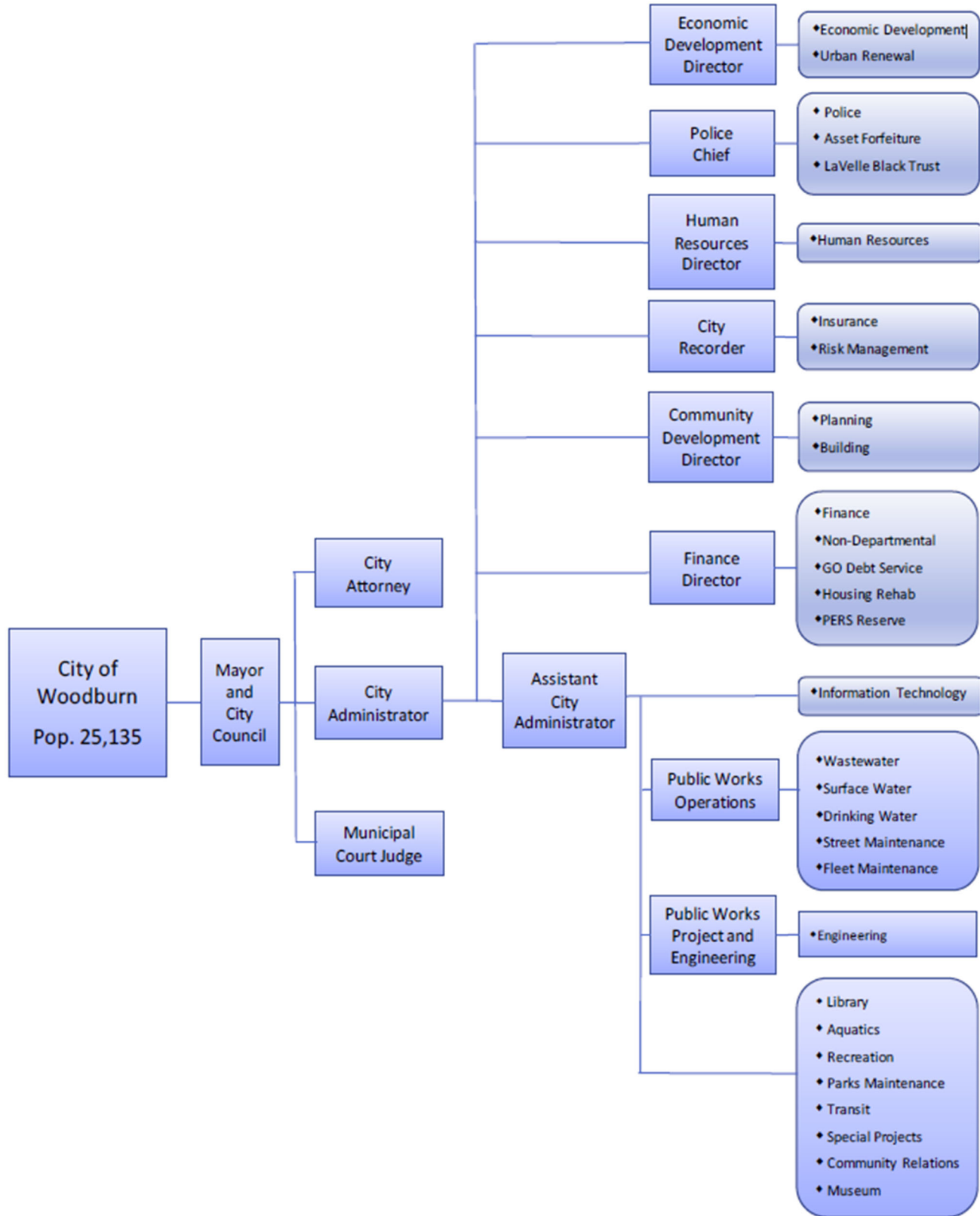
ACKNOWLEDGMENTS

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.



