

City of Woodburn, Oregon

Annual Comprehensive Financial Report

For the Year Ended June 30, 2022

CITY OF WOODBURN, OREGON

***ANNUAL COMPREHENSIVE
FINANCIAL REPORT***

Year Ended June 30, 2022

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

CITY OF WOODBURN, OREGON
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INTRODUCTORY SECTION



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

December 30, 2022

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

It is my pleasure to submit the Annual Comprehensive Financial Report (Annual Financial Report) of the City of Woodburn, Oregon, for the fiscal year ended June 30, 2022.

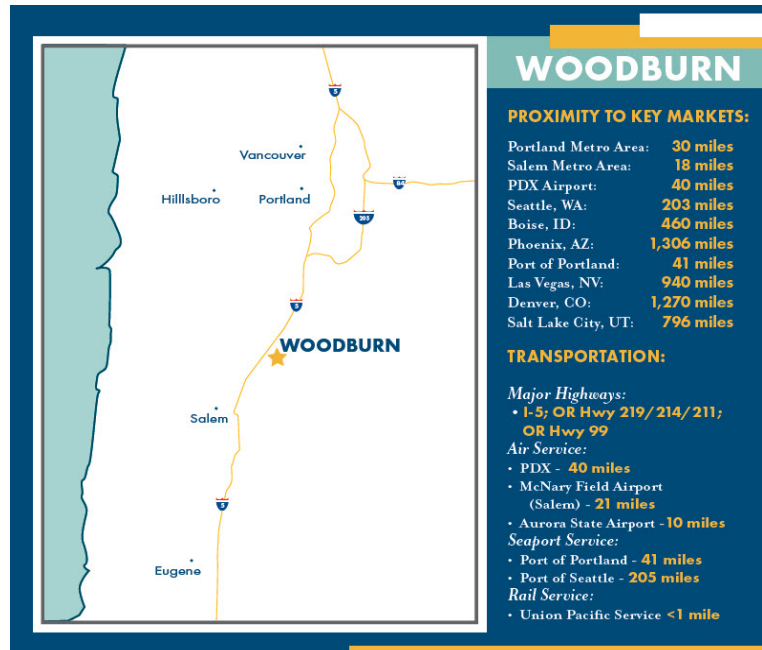
State law requires that an Annual Financial Report and component unit financial statements be published within six months of the fiscal year-end and be audited in accordance with generally accepted auditing standards by independent certified public accountants. Independent auditors, Grove, Mueller & Swank, P.C., have issued an unmodified opinion on the City of Woodburn’s financial statements for the fiscal year ended June 30, 2022. 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 26,468, is Oregon’s 24th 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.

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 2022, Oregon's year-over-year unemployment rate was 4.2 percent, and Woodburn's rate was 4.2 percent, which is slightly higher than the U.S. unemployment rate of 3.7 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 2022, Salem Region has a labor force of 211,060 and the Portland Region of 1,396,619. This means that Woodburn businesses have access to a mix of highly educated skilled and unskilled workers from across the Salem and Portland Regions.

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

MAJOR ISSUES

Development of the FY 2022-23 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.

DISTINGUISHED BUDGET PRESENTATION AWARD/EXCELLENCE IN FINANCIAL REPORTING AWARD

The City of Woodburn received GFOA's Distinguished Budget Presentation Award for its FY 2022-23 annual budget document. This is the 11th 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 3rd time the City was awarded the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the FY2020-21 Annual Financial Report. This marks the year in a row the City has earned the reward.

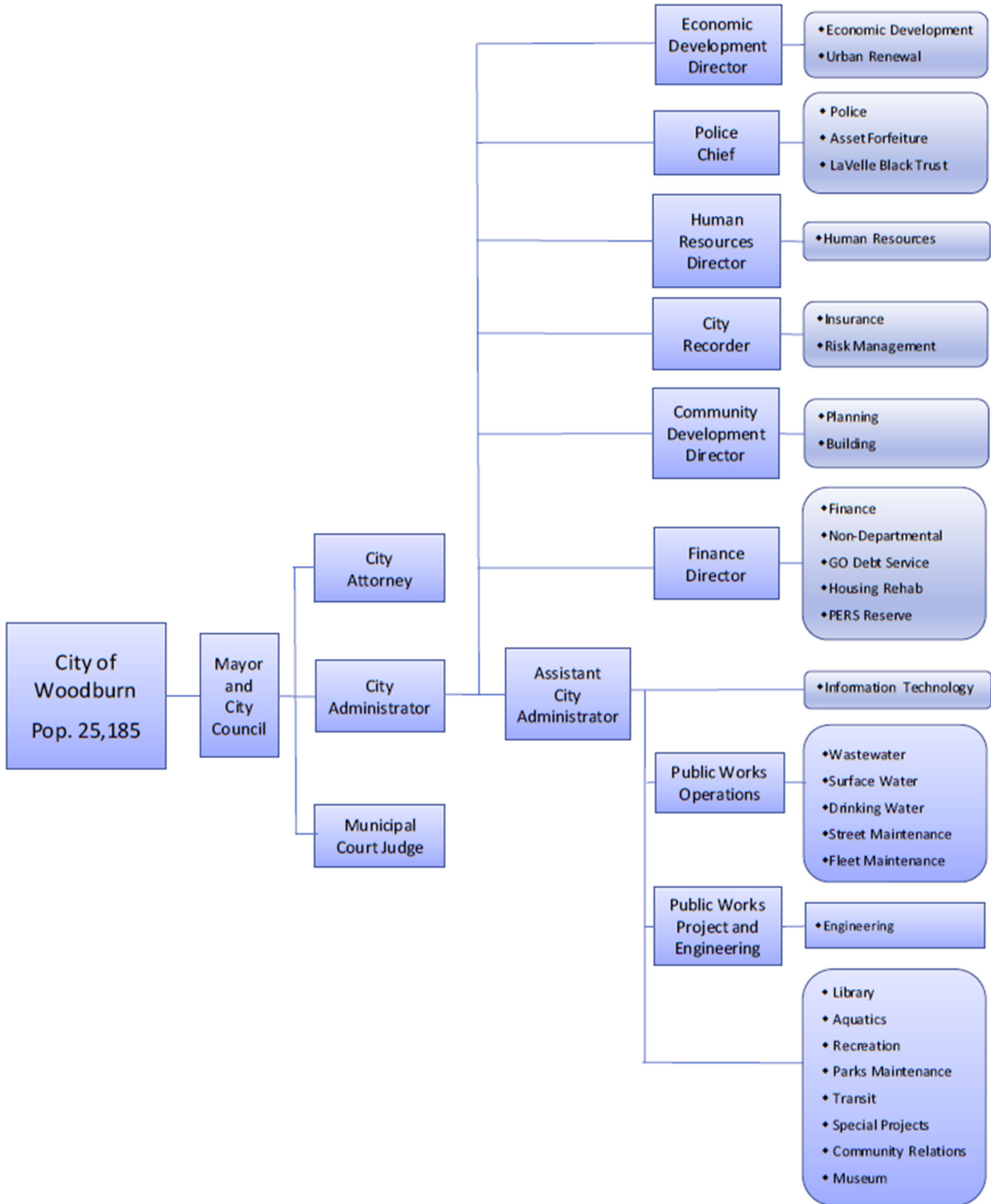
ACKNOWLEDGMENTS

This is the fourth year the City of Woodburn has prepared an Annual Comprehensive 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 Taylor Shepherd, Karen Sherman, and Rosie Sanchez for the excellent service they provide throughout the year which is reflected in this Annual Comprehensive 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 2021-22 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, 2021

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

475 Cottage Street NE, Suite 200, Salem, OR 97301
(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Council Members
City of Woodburn
Woodburn, Oregon

Report on the Audit of the Financial Statements

Opinions

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, Oregon (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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, Oregon, as of June 30, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

The budgetary schedules described above are the responsibility of management and 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 subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary 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 accompanying supplementary information is presented for purposes 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, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.


Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical section of the ACFR but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 30, 2022, 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 results of that testing and not to provide an opinion on compliance.

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

By: 

Ryan T. Pasquarella, Shareholder
December 30, 2022

CITY OF WOODBURN

Year Ended June 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis of the City of Woodburn's Annual Comprehensive Financial Report (Annual Financial Report) presents a discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2022. 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>2022</u>	<u>2021</u>	<u>Change</u>
Net position	\$ 183,917,797	\$ 151,930,383	\$ 31,987,414
Change in net position	31,987,414	11,635,046	20,352,368
Governmental activities net position	109,365,146	85,531,407	23,833,739
Business-type activities fund net position	74,552,651	66,398,976	8,153,675
Change in governmental net position	23,833,739	5,717,469	18,116,270
Change in proprietary fund net position	8,153,675	5,917,577	2,236,098

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 seventeen 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 \$207,632,418 in total assets, \$7,771,743 in total deferred outflows, \$22,491,886 in total liabilities and \$8,994,478 in total deferred inflows, resulting in combined net position of \$183,917,797 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 and lease assets, net of depreciation and amortization, increased \$2,434,235 over the prior year mainly due to the Legion Park Improvements projects, offset by current year depreciation.

Business-type capital assets, net of depreciation, decreased \$1,834,374 over the prior year due primarily to the I-5 Pump Station project offset by current year depreciation.

Total liabilities for both governmental and business-type activities decreased by \$7,743,101 from the prior year mainly due to payments on long-term debt and a decrease in net pension liability in the current year.

Overall, the City's financial net position increased by \$31,987,414 (21%).

Statement of Net Position

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

Governmental Activities

The City's net position from governmental activities increased \$23,833,739 (28%) from June 30, 2021 to June 30, 2022 due to an increase in building and planning fees that resulted from a new large commercial property constructed within City limits.

	2022			2021		
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>
Cash and investments	\$ 49,605,611	\$ 24,635,731	\$ 74,241,342	\$ 27,875,820	\$ 18,848,197	\$ 46,724,017
Other assets	2,032,567	2,231,354	4,263,921	2,443,019	2,230,596	4,673,615
Capital and lease assets, net	74,023,243	55,103,912	129,127,155	71,589,008	53,269,538	124,858,546
<i>Total Assets</i>	125,661,421	81,970,997	207,632,418	101,907,847	74,348,331	176,256,178
Deferred outflows	6,383,348	1,388,395	7,771,743	7,031,230	1,558,160	8,589,390
Other liabilities	3,968,471	2,708,854	6,677,325	2,772,776	1,741,914	4,514,690
Long-term liabilities	11,641,366	4,173,195	15,814,561	18,567,383	7,152,914	25,720,297
<i>Total Liabilities</i>	15,609,837	6,882,049	22,491,886	21,340,159	8,894,828	30,234,987
Deferred inflows	7,069,786	1,924,692	8,994,478	2,067,511	612,687	2,680,198
Net position:						
Net investment in capital assets	70,723,048	51,418,406	122,141,454	66,559,658	48,480,237	115,039,895
Restricted	27,828,278	8,547,823	36,376,101	16,222,715	6,751,461	22,974,176
Unrestricted	10,813,820	14,586,422	25,400,242	2,749,034	11,167,278	13,916,312
<i>Total Net Position</i>	\$ 109,365,146	\$ 74,552,651	\$ 183,917,797	\$ 85,531,407	\$ 66,398,976	\$ 151,930,383

Business-type Activities

The City's net position from business-type activities increased \$8,153,675 (12%) from June 30, 2021 to June 30, 2022 due mainly to charges for services in excess of expenses.