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

<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
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
<u>\$ 85,538,617</u>	<u>\$ 66,761,244</u>	<u>\$ 152,299,861</u>

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

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

	General	Other Governmental Funds	Total
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

Net Position of Governmental Activities \$ 85,538,617

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

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total</u>
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
---------------------	-----------

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)
--	-------------

Net income of internal service funds	34,589
--------------------------------------	--------

<i>Change in Net Position of Governmental Activities</i>	<u><u>\$ 5,724,679</u></u>
--	----------------------------

CITY OF WOODBURN, OREGON
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021

				<u>Governmental Activities</u>
	<u>Water Operations</u>	<u>Sewer Operations</u>	<u>Total</u>	<u>Internal Service</u>
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>	<u>6,815,041</u>	<u>14,368,198</u>	<u>21,183,239</u>	<u>1,285,878</u>
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>	<u>11,263,288</u>	<u>42,391,092</u>	<u>53,654,380</u>	<u>3,088</u>
<i>Total Assets</i>	<u>18,078,329</u>	<u>56,759,290</u>	<u>74,837,619</u>	<u>1,288,966</u>
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>	<u>551,468</u>	<u>1,006,692</u>	<u>1,558,160</u>	<u>285,504</u>
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>	<u>1,823,712</u>	<u>343,222</u>	<u>2,166,934</u>	<u>88,713</u>
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>	<u>4,735,116</u>	<u>2,119,798</u>	<u>6,854,914</u>	<u>613,854</u>
<i>Total Liabilities</i>	<u>6,558,828</u>	<u>2,463,020</u>	<u>9,021,848</u>	<u>702,567</u>
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>	<u>267,995</u>	<u>344,692</u>	<u>612,687</u>	<u>84,563</u>
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>	<u>\$ 11,802,974</u>	<u>\$ 54,958,270</u>	<u>\$ 66,761,244</u>	<u>\$ 787,340</u>

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**

	<u>Water Operations</u>	<u>Sewer Operations</u>	<u>Total</u>	<u>Governmental Activities</u>
				<u>Internal Service</u>
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

	<u>Water Operations</u>	<u>Sewer Operations</u>	<u>Totals</u>	<u>Governmental Activities Internal Service</u>
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	<u>\$ 6,514,067</u>	<u>\$ 12,334,130</u>	<u>\$ 18,848,197</u>	<u>\$ 1,199,065</u>

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

	<u>Water Operations</u>	<u>Sewer Operations</u>	<u>Totals</u>	<u>Governmental Activities Internal Service</u>
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

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.

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.

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.”

	<u>Carrying Value</u>	<u>Fair Value</u>
Cash		
Cash on hand	\$ 3,760	\$ 3,760
Deposits with financial institutions	644,827	644,827
Investments		
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
<i>Accumulated depreciation</i>				
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
<i>Accumulated depreciation</i>				
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>	35,778,978	5,527,039	-	41,306,017
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
	\$ 4,790,000	\$ 271,567	\$ 5,061,567

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:

	<u><i>Deferred Outflows of Resources</i></u>	<u><i>Deferred Inflows of Resources</i></u>
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	-
	<u> </u>	<u> </u>
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:

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

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.

Asset Class	Target	Compound Annual Return (Geometric)
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:

	<u>Implicit Rate Subsidy Plan</u>	<u>PERS RHIA Plan</u>	<u>Total OPEB on Financials</u>
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	<u>60,194</u>	<u>45,248</u>	<u>105,442</u>
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	<u>(134,039)</u>	<u>(16,000)</u>	<u>(150,039)</u>
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	-
	<u>60,194</u>	<u>134,039</u>
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:

<u>Year ended June 30:</u>	
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

	<u>Total OPEB Liability</u>
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.

Discount Rate:	<u>1% Decrease (1.21%)</u>	<u>Current Discount Rate (2.21%)</u>	<u>1% Increase (3.21%)</u>
Total OPEB Liability	\$ 669,774	\$ 646,741	\$ 597,209
 Healthcare Cost Trend:			
	<u>1% Decrease (2.75% increasing to 3.00%)</u>	<u>Trend Rate (3.75% increasing to 4.00%)</u>	<u>1% Increase (4.75% increasing to 5.00%)</u>
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 contributions subsequent to the MD	31,916 1,896	21 -
Total	<u>\$ 45,248</u>	<u>\$ 16,000</u>

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>	
2022	\$ (6,628)
2023	(12,889)
2024	(4,227)
2025	(3,608)
Total	<u>\$ (27,352)</u>

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:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
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:

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

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	(38,599)	(49,862)	(37,144)	(32,401)
Net change in total OPEB liability	(6,849)	34,794	(76,566)	(6,566)
Net OPEB liability, beginning	653,590	618,796	695,362	701,928
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 YEARS ¹**

	<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 YEARS ¹

	<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	-
\$ 15,267	\$ 490,841	\$ 33,311	\$ 1,606,157	\$ 226,141	\$ 51,890
\$ -	\$ -	\$ -	\$ 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
-	-	-	-	-	-
15,267	25,979	33,311	1,520,973	225,299	34,955
\$ 15,267	\$ 490,841	\$ 33,311	\$ 1,606,157	\$ 226,141	\$ 51,890

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>	1,152	-	3,657
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
<u>\$ 779,018</u>	<u>\$ 794,199</u>	<u>\$ 51,668</u>	<u>\$ 18,891,482</u>
\$ -	\$ -	\$ -	\$ 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
<u>779,018</u>	<u>794,199</u>	<u>23,929</u>	<u>18,013,766</u>
<u>\$ 779,018</u>	<u>\$ 794,199</u>	<u>\$ 51,668</u>	<u>\$ 18,891,482</u>

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

	Special Revenue		
	Street	Transit	Building Inspection
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
	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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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>	<u>2,281,000</u>	<u>2,281,000</u>	<u>2,333,462</u>	<u>52,462</u>
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>	<u>4,344,070</u>	<u>4,344,070</u>	<u>1,499,613</u>	<u>2,844,457</u>
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>	<u>(1,855,460)</u>	<u>(1,855,460)</u>	<u>40,000</u>	<u>1,895,460</u>
NET CHANGE IN FUND BALANCE	(3,918,530)	(3,918,530)	873,849	4,792,379
FUND BALANCE, beginning of year	<u>3,918,530</u>	<u>3,918,530</u>	<u>4,242,863</u>	<u>324,333</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,116,712</u>	<u>\$ 5,116,712</u>

CITY OF WOODBURN, OREGON

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

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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		Actual	Variance
	Original	Final		
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	\$ -	\$ -	\$ 1,446,430	\$ 1,446,430

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>		
REVENUES				
Miscellaneous	\$ 320	\$ 320	\$ 135	\$ (185)
EXPENDITURES				
Asset forfeiture	15,000	15,000	-	15,000
NET CHANGE IN FUND BALANCE	(14,680)	(14,680)	135	14,815
FUND BALANCE, beginning of year	14,680	14,680	15,132	452
FUND BALANCE, end of year	\$ -	\$ -	\$ 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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Miscellaneous	\$ 1,000	\$ 1,000	\$ 312	\$ (688)
EXPENDITURES				
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
NET CHANGE IN FUND BALANCE	(38,010)	(38,010)	(1,860)	36,150
FUND BALANCE, beginning of year	38,010	38,010	35,171	(2,839)
FUND BALANCE, end of year	\$ -	\$ -	\$ 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**