Statement of Activities

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

	2022			2021		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Revenues						
Program Revenues						
Charges for service	\$ 17,481,046	\$ 14,091,051	\$ 31,572,097	\$ 2,996,825	\$ 12,744,185	\$ 15,741,010
Operating grants and contributions:	2,935,200	-	2,935,200	2,682,578	-	2,682,578
Capital grants and contributions	11,819,278	3,512,282	15,331,560	5,372,006	2,239,138	7,611,144
<i>Total Program Revenues</i>	32,235,524	17,603,333	49,838,857	11,051,409	14,983,323	26,034,732
General Revenues						
Property taxes	11,789,537	-	11,789,537	11,169,801	-	11,169,801
Franchise taxes	2,594,751	-	2,594,751	1,676,564	-	1,676,564
Other taxes	622,953	-	622,953	596,829	-	596,829
Intergovernmental	3,789,280	-	3,789,280	975,321	-	975,321
Other	362,423	134,938	497,361	338,670	215,496	554,166
<i>Total General Revenues</i>	19,158,944	134,938	19,293,882	14,757,185	215,496	14,972,681
<i>Total Revenues</i>	51,394,468	17,738,271	69,132,739	25,808,594	15,198,819	41,007,413
Expenses						
General government	3,737,926	-	3,737,926	2,547,469	-	2,547,469
Public safety	8,021,074	-	8,021,074	8,934,202	-	8,934,202
Highways and streets	2,419,718	-	2,419,718	2,525,497	-	2,525,497
Culture and recreation	6,670,443	-	6,670,443	3,753,726	-	3,753,726
Economic development	6,907,549	-	6,907,549	3,028,917	-	3,028,917
Interest on long-term debt	35,369	-	35,369	46,781	-	46,781
Water	-	3,291,960	3,291,960	-	3,667,123	3,667,123
Sewer	-	6,061,286	6,061,286	-	4,868,652	4,868,652
<i>Total Expenses</i>	27,792,079	9,353,246	37,145,325	20,836,592	8,535,775	29,372,367
Changes in Net Position Before Transfers	23,602,389	8,385,025	31,987,414	4,972,002	6,663,044	11,635,046
Transfers	231,350	(231,350)	-	745,467	(745,467)	-
Change in Net Position	23,833,739	8,153,675	31,987,414	5,717,469	5,917,577	11,635,046
Beginning Net Position	85,531,407	66,398,976	151,930,383	79,813,938	60,481,399	140,295,337
Ending Net Position	\$ 109,365,146	\$ 74,552,651	\$ 183,917,797	\$ 85,531,407	\$ 66,398,976	\$ 151,930,383

Governmental Activities. Total revenues for the City's governmental activities were \$51,394,468 for the fiscal year ended June 30, 2022. Approximately 23% of the total revenue for the governmental activities was derived from property taxes and approximately 63% of the total revenue was from program revenues. Total expenses for governmental activities were \$27,792,079 and net transfers in were \$231,350 resulting in a \$23,833,739 increase in net position. General government activities accounted for approximately 13% 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 \$17,738,271 for the current fiscal year. These activities generated \$17,603,333 in program revenues, and \$134,938 in interest earnings and miscellaneous revenues. The total expenses for business-type activities were \$9,353,246 and net transfers out were \$231,350 resulting in a \$8,153,675 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 \$46,624,207 of fund balance of the governmental funds, an increase of \$20,064,300 from the prior year. The City’s governmental funds include the General Fund, Building Inspection Fund, Street SDC 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 \$11,817,117 was reported by the General Fund. The fund balance increased by \$3,270,976 from the previous year due primarily to a decrease in transfers out with stable revenues and expenses.

The City reports two other major governmental funds. The Building Inspection Fund had a fund balance of \$6,466,846, an increase of \$5,020,416 from the previous year, due mainly to significant increases in licenses and permits revenue. The Street SDC fund had a balance of \$12,228,145, an increase of \$7,105,957, due to increases in licenses and permits revenue.

Proprietary Funds. At the end of the current fiscal year, net position of the enterprise funds equaled \$74,552,651, an increase of \$8,153,675 from the prior year, and net position of the internal service funds equaled \$942,522, an increase of \$155,182 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 \$14,362,575, an increase of \$2,909,809 from previous year, mainly due to an increase in capital contributions and controlled operating expenses. The Sewer Operations Fund had a net position of \$60,190,076 an increase of \$5,243,866 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 5%. General Fund expenditures ended \$6,834,642 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 operating expenses and transfers out by \$661,500 and 95,000, respectively.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City’s investment in capital and lease assets for its governmental and business-type activities equaled \$74,023,243 and \$55,103,912 respectively, at the end of the current fiscal year, net of accumulated depreciation and amortization. This investment includes land, construction in process, buildings, equipment and infrastructure, and right to use assets. 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>2022</i>	<i>2021 (Restated)</i>	<i>2022</i>	<i>2021 (Restated)</i>	<i>2022</i>	<i>2021 (Restated)</i>
Land	\$ 23,056,538	\$ 23,056,538	\$ 1,813,429	\$ 1,813,429	\$ 24,869,967	\$ 24,869,967
Construction in progress	10,674,594	6,822,369	8,826,673	5,158,623	19,501,267	11,980,992
Buildings	22,397,192	22,356,055	62,748,380	62,748,380	85,145,572	85,104,435
Equipment	8,038,919	8,203,102	4,359,623	4,423,733	12,398,542	12,626,835
Infrastructure	46,645,762	46,645,762	32,790,414	32,591,024	79,436,176	79,236,786
Right to use asset - equipment	658,892	272,557	-	-	658,892	272,557
Accumulated depreciation and amortization	(37,448,654)	(35,767,375)	(55,434,607)	(53,465,651)	(92,883,261)	(89,233,026)
Net capital and lease assets	\$ 74,023,243	\$ 71,589,008	\$ 55,103,912	\$ 53,269,538	\$ 129,127,155	\$ 124,858,546

Long-term Debt. At the end of the current fiscal year, long-term debt outstanding for the governmental activities totaled \$4,685,346, compared to \$5,562,450 in the prior year. The decrease is due to scheduled debt repayments offset by the recognition of leases payable. For the business-type activities, total long-term debt equaled \$3,748,268 compared to \$4,851,970 in the prior year. The decrease is due to scheduled debt repayments. Additional information about the City’s long-term debt outstanding is presented on pages 35-38 in the notes to the financial statements.

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
General obligation bonds	\$ 1,194,000	\$ 1,762,000	\$ -	\$ -	\$ 1,194,000	\$ 1,762,000
Direct borrowings	2,109,000	2,999,000	-	-	2,109,000	2,999,000
Direct placement revenue bonds	-	-	3,686,000	4,790,000	3,686,000	4,790,000
Leases payable	560,118	-	-	-	560,118	-
Accrued compensated absences	822,228	801,450	62,268	61,970	884,496	863,420
	<u>\$ 4,685,346</u>	<u>\$ 5,562,450</u>	<u>\$ 3,748,268</u>	<u>\$ 4,851,970</u>	<u>\$ 8,433,614</u>	<u>\$ 10,414,420</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, 2022

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and investments	\$ 49,605,611	\$ 24,635,731	\$ 74,241,342
Accounts receivable	908,634	1,077,320	1,985,954
Property taxes receivable	434,508	-	434,508
Assessment liens receivable	14,602	-	14,602
Loans receivable	457,608	-	457,608
Prepaid expenses	25,618	1,102,260	1,127,878
Non-depreciable capital assets	33,731,132	10,640,102	44,371,234
Other capital assets and leases, net	40,292,111	44,463,810	84,755,921
OPEB asset	191,597	51,774	243,371
<i>Total Assets</i>	125,661,421	81,970,997	207,632,418
DEFERRED OUTFLOWS			
Deferred outflows related to PERS	6,324,576	1,370,556	7,695,132
Deferred outflows related to OPEB	55,967	17,344	73,311
Deferred charges on refunding	2,805	495	3,300
<i>Total Deferred Outflows</i>	6,383,348	1,388,395	7,771,743
LIABILITIES			
Accounts payable	1,640,823	1,054,391	2,695,214
Accrued payroll liabilities	943,594	-	943,594
Deposits payable	-	178,969	178,969
Interest payable	6,649	8,587	15,236
Noncurrent liabilities:			
Due within one year:			
Long-term debt	874,000	1,442,000	2,316,000
Leases payable	174,514	-	174,514
Accrued compensated absences	328,891	24,907	353,798
Due in more than one year:			
Long-term debt	2,429,000	2,244,000	4,673,000
Leases payable	385,604	-	385,604
Accrued compensated absences	493,337	37,361	530,698
OPEB liability	523,259	156,514	679,773
Net pension liability	7,810,166	1,735,320	9,545,486
<i>Total Liabilities</i>	15,609,837	6,882,049	22,491,886
DEFERRED INFLOWS			
Deferred inflows related to PERS	6,910,030	1,879,225	8,789,255
Deferred inflows related to OPEB	159,756	45,467	205,223
<i>Total Deferred Inflows</i>	7,069,786	1,924,692	8,994,478
NET POSITION			
Net investment in capital assets	70,723,048	51,418,406	122,141,454
Restricted for:			
Debt service	14,768	-	14,768
Culture and recreation	510,265	-	510,265
Community development	3,503,953	-	3,503,953
Construction	23,799,292	8,547,823	32,347,115
Unrestricted	10,813,820	14,586,422	25,400,242
<i>Total Net Position</i>	\$ 109,365,146	\$ 74,552,651	\$ 183,917,797

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

CITY OF WOODBURN, OREGON
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 3,737,926	\$ 4,512,831	\$ 15,000	\$ 597,634
Public safety	8,021,074	154,239	-	4,175
Highways and streets	2,419,718	279,051	2,067,950	7,428,512
Culture and recreation	6,670,443	409,130	721,613	3,788,957
Economic development	6,907,549	12,125,795	130,637	-
Interest on long-term debt	35,369	-	-	-
<i>Total Governmental activities</i>	27,792,079	17,481,046	2,935,200	11,819,278
Business-type activities:				
Water	3,291,960	4,707,562	-	1,457,155
Sewer	6,061,286	9,383,489	-	2,055,127
<i>Total Business-type activities</i>	9,353,246	14,091,051	-	3,512,282
<i>Total Activities</i>	\$ 37,145,325	\$ 31,572,097	\$ 2,935,200	\$ 15,331,560

General Revenues:

Property taxes
Franchise taxes
Other taxes
Intergovernmental
Gain on disposition of assets
Unrestricted investment earnings
Miscellaneous

Total General Revenues

Transfers

Change in Net Position

Net Position - beginning of year, as originally reported

Restatement

Net Position - beginning of year, restated

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>
\$ 1,387,539	\$ -	\$ 1,387,539
(7,862,660)	-	(7,862,660)
7,355,795	-	7,355,795
(1,750,743)	-	(1,750,743)
5,348,883	-	5,348,883
(35,369)	-	(35,369)
4,443,445	-	4,443,445
-	2,872,757	2,872,757
-	5,377,330	5,377,330
-	8,250,087	8,250,087
4,443,445	8,250,087	12,693,532
11,789,537	-	11,789,537
2,594,751	-	2,594,751
622,953	-	622,953
3,789,280	-	3,789,280
14,868	18,910	33,778
60,655	33,022	93,677
286,900	83,006	369,906
19,158,944	134,938	19,293,882
231,350	(231,350)	-
23,833,739	8,153,675	31,987,414
85,538,617	66,761,244	152,299,861
(7,210)	(362,268)	(369,478)
85,531,407	66,398,976	151,930,383
<u>\$ 109,365,146</u>	<u>\$ 74,552,651</u>	<u>\$ 183,917,797</u>

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

CITY OF WOODBURN, OREGON
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>Special Revenue</u>		<u>Capital Projects</u>	<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Building Inspection</u>	<u>Street SDC</u>	<u>Governmental Funds</u>	
ASSETS					
Cash and investments	\$ 12,549,070	\$ 6,597,088	\$ 12,228,145	\$ 16,934,325	\$ 48,308,628
Accounts receivable	482,260	-	-	358,580	840,840
Property taxes receivable	381,945	-	-	52,563	434,508
Assessment liens receivable	-	-	-	14,602	14,602
Loans receivable	-	-	-	457,608	457,608
Prepaid items	22,319	-	-	3,300	25,619
<i>Total Assets</i>	<u>\$ 13,435,594</u>	<u>\$ 6,597,088</u>	<u>\$ 12,228,145</u>	<u>\$ 17,820,978</u>	<u>\$ 50,081,805</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 317,048	\$ 130,242	\$ -	\$ 1,042,806	\$ 1,490,096
Retainage payable	-	-	-	144,086	144,086
Accrued payroll and payroll liabilities	943,594	-	-	-	943,594
<i>Total Liabilities</i>	<u>1,260,642</u>	<u>130,242</u>	<u>-</u>	<u>1,186,892</u>	<u>2,577,776</u>
Deferred Inflows					
Unavailable revenue	357,835	-	-	521,987	879,822
Fund Balance					
Non-spendable	22,319	-	-	3,300	25,619
Restricted for:					
Debt service	-	-	-	14,768	14,768
Construction	-	-	12,228,145	11,567,004	23,795,149
Culture and recreation	-	-	-	510,265	510,265
Community development	-	-	-	3,018,259	3,018,259
Committed to:					
Public safety	-	-	-	15,300	15,300
Capital outlay	-	-	-	983,203	983,203
Planning and building	-	6,466,846	-	-	6,466,846
Retirement	183,120	-	-	-	183,120
Unassigned	11,611,678	-	-	-	11,611,678
<i>Total Fund Balance</i>	<u>11,817,117</u>	<u>6,466,846</u>	<u>12,228,145</u>	<u>16,112,099</u>	<u>46,624,207</u>
<i>Total Liabilities, Deferred Inflows and Fund Balance</i>	<u>\$ 13,435,594</u>	<u>\$ 6,597,088</u>	<u>\$ 12,228,145</u>	<u>\$ 17,820,978</u>	<u>\$ 50,081,805</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, 2022**

<i>Fund Balances</i>	\$ 46,624,207
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.	879,822
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	(7,446,686)
OPEB liability	(500,934)
OPEB asset	184,604
Deferred outflows - PERS	6,064,298
Deferred outflows - OPEB	53,418
Deferred inflows - PERS	(6,656,086)
Deferred inflows - OPEB	(153,670)
Capital and lease assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.	
Cost	111,471,897
Accumulated depreciation and amortization	(37,448,654)
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	(782,630)
Accrued interest	(6,649)
Long-term debt	(3,303,000)
Less deferred charges on refunding	2,805
Leases payable	(560,118)
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.	942,522
<i>Net Position of Governmental Activities</i>	<u>\$ 109,365,146</u>

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

CITY OF WOODBURN, OREGON

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022**

	<u>Special Revenue</u>		<u>Capital Projects</u>	<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Building Inspection</u>	<u>Street SDC</u>	<u>Governmental Funds</u>	
REVENUES					
Taxes and assessments	\$ 10,893,677	\$ -	\$ -	\$ 1,527,998	\$ 12,421,675
Licenses and permits	2,547,209	8,938,603	7,117,377	2,997,113	21,600,302
Charges for services	1,556,238	-	-	-	1,556,238
Intergovernmental	1,663,767	-	-	6,742,240	8,406,007
Fines and forfeitures	491,001	1,625,522	-	391,088	2,507,611
Miscellaneous	559,151	5,925	7,986	392,338	965,400
<i>Total Revenues</i>	<u>17,711,043</u>	<u>10,570,050</u>	<u>7,125,363</u>	<u>12,050,777</u>	<u>47,457,233</u>
EXPENDITURES					
Current					
General government	2,080,966	-	-	-	2,080,966
Economic development	1,035,285	-	-	423,284	1,458,569
Public safety	8,331,476	-	-	-	8,331,476
Highways and streets	-	-	19,406	1,628,140	1,647,546
Culture and recreation	3,005,263	-	-	757,115	3,762,378
Debt Service					
Principal	621,000	5,541,864	-	837,000	6,999,864
Interest	5,554	-	-	102,520	108,074
Capital outlay	74,384	-	-	3,818,977	3,893,361
<i>Total Expenditures</i>	<u>15,153,928</u>	<u>5,541,864</u>	<u>19,406</u>	<u>7,567,036</u>	<u>28,282,234</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>2,557,115</u>	<u>5,028,186</u>	<u>7,105,957</u>	<u>4,483,741</u>	<u>19,174,999</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	342,680	-	-	1,803,670	2,146,350
Transfers out	(274,660)	(7,770)	-	(1,626,280)	(1,908,710)
Proceeds from sale of assets	259,506	-	-	5,820	265,326
Inception of lease	386,335	-	-	-	386,335
<i>Total Other Financing Sources (Uses)</i>	<u>713,861</u>	<u>(7,770)</u>	<u>-</u>	<u>183,210</u>	<u>889,301</u>
NET CHANGE IN FUND BALANCE	<u>3,270,976</u>	<u>5,020,416</u>	<u>7,105,957</u>	<u>4,666,951</u>	<u>20,064,300</u>
FUND BALANCE, beginning of year	<u>8,546,141</u>	<u>1,446,430</u>	<u>5,122,188</u>	<u>11,445,148</u>	<u>26,559,907</u>
FUND BALANCE, end of year	<u>\$ 11,817,117</u>	<u>\$ 6,466,846</u>	<u>\$ 12,228,145</u>	<u>\$ 16,112,099</u>	<u>\$ 46,624,207</u>

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, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 20,064,300

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	(9,185)
Decreases in other assets	(278,721)

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	(18,466)
Accrued interest payable	2,683
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 and amortization expense.

Expenditures for capital and lease assets	4,115,514
Depreciation and amortization	(1,681,279)

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.

Inception of lease	(386,335)
Debt principal paid	1,458,000
Repayment of lease principal	98,774

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.

314,674

Net income of internal service funds

155,182

Change in Net Position of Governmental Activities

\$ 23,833,739

CITY OF WOODBURN, OREGON
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2022

				<i>Governmental Activities</i>
	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Total</i>	<i>Internal Service</i>
ASSETS				
Current Assets				
Cash and investments	\$ 8,436,497	\$ 16,199,234	\$ 24,635,731	\$ 1,296,983
Accounts receivable	296,380	780,940	1,077,320	67,793
Prepaid items	-	1,102,261	1,102,261	-
<i>Total Current Assets</i>	8,732,877	18,082,435	26,815,312	1,364,776
Noncurrent Assets				
Nondepreciable capital assets	1,375,148	9,264,953	10,640,101	-
Other capital assets, net of depreciation	9,309,815	35,153,995	44,463,810	-
OPEB asset	22,118	29,656	51,774	6,993
<i>Total Noncurrent Assets</i>	10,707,081	44,448,604	55,155,685	6,993
<i>Total Assets</i>	19,439,958	62,531,039	81,970,997	1,371,769
DEFERRED OUTFLOWS				
Deferred outflows related to PERS	468,066	902,490	1,370,556	260,278
Deferred outflows related to OPEB	7,552	9,792	17,344	2,550
Deferred charge on refunding	495	-	495	-
<i>Total Deferred Outflows</i>	476,113	912,282	1,388,395	262,828
LIABILITIES				
Current Liabilities				
Accounts payable	141,402	912,989	1,054,391	6,641
Deposits payable	178,969	-	178,969	-
Accrued interest payable	8,587	-	8,587	-
Current portion of long-term liabilities				
Long-term debt	1,402,000	-	1,402,000	-
Accrued compensated absences	16,947	7,960	24,907	15,839
<i>Total Current Liabilities</i>	1,747,905	920,949	2,668,854	22,480
Noncurrent Liabilities				
Accrued compensated absences	25,421	11,940	37,361	23,759
Long-term debt	2,284,000	-	2,284,000	-
Net pension liability	577,053	1,158,267	1,735,320	363,480
OPEB liability	69,625	86,889	156,514	22,326
<i>Total Noncurrent Liabilities</i>	2,956,099	1,257,096	4,213,195	409,565
<i>Total Liabilities</i>	4,704,004	2,178,045	6,882,049	432,045
DEFERRED INFLOWS				
Deferred inflows related to PERS	830,266	1,048,959	1,879,225	253,944
Deferred inflows related to OPEB	19,226	26,241	45,467	6,086
<i>Total Deferred Inflows</i>	849,492	1,075,200	1,924,692	260,030
NET POSITION:				
Net investment in capital assets	6,999,458	44,418,948	51,418,406	-
Restricted for:				
Construction	5,205,301	3,342,522	8,547,823	-
Unrestricted	2,157,816	12,428,606	14,586,422	942,522
<i>Total Net Position</i>	\$ 14,362,575	\$ 60,190,076	\$ 74,552,651	\$ 942,522