	<i>Budget 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				
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>		
REVENUES				
Intergovernmental	\$ 1,800,000	\$ 1,800,000	\$ 1,844,687	\$ 44,687
EXPENDITURES				
Capital outlay	1,969,700	1,969,700	1,874,493	95,207
REVENUES OVER (UNDER) EXPENDITURES	(169,700)	(169,700)	(29,806)	139,894
OTHER FINANCING SOURCES (USES)				
Transfers out	(285,350)	(285,350)	-	285,350
NET CHANGE IN FUND BALANCE	(455,050)	(455,050)	(29,806)	425,244
FUND BALANCE, beginning of year	455,050	455,050	255,105	(199,945)
FUND BALANCE, end of year	\$ -	\$ -	\$ 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>		
REVENUES				
Miscellaneous	\$ 3,650	\$ 3,650	\$ 4,977	\$ 1,327
EXPENDITURES				
Contingency	33,050	33,050	-	33,050
NET CHANGE IN FUND BALANCE	(29,400)	(29,400)	4,977	34,377
FUND BALANCE, beginning of year	29,400	29,400	29,978	578
FUND BALANCE, end of year	\$ -	\$ -	\$ 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**

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

CITY OF WOODBURN, OREGON

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

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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	<u>\$ 1,005,050</u>	<u>\$ 1,005,050</u>	<u>\$ 1,836,742</u>	<u>\$ 831,692</u>

CITY OF WOODBURN, OREGON

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

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
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	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 794,199</u>	<u>\$ 794,199</u>

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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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

	<u>Water</u>	<u>Water SDC</u>	<u>Water Capital Construction</u>	<u>Total Water Operations</u>
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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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>	<u>4,103,000</u>	<u>4,103,000</u>	<u>4,411,782</u>	<u>308,782</u>
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>	<u>4,487,150</u>	<u>4,487,150</u>	<u>4,312,726</u>	<u>174,424</u>
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>	<u>(557,550)</u>	<u>(557,550)</u>	<u>(50,000)</u>	<u>507,550</u>
NET CHANGE IN FUND BALANCE	(941,700)	(941,700)	49,056	990,756
FUND BALANCE, beginning of year	<u>2,250,000</u>	<u>2,250,000</u>	<u>2,446,739</u>	<u>196,739</u>
FUND BALANCE, end of year	<u>\$ 1,308,300</u>	<u>\$ 1,308,300</u>	<u>\$ 2,495,795</u>	<u>\$ 1,187,495</u>

CITY OF WOODBURN, OREGON

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

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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**

	<u>Sewer</u>	<u>Sewer SDC</u>	<u>Sewer Capital Construction</u>	<u>Eliminations</u>	<u>Total Sewer Operations</u>
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>	<u>8,452,236</u>	<u>1,220,070</u>	<u>42,627</u>	<u>-</u>	<u>9,714,933</u>
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>	<u>5,015,836</u>	<u>-</u>	<u>1,070,809</u>	<u>-</u>	<u>6,086,645</u>
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>	<u>(232,785)</u>	<u>(180,012)</u>	<u>(10,801,745)</u>	<u>-</u>	<u>(11,214,542)</u>
NET CHANGE IN FUND BALANCE	3,203,615	1,040,058	(11,829,927)	-	(7,586,254)
FUND BALANCE, beginning of year	<u>8,003,378</u>	<u>1,788,913</u>	<u>11,831,178</u>	<u>-</u>	<u>21,623,469</u>
FUND BALANCE, end of year	<u>\$ 11,206,993</u>	<u>\$ 2,828,971</u>	<u>\$ 1,251</u>	<u>\$ -</u>	<u>14,037,215</u>
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					<u>\$ 54,958,270</u>

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

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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

	<u>Information Technology</u>	<u>Insurance</u>	<u>Total</u>
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**