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, 2022

				<i>Governmental Activities</i>
	<i>Water Operations</i>	<i>Sewer Operations</i>	<i>Total</i>	<i>Internal Service</i>
OPERATING REVENUES				
Charges for services	\$ 4,707,562	\$ 9,383,489	\$ 14,091,051	\$ 1,960,878
Miscellaneous	72,702	10,304	83,006	2,483
<i>Total Operating Revenues</i>	4,780,264	9,393,793	14,174,057	1,963,361
OPERATING EXPENSES				
Personal services	1,506,593	1,907,765	3,414,358	494,825
Materials and services	1,264,023	2,253,456	3,517,479	1,253,793
Depreciation	399,114	1,633,952	2,033,066	-
<i>Total Operating Expenses</i>	3,169,730	5,795,173	8,964,903	1,748,618
OPERATING INCOME (LOSS)	1,610,534	3,598,620	5,209,154	214,743
NONOPERATING REVENUES (EXPENSES)				
Investment revenue	12,720	20,302	33,022	216
Interest expense	(122,230)	(266,113)	(388,343)	-
<i>Total Nonoperating Revenues (Expenses)</i>	(109,510)	(245,811)	(355,321)	216
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS				
	1,501,024	3,352,809	4,853,833	214,959
Capital contributions	1,457,155	2,055,127	3,512,282	-
Transfers out	(66,770)	(164,580)	(231,350)	(6,290)
Non-cash transfers out	-	-	-	(53,487)
Gain on disposition of assets	18,400	510	18,910	-
CHANGE IN NET POSITION	2,909,809	5,243,866	8,153,675	155,182
NET POSITION, beginning of year	11,802,974	54,958,270	66,761,244	787,340
Restatement	(350,208)	(12,060)	(362,268)	-
NET POSITION, beginning of year as restated	11,452,766	54,946,210	66,398,976	787,340
NET POSITION, end of year	\$ 14,362,575	\$ 60,190,076	\$ 74,552,651	\$ 942,522

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, 2022

	<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	\$ 4,808,717	\$ 9,278,547	\$ 14,087,264	\$ 1,982,380
Paid to suppliers	(1,312,997)	(1,330,837)	(2,643,834)	(1,303,980)
Paid to employees	(1,533,301)	(1,966,087)	(3,499,388)	(503,950)
<i>Net Cash Provided by Operating Activities</i>	1,962,419	5,981,623	7,944,042	174,450
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Received from (paid to) other funds	(52,519)	(74,501)	(127,020)	(16,971)
Transfers out	(66,770)	(164,579)	(231,349)	(6,290)
<i>Net Cash Used in Non-Capital Financing Activities</i>	(119,289)	(239,080)	(358,369)	(23,261)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(180,174)	(3,687,265)	(3,867,439)	(53,487)
Proceeds from disposal of capital assets	18,400	510	18,910	-
Principal paid on loans and bonds payable	(1,104,000)	-	(1,104,000)	-
Capital contributions	1,457,155	2,055,128	3,512,283	-
Interest paid	(124,801)	(266,113)	(390,914)	-
<i>Net Cash Used in Capital and Related Financing Activities</i>	66,580	(1,897,740)	(1,831,160)	(53,487)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	12,720	20,302	33,022	216
<i>Increase (Decrease) in Cash and Investments</i>	1,922,430	3,865,105	5,787,535	97,918
CASH AND INVESTMENTS, Beginning of year	6,514,067	12,334,129	18,848,196	1,199,065
CASH AND INVESTMENTS, End of year	\$ 8,436,497	\$ 16,199,234	\$ 24,635,731	\$ 1,296,983

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, 2022

	<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)	\$ 1,610,534	\$ 3,598,620	\$ 5,209,154	\$ 214,743
Adjustments to reconcile the change in operating cash provided by operating activities:				
Depreciation	399,114	1,633,512	2,032,626	-
Non-cash transfers out	-	440	440	-
<i>Change in assets and liabilities:</i>				
Accounts receivable	4,595	150,867	155,462	19,019
Deferred outflows	75,356	94,409	169,765	22,677
OPEB asset	(12,942)	(16,259)	(29,201)	-
Prepaid expenses	-	-	-	(3,905)
Accounts payable and accrued liabilities	(48,976)	656,507	607,531	(50,187)
Customer deposits	23,860	-	23,860	-
Compensated absences payable	10,996	(10,698)	298	2,312
Net pension liability (asset)	(684,657)	(860,104)	(1,544,761)	(206,594)
OPEB liability	3,042	3,821	6,863	918
Deferred inflows	581,497	730,508	1,312,005	175,467
<i>Net Cash Provided by Operating Activities</i>	<u>\$ 1,962,419</u>	<u>\$ 5,981,623</u>	<u>\$ 7,944,042</u>	<u>\$ 174,450</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, 2022.

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, 2022

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, 2022

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, 2022

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
- Building Inspection Fund
- Street SDC Fund

The City reports the following major proprietary funds:

- Water Operations
- Sewer Operations

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2022

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, 2022. 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, 2022

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 assets 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, 2021 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 of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. 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, 2022

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

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

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2022

ORGANIZATION AND OPERATION (Continued)

Governmental Fund Types (Continued)

Special Revenue Funds (Continued)

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.

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

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.

American Rescue Plan Fund - This fund accounts for revenue and expenditures directly related to the funds received by the City resulting from the American Rescue Plan Act.

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

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

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

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.

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.

ORGANIZATION AND OPERATION (Continued)

Governmental Fund Types (Continued)

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.

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, 2022

CASH AND INVESTMENTS

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

	<i>Carrying Value</i>	<i>Fair Value</i>
Cash		
Cash on hand	\$ 4,160	\$ 4,160
Deposits with financial institutions	24,076,911	24,076,911
Investments		
Local Government Investment Pool	50,160,271	50,360,912
	<u>\$ 74,241,342</u>	<u>\$ 74,441,983</u>

Cash is reported in the financial statements as follows:

Governmental funds	\$ 48,308,628
Internal Service funds (included in governmental activities)	1,296,983
Enterprise funds	24,635,731
	<u>\$ 74,241,342</u>

Deposits

The book balance of the City’s bank deposits was \$24,076,911 and the bank balance was \$24,133,027 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, 2022. 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, 2022

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, 2022, \$23,883,027 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, 2022

CAPITAL ASSETS

The summary of capital assets for governmental activities for the year ended June 30, 2022 is as follows:

	<i>Balances July 1, 2021 (Restated)</i>	<i>Additions</i>	<i>Retirements/ Transfers</i>	<i>Balances June 30, 2022</i>
<i>Capital assets not being depreciated</i>				
Land	\$ 23,056,538	\$ -	\$ -	\$ 23,056,538
Construction in progress	6,822,369	3,852,225	-	10,674,594
Subtotal, nondepreciable assets	29,878,907	3,852,225	-	33,731,132
<i>Capital and lease assets being depreciated or amortized</i>				
Buildings	22,356,055	41,137	-	22,397,192
Equipment	8,203,102	65,744	(229,927)	8,038,919
Infrastructure	46,645,762	-	-	46,645,762
Less accumulated depreciation	(35,767,375)	(1,809,897)	229,927	(37,347,345)
Capital assets, net of depreciation	41,437,544	(1,703,016)	-	39,734,528
Right to use asset - equipment	272,557	386,335	-	658,892
Less accumulated amortization	-	(101,309)	-	(101,309)
Lease assets, net of amortization	272,557	285,026	-	557,583
<i>Total capital and lease assets being depreciated or amortized, net</i>	41,710,101	(1,417,990)	-	40,292,111
Net capital assets	\$ 71,589,008	\$ 2,434,235	\$ -	\$ 74,023,243

Depreciation expense was allocated as follows:

General government	\$ 537,229
Public safety	186,295
Highways and streets	847,900
Culture and recreation	107,189
Internal service funds	131,284
	<u>\$ 1,809,897</u>

Amortization expense was allocated as follows:

General government	\$ 21,684
Public safety	79,625
	<u>\$ 101,309</u>

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2022

CAPITAL ASSETS (Continued)

The summary of capital assets for the business-type activities for the year ended June 30, 2022 is as follows:

	<i>Balances July 1, 2021 (Restated)</i>	<i>Additions</i>	<i>Retirements</i>	<i>Balances June 30, 2022</i>
<i>Capital assets not being depreciated</i>				
Land	\$ 1,813,429	\$ -	\$ -	\$ 1,813,429
Construction in progress	5,158,623	3,867,440	(199,390)	8,826,673
Subtotal, nondepreciable assets	6,972,052	3,867,440	(199,390)	10,640,102
<i>Capital assets being depreciated</i>				
Buildings	62,748,380	-	-	62,748,380
Water and sewer systems	32,591,024	199,390	-	32,790,414
Equipment	4,423,733	-	(64,110)	4,359,623
Less accumulated depreciation	(53,465,651)	(2,033,066)	64,110	(55,434,607)
Capital assets, net of depreciation	46,297,486	(1,833,676)	-	44,463,810
Net capital assets	<u>\$ 53,269,538</u>	<u>\$ 2,033,764</u>	<u>\$ (199,390)</u>	<u>\$ 55,103,912</u>

Depreciation expense was allocated as follows:

Water operations	\$ 399,114
Sewer operations	1,633,952
	<u>\$ 2,033,066</u>

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2022

LONG-TERM DEBT

Long-term debt transactions for the year ended June 30, 2022 were as follows:

	<i>Outstanding July 1, 2021</i>	<i>Issued</i>	<i>Matured/ Redeemed During Year</i>	<i>Outstanding June 30, 2022</i>	<i>Due Within One Year</i>
<i>Governmental Activities:</i>					
Direct placement general obligation bonds	\$ 1,762,000	\$ -	\$ (568,000)	\$ 1,194,000	\$ 597,000
Direct borrowings	2,999,000	-	(890,000)	2,109,000	277,000
	4,761,000	-	(1,458,000)	3,303,000	874,000
Accrued compensated absences	801,450	727,564	(706,786)	822,228	328,891
	<u>\$ 5,562,450</u>	<u>\$ 727,564</u>	<u>\$ (2,164,786)</u>	<u>\$ 4,125,228</u>	<u>\$ 1,202,891</u>
<i>Business-type Activities:</i>					
Direct placement revenue bonds	\$ 4,790,000	\$ -	\$ (1,104,000)	\$ 3,686,000	\$ 1,442,000
Accrued compensated absences	61,970	74,782	(74,484)	62,268	24,907
	<u>\$ 4,851,970</u>	<u>\$ 74,782</u>	<u>\$ (1,178,484)</u>	<u>\$ 3,748,268</u>	<u>\$ 1,466,907</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, 2022 is \$1,194,000.

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>
2023	\$ 597,000	\$ 25,501	\$ 622,501
2024	597,000	13,082	610,082
	<u>\$ 1,194,000</u>	<u>\$ 38,583</u>	<u>\$ 1,232,583</u>

CITY OF WOODBURN, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2022

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 loan was fully paid off at June 30, 2022.

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, 2022 is \$2,109,000.

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>
2023	\$ 277,000	\$ 58,419	\$ 335,419
2024	285,000	50,746	335,746
2025	293,000	42,852	335,852
2026	301,000	34,736	335,736
2027	309,000	26,398	335,398
2028-2029	644,000	26,869	670,869
	<u>\$ 2,109,000</u>	<u>\$ 240,020</u>	<u>\$ 2,349,020</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, 2022 is \$3,686,000.

CITY OF WOODBURN, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2022

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>
2023	\$ 1,442,000	\$ 87,171	\$ 1,529,171
2024	1,332,000	46,393	1,378,393
2025	912,000	13,406	925,406
	<u>\$ 3,686,000</u>	<u>\$ 146,970</u>	<u>\$ 3,832,970</u>

LEASES PAYABLE

The City has a lease agreement for six police vehicles with various payment amounts and expiration dates. The yearly payments in place at June 30, 2022 total \$83,664 per year, with the newest lease expiring in 2024. The lease payable was calculated using a discount rate of 3.0%

The City has a lease agreement for police equipment. The agreement was incepted in June 2022 with yearly payments of \$84,358 commencing in July 2022. The lease payable was calculated using a discount rate of 3.0%.

The City has a lease agreement for office equipment with monthly payments in place at June 30, 2022 of \$1,917 per month, with the lease expiring in 2027. The lease payable was calculated using a discount rate of 3.0%.

As of and for the year ended June 30, 2022, the City's lease payable activity was as follows:

	<i>July 1, 2021 (Restated)</i>	<i>Issued</i>	<i>Matured/ Redeemed During Year</i>	<i>Outstanding June 30, 2022</i>	<i>Due Within One Year</i>
Vehicle leases	\$ 187,650	\$ -	\$ (78,034)	\$ 109,616	\$ 80,375
Police equipment lease	-	386,335	-	386,335	72,768
Copier lease	84,907	-	(20,740)	64,167	21,371
	<u>\$ 272,557</u>	<u>\$ 386,335</u>	<u>\$ (98,774)</u>	<u>\$ 560,118</u>	<u>\$ 174,514</u>

CITY OF WOODBURN, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2022

LEASES PAYABLE (Continued)

At June 30, 2022, future principal and interest payments for the lease payables are as follows:

Fiscal Year Ending June 30,	Vehicle Leases			Police Equipment Leases			Copier Leases			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 80,375	\$ 3,289	\$ 83,664	\$ 72,768	\$ 11,590	\$ 84,358	\$ 21,371	\$ 1,633	\$ 23,004	\$ 174,514	\$ 16,512	\$ 191,026
2024	29,242	877	30,119	74,951	9,407	84,358	22,021	983	23,004	126,214	11,267	137,481
2025	-	-	-	77,199	7,159	84,358	20,774	313	21,087	97,973	7,472	105,445
2026	-	-	-	79,516	4,842	84,358	-	-	-	79,516	4,842	84,358
2027	-	-	-	81,901	2,457	84,358	-	-	-	81,901	2,457	84,358
	<u>\$ 109,617</u>	<u>\$ 4,166</u>	<u>\$ 113,783</u>	<u>\$ 386,335</u>	<u>\$ 35,455</u>	<u>\$ 421,790</u>	<u>\$ 64,166</u>	<u>\$ 2,929</u>	<u>\$ 67,095</u>	<u>\$ 560,118</u>	<u>\$ 42,550</u>	<u>\$ 602,668</u>

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.

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.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2022

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

Benefits Provided (Continued)

Tier One/Tier Two Retirement Benefit (Continued)

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.

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.

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2022

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

Benefits Provided (Continued)

OPSRP Pension Program (Continued)

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, 2019 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. The City's contribution rates for the period were 21.24% for Tier One/Tier Two members, 15.73% for OPSRP General Service members, and 20.09% for OPSRP Police and Fire members. The City's total contributions exclusive of the 6% "pick-up" was \$1,733,222.

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 \$558,404 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.

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

At June 30, 2022, the City reported a liability of \$9,545,486 for its proportionate share of the OPERS net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019 rolled forward to June 30, 2021. 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, 2021, the City's proportion was 0.0798%, which is an increase of 0.0020% from its proportion measured as of June 30, 2020.

CITY OF WOODBURN, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2022

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

For the year ended June 30, 2022, the City recognized pension expense of \$391,455. At June 30, 2022, 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	\$ 893,520	\$ -
Changes of assumptions	2,389,523	25,120
Net difference between projected and actual earnings on investments	-	7,066,450
Changes in proportionate share	554,994	1,578,810
Differences between employer contributions and proportionate share of contributions	2,123,873	118,875
Contributions subsequent to measurement date	1,733,222	-
	<u>\$ 7,695,132</u>	<u>\$ 8,789,255</u>
Total	<u>\$ 7,695,132</u>	<u>\$ 8,789,255</u>

Deferred outflows of resources related to pensions of \$1,733,222 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, 2023. 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>	
2023	\$ (484,179)
2024	(329,353)
2025	(668,966)
2026	(1,579,874)
2027	235,028
Total	<u>\$ (2,827,344)</u>

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

Actuarial Methods and Assumptions

The total pension liability in the December 31, 2019 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	2.40%
Investment Rate of Return	6.90%
Projected Salary Increases	3.40% overall payroll growth; salaries for individuals are assumed to grow at 3.40% 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, 2022

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)
Global Equity	30.62 %	5.85 %
Private Equity	25.50	7.71
Core Fixed Income	23.75	2.73
Real Estate	12.25	5.66
Master Limited Partnerships	0.75	5.71
Infrastructure	1.50	6.26
Commodities	0.63	3.10
Hedge Fund of Funds - Multistrategy	1.25	5.11
Hedge Fund Equity - Hedge	0.63	5.31
Hedge Fund - Macro	5.62	5.06
US Cash	(2.50)	1.76
Assumed Inflation - Mean		2.40 %

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the Defined Benefit Pension Plan, down from 7.20% in the prior year. 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, 2022

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 6.90%, 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 (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ 18,745,054	\$ 9,545,486	\$ 1,848,789

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, 2022.

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 \$182,181 to the plan for the year ended June 30, 2022.

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, 2022

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Financial Statement Presentation

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

	<i>Implicit Rate Subsidy Plan</i>	<i>PERS RHIA Plan</i>	<i>Total OPEB on Financials</i>
Total OPEB asset	\$ -	\$ 243,371	\$ 243,371
Deferred Outflows of Resources			
Contributions After Measurement Date	38,994	1,497	40,491
Differences between expected and actual experience	-	4,789	4,789
Change in assumptions	16,011	-	16,011
Changes in proportionate share	-	15,013	15,013
Total Deferred Outflows of Resources	55,005	21,299	73,311
Total OPEB Liability	(679,773)	-	(679,773)
Deferred Inflows of Resources			
Differences between expected and actual experience	(21,014)	(6,771)	(27,785)
Change in assumptions	(90,962)	(3,620)	(94,582)
Net difference between projected and actual earnings	-	(57,838)	(57,838)
Changes in proportionate share	-	(25,018)	(25,018)
Total Deferred Inflows of Resources	(111,976)	(93,247)	(205,223)
OPEB Expense/(Income)	16,158	(36,346)	(20,188)

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, 2022

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Implicit Rate Subsidy (Continued)

As of the valuation date of July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	7
Active employees	120
	127
	127

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 \$679,773 was measured as of June 30, 2021, and was determined by an actuarial valuation as of December 31, 2019. For the fiscal year ended June 30, 2022, the City recognized OPEB expense from this plan of \$16,158. At June 30, 2022, 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	-	21,014
Changes of assumptions	16,011	90,962
Contributions subsequent to measurement date	38,994	-
	\$ 55,005	\$ 111,976
Total		

Deferred outflows of resources related to OPEB of \$38,994 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, 2023. 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><i>Year ended June 30:</i></u>	
2023	\$ (19,480)
2024	(19,480)
2025	(19,480)
2026	(19,480)
2027	(14,283)
Thereafter	(3,762)
	\$ (95,965)
Total	

CITY OF WOODBURN, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2022

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability for the June 30, 2022 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 2.16%, medical and vision varies between 5.75% and 3.75%, dental at 4.00%, and mortality rates based on the PUB-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.

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

Changes in the Total OPEB Liability

	<i>Total OPEB Liability</i>
Balance as of June 30, 2021	\$ 646,742
Changes for the year:	
Service cost	59,512
Interest on total OPEB liability	15,120
Effect of assumptions changes or inputs	2,791
Benefit payments	(44,392)
Balance as of June 30, 2022	<u>\$ 679,773</u>

The effect of changes in assumptions is the result of the change in the discount rate from 2.21 to 2.16.

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 (1.16 percent) or 1 percentage point higher (3.16 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

<i>Discount Rate:</i>	<i>1% Decrease (1.16%)</i>	<i>Current Discount Rate (2.16%)</i>	<i>1% Increase (3.16%)</i>
Total OPEB Liability	\$ 735,470	\$ 679,773	\$ 627,729
 <i>Healthcare Cost Trend:</i>	 <i>1% Decrease (2.75% increasing to 3.00%)</i>	 <i>Trend Rate (3.75% increasing to 4.00%)</i>	 <i>1% Increase (4.75% increasing to 5.00%)</i>
Total OPEB Liability	\$ 599,494	\$ 679,773	\$ 776,106

CITY OF WOODBURN, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2022

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, 2019 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. 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, 2022 were \$1,497.

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

At June 30, 2022, the City reported an asset of \$243,371 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2021 and was determined by an actuarial valuation as of December 31, 2019, rolled forward to June 30, 2021. 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, 2021 the City's proportionate share was 0.0709%, which is an increase from its proportion of 0.0505% as of June 30, 2020.