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

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS**

YEAR ENDED JUNE 30, 2021

	<u>Information Technology</u>	<u>Insurance</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
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)
	<u>183,900</u>	<u>51,490</u>	<u>235,390</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Received from (paid to) other funds	(3,165)	(12)	(3,177)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(168,226)	-	(168,226)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	2,605	4,333	6,938
	<u>15,114</u>	<u>55,811</u>	<u>70,925</u>
CASH AND INVESTMENTS, Beginning of year	434,461	693,679	1,128,140
CASH AND INVESTMENTS, End of year	<u>\$ 449,575</u>	<u>\$ 749,490</u>	<u>\$ 1,199,065</u>
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES			
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
	<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		Actual	Variance
	Original	Final		
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*

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
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)

	<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>
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	<u>\$ 2,744,299</u>	<u>\$ 3,282,440</u>	<u>\$ 3,577,772</u>	<u>\$ 4,160,548</u>	<u>\$ 4,890,918</u>	<u>\$ 6,252,781</u>	<u>\$ 7,490,284</u>	<u>\$ 7,956,367</u>	<u>\$ 6,835,922</u>	<u>\$ 8,546,141</u>
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	<u>\$ 11,991,402</u>	<u>\$ 12,891,506</u>	<u>\$ 13,784,640</u>	<u>\$ 9,427,247</u>	<u>\$ 10,503,769</u>	<u>\$ 11,525,291</u>	<u>\$ 12,801,718</u>	<u>\$ 15,292,772</u>	<u>\$ 14,431,239</u>	<u>\$ 18,013,766</u>

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 Value</i>	<i>Rank</i>	<i>Percentage of Total Taxable Assessed Value</i>	<i>Taxable Assessed Value</i>	<i>Rank</i>	<i>Percentage of Total Taxable Assessed 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

<i>Fiscal Year Ended June 30</i>	<i>Taxes Levied by Assessor</i>	<i>Collected within the Fiscal Year of the Levy</i>		<i>Delinquent Taxes Collected</i>	<i>Total Collections to Date</i>	
		<i>Tax Collections</i>	<i>Percent of Levy</i>		<i>Total Tax Collections</i>	<i>Percent of Tax Levy</i>
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	\$ 201,115,210		\$ 72,081,291

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

Fiscal Year	Water Revenue Bonds						Sewer Revenue Bonds					
	Customer Accounts (1)	Water Charges and Other	Less: Operating Expenses	Net Available Revenue	Coverage Ratio	Debt Service (2) Principal Interest	Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Coverage Ratio	Debt Service Principal Interest	
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

Employer	2021			2011		
	Employees	Rank	Percentage of total city employment	Employees	Rank	Percentage of total city employment
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%
AI'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

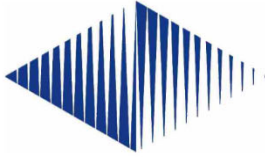
CITY OF WOODBURN, OREGON
WATER SYSTEM COVERAGE CALCULATION
LAST TEN FISCAL YEARS

	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>	<u>3,538,655</u>	<u>3,378,356</u>	<u>3,642,963</u>	<u>3,498,255</u>	<u>3,610,982</u>	<u>3,450,925</u>	<u>3,746,609</u>	<u>4,202,849</u>	<u>4,445,819</u>	<u>5,469,975</u>
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>	<u>1,836,024</u>	<u>1,885,109</u>	<u>1,980,775</u>	<u>2,003,865</u>	<u>2,057,945</u>	<u>2,159,367</u>	<u>2,306,840</u>	<u>2,559,996</u>	<u>2,223,681</u>	<u>2,749,290</u>
<i>Water Fund Balance, End of Year</i>	<u>\$ 4,182,194</u>	<u>\$ 4,517,447</u>	<u>\$ 5,020,007</u>	<u>\$ 5,358,699</u>	<u>\$ 5,755,638</u>	<u>\$ 3,473,585</u>	<u>\$ 3,757,916</u>	<u>\$ 4,242,704</u>	<u>\$ 5,042,842</u>	<u>\$ 6,200,092</u>
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

#	Customer Name	Industry	2021	% of Total Charges
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

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

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