CITY OF WOODBURN, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2022

POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

PERS Retirement Health Insurance Account (Continued)

For the year ended June 30, 2022, the City recognized OPEB income from this plan of \$36,346. At June 30, 2022, 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	\$ -	\$ 6,771
Changes of assumptions	4,789	3,620
Net difference between projected and actual earnings	-	57,838
Change in proportionate share contributions subsequent to the MD	15,013	25,018
	1,497	-
	<hr/>	<hr/>
Total	<u>\$ 21,299</u>	<u>\$ 93,247</u>

Deferred outflows of resources related to OPEB of \$1,497 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, 2023. 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>	
2023	\$ (20,003)
2024	(21,969)
2025	(13,205)
2026	(18,268)
	<hr/>
Total	<u>\$ (73,445)</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, 2022

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 6.90%, 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 (5.90%) or 1 percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Net OPEB liability (asset)	\$ 215,226	\$ 243,371	\$ 267,414

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 Out					Total Transfers In
	Governmental funds			Business-type funds		
Transfers Out	General	Building Inspection	Non-major	Water Operations	Sewer Operations	
Governmental funds						
General	\$ -	\$ 7,770	\$ 293,560	\$ 16,770	\$ 24,580	\$ 342,680
Other non-major	274,660	-	1,339,010	50,000	140,000	1,803,670
Total Transfers In	\$ 274,660	\$ 7,770	\$ 1,632,570	\$ 66,770	\$ 164,580	\$ 2,146,350

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.

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.

CITY OF WOODBURN, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2022

DEFICIT FUND BALANCES

The following funds reported deficit fund balances as of June 30, 2022:

	<u><i>Deficit Fund Balances</i></u>
<i>Governmental Funds</i>	
General Capital Construction	\$ (119,517)
<i>Enterprise Funds</i>	
Sewer Capital Construction	(57,109)

PRIOR PERIOD RESTATEMENTS

The City completed a detailed review of capital asset records, resulting in a significant correction that changed the beginning balance for capital assets. Additionally, an adjustment was required for the implementation of GASB Statement No. 87 that netted to zero, as beginning balance for right to use lease asset and lease payable was recorded for the same amount.

Net Position - July 1, 2021, as originally reported	\$ 152,299,861
Change caused by correction to capital asset database	<u>(369,478)</u>
	<u><u>\$ 151,930,383</u></u>

NEW ACCOUNTING STANDARDS IMPLEMENTED

For the fiscal year ended June 30, 2022, the City implemented GASB Statement No. 87, *Leases*. This Statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases where the government is the lessee.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WOODBURN, OREGON

**COMBINING BALANCE SHEET – BUDGETARY FUNDS REPORTED AS GENERAL FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budgetary funds</i>		<i>Total (reported as General Fund)</i>
	<i>General Fund</i>	<i>PERS Reserve</i>	
ASSETS			
Cash and investments	\$ 12,365,950	\$ 183,120	\$ 12,549,070
Accounts receivable	482,260	-	482,260
Property taxes receivable	381,945	-	381,945
Prepaid expenses	22,319	-	22,319
<i>Total Assets</i>	<u>\$ 13,252,474</u>	<u>\$ 183,120</u>	<u>\$ 13,435,594</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 317,048	\$ -	\$ 317,048
Accrued payroll and payroll liabilities	943,594	-	943,594
<i>Total Liabilities</i>	1,260,642	-	1,260,642
Deferred Inflows			
Unavailable revenue	357,835	-	357,835
Fund Balance			
Non-spendable	22,319	-	22,319
Committed to:			
Retirement	-	183,120	183,120
Unassigned	11,611,678	-	11,611,678
<i>Total Fund Balance</i>	<u>11,633,997</u>	<u>183,120</u>	<u>11,817,117</u>
<i>Total Liabilities, Deferred Inflows and Fund Balance</i>	<u>\$ 13,252,474</u>	<u>\$ 183,120</u>	<u>\$ 13,435,594</u>

See notes to required supplementary information.

CITY OF WOODBURN, OREGON

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGETARY FUNDS REPORTED AS GENERAL FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budgetary funds</i>			<i>Total (reported as General Fund)</i>
	<i>General Fund</i>	<i>PERS Reserve</i>	<i>Eliminations</i>	
REVENUES				
Taxes and assessments	\$ 10,893,677	\$ -	\$ -	\$ 10,893,677
Licenses and permits	2,547,209	-	-	2,547,209
Charges for services	1,556,238	-	-	1,556,238
Intergovernmental	1,663,767	-	-	1,663,767
Fines and forfeitures	491,001	-	-	491,001
Miscellaneous	559,151	-	-	559,151
<i>Total Revenues</i>	17,711,043	-	-	17,711,043
EXPENDITURES				
Current				
General government	2,080,966	-	-	2,080,966
Economic development	1,035,285	-	-	1,035,285
Public safety	7,945,141	-	-	7,945,141
Culture and recreation	3,005,263	-	-	3,005,263
Debt Service				
Principal	621,000	-	-	621,000
Interest	5,554	-	-	5,554
Capital outlay	74,384	-	-	74,384
<i>Total Expenditures</i>	14,767,593	-	-	14,767,593
REVENUES OVER (UNDER) EXPENDITURES	2,943,450	-	-	2,943,450
OTHER FINANCING SOURCES (USES)				
Transfers in	267,560	183,120	(108,000)	342,680
Transfers out	(382,660)	-	108,000	(274,660)
Proceeds from sales of assets	259,506	-	-	259,506
<i>Total Other Financing Sources (Uses)</i>	144,406	183,120	-	327,526
NET CHANGE IN FUND BALANCE	3,087,856	183,120	-	3,270,976
FUND BALANCE, beginning of year	8,546,141	-	-	8,546,141
FUND BALANCE, end of year	\$ 11,633,997	\$ 183,120	\$ -	\$ 11,817,117

See notes to 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, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes and assessments	\$ 10,489,270	\$ 10,489,270	\$ 10,893,677	\$ 404,407
Licenses and permits	206,900	206,900	394,150	187,250
Franchise fees	2,000,400	2,000,400	2,153,059	152,659
Charges for services	925,100	960,935	1,556,238	595,303
Intergovernmental	1,235,560	1,584,060	1,663,767	79,707
Fines and forfeitures	1,028,000	1,028,000	491,001	(536,999)
Miscellaneous	570,630	570,630	559,151	(11,479)
<i>Total Revenues</i>	16,455,860	16,840,195	17,711,043	870,848
EXPENDITURES				
Administration	1,963,490	1,963,490	1,485,241	478,249
Economic development	209,930	459,930	230,117	229,813
Nondepartmental	1,074,460	1,004,460	595,725	408,735
Police	8,699,850	8,699,850	7,945,141	754,709
Community services	3,403,970	3,885,470	3,079,647	805,823
Planning	648,160	663,370	546,540	116,830
Engineering	317,600	338,225	258,628	79,597
Debt service				
Principal	621,000	621,000	621,000	-
Interest	22,000	22,000	5,554	16,446
Contingency	3,944,440	3,944,440	-	3,944,440
<i>Total Expenditures</i>	20,904,900	21,602,235	14,767,593	6,834,642
REVENUES OVER (UNDER) EXPENDITURES	(4,449,040)	(4,762,040)	2,943,450	7,705,490
OTHER FINANCING SOURCES (USES)				
Transfers in	-	408,000	267,560	(140,440)
Transfers out	(362,660)	(457,660)	(382,660)	75,000
Proceeds from sale of assets	25,000	25,000	259,506	234,506
<i>Total Other Financing Sources (Uses)</i>	(337,660)	(24,660)	144,406	169,066
NET CHANGE IN FUND BALANCE	(4,786,700)	(4,786,700)	3,087,856	7,874,556
FUND BALANCE, beginning of year	7,889,060	7,889,060	8,546,141	657,081
FUND BALANCE, end of year	\$ 3,102,360	\$ 3,102,360	\$ 11,633,997	\$ 8,531,637

See notes to required supplementary information.

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – PERS RESERVE FUND (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Personal services	183,120	183,120	-	183,120
REVENUES OVER (UNDER) EXPENDITURES	(183,120)	(183,120)	-	183,120
OTHER FINANCING SOURCES (USES)				
Transfers in	183,120	183,120	183,120	-
NET CHANGE IN FUND BALANCE	-	-	183,120	183,120
FUND BALANCE, beginning of year	-	-	-	-
FUND BALANCE, end of year	\$ -	\$ -	\$ 183,120	\$ 183,120

See notes to required supplementary information.

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUILDING INSPECTION FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 805,300	\$ 6,550,910	\$ 8,938,603	\$ 2,387,693
Intergovernmental	501,000	2,201,000	1,625,523	(575,477)
Miscellaneous	13,000	13,000	5,924	(7,076)
<i>Total Revenues</i>	1,319,300	8,764,910	10,570,050	1,805,140
EXPENDITURES				
Building inspection	1,394,010	8,839,620	5,541,864	3,297,756
Contingency	1,228,320	1,228,320	-	1,228,320
<i>Total Expenditures</i>	2,622,330	10,067,940	5,541,864	4,526,076
REVENUES OVER (UNDER) EXPENDITURES	(1,303,030)	(1,303,030)	5,028,186	6,331,216
OTHER FINANCING SOURCES (USES)				
Transfers out	(7,770)	(7,770)	(7,770)	-
NET CHANGE IN FUND BALANCE	(1,310,800)	(1,310,800)	5,020,416	6,331,216
FUND BALANCE, beginning of year	1,310,800	1,310,800	1,446,430	135,630
FUND BALANCE, end of year	\$ -	\$ -	\$ 6,466,846	\$ 6,466,846

See notes to required supplementary information.

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

	City's proportion of the net pension liability (asset)	City's proportionate share of the net pension liability (asset)	City's covered payroll	City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2014	0.1145%	\$ 5,842,512	\$ 7,956,480	73.4%	92.0%
2015	0.1145%	(2,595,126)	8,048,595	-32.2%	103.6%
2016	0.1224%	7,026,676	8,457,225	83.1%	91.9%
2017	0.1081%	16,230,093	8,344,438	194.5%	80.5%
2018	0.0994%	13,401,200	8,800,124	152.3%	83.1%
2019	0.0856%	12,969,468	8,950,436	144.9%	82.1%
2020	0.0912%	15,782,405	8,868,978	178.0%	80.2%
2021	0.0778%	16,979,947	10,145,281	167.4%	75.8%
2022	0.0798%	9,545,486	9,855,515	96.9%	87.6%

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

See notes to required supplementary information.

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

	Contractually required contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2014	\$ 1,022,429	\$ (1,022,429)	\$ -	\$ 8,048,595	12.70%
2015	1,046,147	(1,046,147)	-	8,457,225	12.37%
2016	1,096,838	(1,096,838)	-	8,344,438	13.14%
2017	1,034,667	(1,034,667)	-	8,800,124	11.76%
2018	1,347,984	(1,347,984)	-	8,950,436	15.06%
2019	1,407,165	(1,407,165)	-	8,868,978	15.87%
2020	1,874,810	(1,874,810)	-	10,145,281	18.48%
2021	1,620,295	(1,620,295)	-	9,855,515	16.44%
2022	1,733,222	(1,733,222)	-	10,504,778	16.50%

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

See notes to required supplementary information.

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 59,512	\$ 44,820	\$ 39,806	\$ 47,892	\$ 51,565
Interest on total OPEB liability	15,120	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	2,791	(21,415)	20,318	(96,751)	(46,746)
Benefit payments	(44,392)	(38,599)	(49,862)	(37,144)	(32,401)
Net change in total OPEB liability	33,031	(6,849)	34,794	(76,566)	(6,566)
Net OPEB liability, beginning	646,742	653,590	618,796	695,362	701,928
Net OPEB liability, ending	<u>\$ 679,773</u>	<u>\$ 646,741</u>	<u>\$ 653,590</u>	<u>\$ 618,796</u>	<u>\$ 695,362</u>
Covered-employee payroll	\$10,504,778	\$ 9,855,515	\$10,145,281	\$ 8,868,978	\$ 8,950,436
Total OPEB liability as a % of covered-employee payroll	6.5%	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 meet the criteria in paragraph 4 of GASB Statement No. 75 to pay the OPEB benefit for the implicit rate subsidy OPEB plan.

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

See notes to required supplementary information.

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 SIX FISCAL YEARS¹**

	<u>City's proportion of the net OPEB liability (asset)</u>	<u>City's proportionate share of the net OPEB liability (asset)</u>	<u>City's covered payroll</u>	<u>City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2017	0.0869%	\$ 23,610	\$ 8,344,438	0.3%	94.2%
2018	0.0815%	(34,002)	8,800,124	-0.4%	108.9%
2019	0.0825%	(92,049)	8,950,436	-1.0%	124.0%
2020	0.0815%	(157,485)	8,868,978	-1.8%	124.0%
2021	0.0505%	(102,836)	10,145,281	-1.0%	150.1%
2022	0.0709%	(243,371)	9,855,515	-2.5%	183.9%

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 SIX FISCAL YEARS ¹

	Contractually required contributions	Contributions in relation to the contractually required	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2017	\$ 38,765	\$ (38,765)	\$ -	\$ 8,800,124	0.44%
2018	40,561	(40,561)	-	8,950,436	0.45%
2019	39,580	(39,580)	-	8,868,978	0.45%
2020	40,436	(40,436)	-	10,145,281	0.40%
2021	5,106	(5,106)	-	9,855,515	0.05%
2022	1,497	(1,497)	-	10,504,778	0.01%

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, 2022

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, 2022

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY *(Continued)*

Other Postemployment Benefits (OPEB)

The tables on pages 59-61 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 to pay the OPEB benefit for the implicit rate subsidy OPEB plan.

SUPPLEMENTARY INFORMATION

CITY OF WOODBURN, OREGON
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue		
	Street	Transit	Asset Forfeiture
ASSETS			
Cash and investments	\$ 5,972,255	\$ 351,002	\$ 15,300
Accounts receivable	217,492	141,088	-
Property taxes receivable	-	-	-
Assessment liens receivable	-	-	-
Loans receivable	-	-	-
Prepays	-	-	-
<i>Total Assets</i>	<u>\$ 6,189,747</u>	<u>\$ 492,090</u>	<u>\$ 15,300</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 50,562	\$ 15,095	\$ -
Retainage payable	4,897	-	-
<i>Total Liabilities</i>	<u>55,459</u>	<u>15,095</u>	<u>-</u>
Deferred Inflows:			
Unavailable revenue	-	-	-
Fund Balance:			
Non-spendable	-	-	-
Restricted for:			
Debt service	-	-	-
Construction	6,134,288	-	-
Culture and recreation	-	476,995	-
Community development	-	-	-
Committed to:			
Public safety	-	-	15,300
Capital outlay	-	-	-
<i>Total Fund Balance</i>	<u>6,134,288</u>	<u>476,995</u>	<u>15,300</u>
<i>Total Liabilities, Deferred Inflows and Fund Balance</i>	<u>\$ 6,189,747</u>	<u>\$ 492,090</u>	<u>\$ 15,300</u>

<i>Special Revenue</i>				<i>Capital Projects</i>	
<i>American Rescue Plan</i>	<i>Housing Rehabilitation</i>	<i>Lavelle Black Trust</i>	<i>Urban Renewal</i>	<i>General Capital Construction</i>	<i>Special Assessment</i>
\$ 1,742,954	\$ 30,490	\$ 33,270	\$ 1,393,396	\$ 515,275	\$ 37,429
-	-	-	-	-	-
-	-	-	30,166	-	-
-	-	-	-	-	14,602
-	457,608	-	-	-	-
-	-	-	-	3,300	-
\$ 1,742,954	\$ 488,098	\$ 33,270	\$ 1,423,562	\$ 518,575	\$ 52,031
\$ -	\$ -	\$ -	\$ 147,011	\$ 507,012	\$ -
-	-	-	3,650	130,237	-
-	-	-	150,661	637,249	-
-	457,608	-	28,086	843	14,602
-	-	-	-	3,300	-
-	-	-	-	-	-
-	-	-	-	(122,817)	-
-	-	33,270	-	-	-
1,742,954	30,490	-	1,244,815	-	-
-	-	-	-	-	-
-	-	-	-	-	37,429
1,742,954	30,490	33,270	1,244,815	(119,517)	37,429
\$ 1,742,954	\$ 488,098	\$ 33,270	\$ 1,423,562	\$ 518,575	\$ 52,031

CITY OF WOODBURN, OREGON

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (Continued)

JUNE 30, 2022

	Capital Projects		
	Street & Storm Capital Construction	Parks SDC	Storm SDC
ASSETS			
Cash and investments	\$ 769,458	\$ 4,020,633	\$ 1,093,870
Accounts receivable	-	-	-
Property taxes receivable	-	-	-
Assessment liens receivable	-	-	-
Loans receivable	-	-	-
Prepays	-	-	-
<i>Total Assets</i>	<u>\$ 769,458</u>	<u>\$ 4,020,633</u>	<u>\$ 1,093,870</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 323,126	\$ -	\$ -
Retainage payable	5,302	-	-
<i>Total Liabilities</i>	<u>328,428</u>	<u>-</u>	<u>-</u>
Deferred Inflows:			
Unavailable revenue	-	-	-
Fund Balance:			
Non-spendable	-	-	-
Restricted for:			
Debt service	-	-	-
Construction	441,030	4,020,633	1,093,870
Culture and recreation	-	-	-
Community development	-	-	-
Committed to:			
Public safety	-	-	-
Capital outlay	-	-	-
<i>Total Fund Balance</i>	<u>441,030</u>	<u>4,020,633</u>	<u>1,093,870</u>
<i>Total Liabilities, Deferred Inflows and Fund Balance</i>	<u>\$ 769,458</u>	<u>\$ 4,020,633</u>	<u>\$ 1,093,870</u>

<u>Capital Projects</u>		<u>Debt Service</u>	
<u>Equipment Replacement</u>	<u>GO Debt Service</u>	<u>Total</u>	
\$ 945,774	\$ 13,219	\$ 16,934,325	
-	-	358,580	
-	22,397	52,563	
-	-	14,602	
-	-	457,608	
-	-	3,300	
<u>\$ 945,774</u>	<u>\$ 35,616</u>	<u>\$ 17,820,978</u>	
\$ -	\$ -	\$ 1,042,806	
-	-	144,086	
-	-	1,186,892	
-	20,848	521,987	
-	-	3,300	
-	14,768	14,768	
-	-	11,567,004	
-	-	510,265	
-	-	3,018,259	
-	-	15,300	
945,774	-	983,203	
<u>945,774</u>	<u>14,768</u>	<u>16,112,099</u>	
<u>\$ 945,774</u>	<u>\$ 35,616</u>	<u>\$ 17,820,978</u>	

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022**

	Special Revenue		
	Street	Transit	Asset Forfeiture
REVENUES			
Taxes and assessments	\$ 107,598	\$ -	\$ -
Licenses and permits	369	-	-
Intergovernmental	2,067,949	602,847	-
Fines and forfeitures	391,088	-	-
Miscellaneous	44,437	6,767	33
<i>Total Revenues</i>	2,611,441	609,614	33
EXPENDITURES			
Current			
Culture and recreation	-	757,002	-
Economic development	-	-	-
Highways and streets	1,628,140	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<i>Total Expenditures</i>	1,628,140	757,002	-
REVENUES OVER (UNDER) EXPENDITURES	983,301	(147,388)	33
OTHER FINANCING SOURCES (USES)			
Transfers in	90,000	189,010	-
Transfers out	(60,820)	(6,800)	-
Proceeds from sales of assets	5,095	725	-
<i>Total Other Financing Sources (Uses)</i>	34,275	182,935	-
NET CHANGE IN FUND BALANCE	1,017,576	35,547	33
FUND BALANCE, beginning of year	5,116,712	441,448	15,267
FUND BALANCE, end of year	\$ 6,134,288	\$ 476,995	\$ 15,300

<i>Special Revenue</i>				<i>Capital Projects</i>	
<i>American Rescue Plan</i>	<i>Housing Rehabilitation</i>	<i>Lavelle Black Trust</i>	<i>Urban Renewal</i>	<i>General Capital Construction</i>	<i>Special Assessment</i>
\$ -	\$ -	\$ -	826,096	\$ -	\$ -
-	-	-	-	-	-
2,917,813	-	-	130,637	1,022,994	-
-	-	-	-	-	-
4,359	7,539	72	5,020	37,474	2,474
2,922,172	7,539	72	961,753	1,060,468	2,474
-	-	113	-	-	-
122,648	3,028	-	297,608	-	-
-	-	-	-	-	-
-	-	-	269,000	-	-
-	-	-	65,870	-	-
-	-	-	603,343	2,779,944	-
122,648	3,028	113	1,235,821	2,779,944	-
2,799,524	4,511	(41)	(274,068)	(1,719,476)	2,474
-	-	-	-	1,374,660	-
(1,056,570)	-	-	(2,090)	-	-
-	-	-	-	-	-
(1,056,570)	-	-	(2,090)	1,374,660	-
1,742,954	4,511	(41)	(276,158)	(344,816)	2,474
-	25,979	33,311	1,520,973	225,299	34,955
\$ 1,742,954	\$ 30,490	\$ 33,270	\$ 1,244,815	\$ (119,517)	\$ 37,429

CITY OF WOODBURN, OREGON

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
YEAR ENDED JUNE 30, 2022**

	<i>Capital Projects</i>		
	<i>Street & Storm Capital Construction</i>	<i>Parks SDC</i>	<i>Storm SDC</i>
REVENUES			
Taxes and assessments	\$ -	\$ -	\$ -
Licenses and permits	-	2,683,464	313,280
Intergovernmental	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	279,404	427	1,572
<i>Total Revenues</i>	279,404	2,683,891	314,852
EXPENDITURES			
Current			
Culture and recreation	-	-	-
Economic development	-	-	-
Highways and streets	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	435,690	-	-
<i>Total Expenditures</i>	435,690	-	-
REVENUES OVER (UNDER) EXPENDITURES	(156,286)	2,683,891	314,852
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(500,000)	-
Proceeds from sales of assets	-	-	-
<i>Total Other Financing Sources (Uses)</i>	-	(500,000)	-
NET CHANGE IN FUND BALANCE	(156,286)	2,183,891	314,852
FUND BALANCE, beginning of year	597,316	1,836,742	779,018
FUND BALANCE, end of year	\$ 441,030	\$ 4,020,633	\$ 1,093,870

<i>Capital Projects</i>	<i>Debt Service</i>	
<i>Equipment Replacement</i>	<i>GO Debt Service</i>	<i>Total</i>
\$ -	\$ 594,304	\$ 1,527,998
-	-	2,997,113
-	-	6,742,240
-	-	391,088
1,575	1,185	392,338
<hr/>	<hr/>	<hr/>
1,575	595,489	12,050,777
-	-	757,115
-	-	423,284
-	-	1,628,140
-	568,000	837,000
-	36,650	102,520
-	-	3,818,977
<hr/>	<hr/>	<hr/>
-	604,650	7,567,036
<hr/>	<hr/>	<hr/>
1,575	(9,161)	4,483,741
150,000	-	1,803,670
-	-	(1,626,280)
-	-	5,820
<hr/>	<hr/>	<hr/>
150,000	-	183,210
<hr/>	<hr/>	<hr/>
151,575	(9,161)	4,666,951
794,199	23,929	11,445,148
<hr/>	<hr/>	<hr/>
\$ 945,774	\$ 14,768	\$ 16,112,099
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CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – STREET SDC FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 1,000,000	\$ 1,000,000	\$ 7,117,377	\$ 6,117,377
Miscellaneous	40,000	40,000	7,986	(32,014)
<i>Total Revenues</i>	1,040,000	1,040,000	7,125,363	6,085,363
EXPENDITURES				
Transportation SDC	50,000	50,000	19,406	30,594
REVENUES OVER (UNDER) EXPENDITURES	990,000	990,000	7,105,957	6,115,957
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,000,000)	(1,000,000)	-	1,000,000
NET CHANGE IN FUND BALANCE	(10,000)	(10,000)	7,105,957	7,115,957
FUND BALANCE, beginning of year	4,605,320	4,605,320	5,122,188	516,868
FUND BALANCE, end of year	\$ 4,595,320	\$ 4,595,320	\$ 12,228,145	\$ 7,632,825

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - STREET FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes and assessments	\$ 105,000	\$ 105,000	\$ 107,598	\$ 2,598
Licenses and permits	500	500	369	(131)
Intergovernmental	1,789,500	1,789,500	2,067,949	278,449
Fines and forfeitures	372,750	372,750	391,088	18,338
Miscellaneous	125,700	125,700	44,437	(81,263)
<i>Total Revenues</i>	2,393,450	2,393,450	2,611,441	217,991
EXPENDITURES				
Street	3,406,270	3,426,895	1,628,140	1,798,755
Contingency	1,183,060	1,162,435	-	1,162,435
<i>Total Expenditures</i>	4,589,330	4,589,330	1,628,140	2,961,190
REVENUES OVER (UNDER) EXPENDITURES	(2,195,880)	(2,195,880)	983,301	3,179,181
OTHER FINANCING SOURCES (USES)				
Transfers in	90,000	90,000	90,000	-
Transfers out	(1,617,880)	(1,617,880)	(60,820)	1,557,060
Gain (loss) on sale of assets	-	-	5,095	5,095
<i>Total Other Financing Sources (Uses)</i>	(1,527,880)	(1,527,880)	34,275	1,562,155
NET CHANGE IN FUND BALANCE	(3,723,760)	(3,723,760)	1,017,576	4,741,336
FUND BALANCE, beginning of year	3,723,760	3,723,760	5,116,712	1,392,952
FUND BALANCE, end of year	\$ -	\$ -	\$ 6,134,288	\$ 6,134,288

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - TRANSIT FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental	\$ 1,348,000	\$ 1,348,000	\$ 602,847	\$ (745,153)
Miscellaneous	5,500	5,500	6,767	1,267
<i>Total Revenues</i>	1,353,500	1,353,500	609,614	(743,886)
EXPENDITURES				
Transit	1,499,620	1,619,620	757,002	862,618
Contingency	397,080	397,080	-	397,080
<i>Total Expenditures</i>	1,896,700	2,016,700	757,002	1,259,698
REVENUES OVER (UNDER) EXPENDITURES	(543,200)	(663,200)	(147,388)	515,812
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	270,000	189,010	(80,990)
Transfers out	(6,800)	(6,800)	(6,800)	-
Proceeds from sale of assets	-	-	725	725
<i>Total Other Financing Sources (Uses)</i>	143,200	263,200	182,935	(80,265)
NET CHANGE IN FUND BALANCE	(400,000)	(400,000)	35,547	435,547
FUND BALANCE, beginning of year	400,000	400,000	441,448	41,448
FUND BALANCE, end of year	\$ -	\$ -	\$ 476,995	\$ 476,995

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – ASSET FORFEITURE FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 200	\$ 200	\$ 33	\$ (167)
EXPENDITURES				
Asset forfeiture	15,330	15,330	-	15,330
NET CHANGE IN FUND BALANCE	(15,130)	(15,130)	33	15,163
FUND BALANCE, beginning of year	15,130	15,130	15,267	137
FUND BALANCE, end of year	\$ -	\$ -	\$ 15,300	\$ 15,300

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – AMERICAN RESCUE PLAN FUND
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,700,000	\$ 2,700,000	\$ 2,917,813	\$ 217,813
Miscellaneous	1,000	1,000	4,359	3,359
<i>Total Revenues</i>	2,701,000	2,701,000	2,922,172	221,172
EXPENDITURES				
American Rescue Plan	-	756,500	122,648	633,852
Contingency	5,401,000	2,841,500	-	2,841,500
<i>Total Expenditures</i>	5,401,000	3,598,000	122,648	3,475,352
REVENUES OVER (UNDER) EXPENDITURES	(2,700,000)	(897,000)	2,799,524	3,696,524
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(1,803,000)	(1,056,570)	746,430
NET CHANGE IN FUND BALANCE	(2,700,000)	(2,700,000)	1,742,954	4,442,954
FUND BALANCE, beginning of year	2,700,000	2,700,000	-	(2,700,000)
FUND BALANCE, end of year	\$ -	\$ -	\$ 1,742,954	\$ 1,742,954

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HOUSING REHABILITATION FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 16,000	\$ 16,000	\$ 7,539	\$ (8,461)
EXPENDITURES				
Housing rehab	41,250	41,250	3,028	38,222
NET CHANGE IN FUND BALANCE	(25,250)	(25,250)	4,511	29,761
FUND BALANCE, beginning of year	25,250	25,250	25,979	729
FUND BALANCE, end of year	\$ -	\$ -	\$ 30,490	\$ 30,490

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – LAVELLE BLACK TRUST FUND
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Miscellaneous	\$ 500	\$ 500	\$ 72	\$ (428)
EXPENDITURES				
Materials and services	7,500	7,500	113	7,387
Contingency	28,520	28,520	-	28,520
<i>Total Expenditures</i>	36,020	36,020	113	35,907
NET CHANGE IN FUND BALANCE	(35,520)	(35,520)	(41)	35,479
FUND BALANCE, beginning of year	35,520	35,520	33,311	(2,209)
FUND BALANCE, end of year	\$ -	\$ -	\$ 33,270	\$ 33,270

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – URBAN RENEWAL FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Taxes and assessments	\$ 787,950	\$ 787,950	\$ 826,096	\$ 38,146
Intergovernmental	-	-	130,637	130,637
Miscellaneous	90,000	90,000	5,020	(84,980)
<i>Total Revenues</i>	877,950	877,950	961,753	83,803
EXPENDITURES				
Administration				
Personal services	209,020	209,020	207,159	1,861
Materials and services	202,640	202,640	90,449	112,191
Capital outlay	558,000	558,000	603,343	(45,343)
Debt service				
Principal	269,000	269,000	269,000	-
Interest	65,870	65,870	65,870	-
Contingency	115,640	115,640	-	115,640
<i>Total Expenditures</i>	1,420,170	1,420,170	1,235,821	184,349
REVENUES OVER (UNDER) EXPENDITURES	(542,220)	(542,220)	(274,068)	268,152
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,090)	(2,090)	(2,090)	-
NET CHANGE IN FUND BALANCE	(544,310)	(544,310)	(276,158)	268,152
FUND BALANCE, beginning of year	1,214,310	1,214,310	1,520,973	306,663
FUND BALANCE, end of year	\$ 670,000	\$ 670,000	\$ 1,244,815	\$ 574,815

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – GENERAL CAPITAL CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental	\$ -	\$ 1,000,000	\$ 1,022,994	\$ 22,994
Miscellaneous	20	15,020	37,474	22,454
<i>Total Revenues</i>	20	1,015,020	1,060,468	45,448
EXPENDITURES				
Capital outlay	384,790	4,494,790	2,779,944	1,714,846
REVENUES OVER (UNDER) EXPENDITURES	(384,770)	(3,479,770)	(1,719,476)	1,760,294
OTHER FINANCING SOURCES (USES)				
Transfers in	129,660	3,224,660	1,374,660	(1,850,000)
NET CHANGE IN FUND BALANCE	(255,110)	(255,110)	(344,816)	(89,706)
FUND BALANCE, beginning of year	255,110	255,110	225,299	(29,811)
FUND BALANCE (Deficit), end of year	\$ -	\$ -	\$ (119,517)	\$ (119,517)

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – SPECIAL ASSESSMENT FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 9,400	\$ 9,400	\$ 2,474	\$ (6,926)
EXPENDITURES				
Contingency	46,500	46,500	-	46,500
NET CHANGE IN FUND BALANCE	(37,100)	(37,100)	2,474	39,574
FUND BALANCE, beginning of year	37,100	37,100	34,955	(2,145)
FUND BALANCE, end of year	\$ -	\$ -	\$ 37,429	\$ 37,429

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, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Intergovernmental	\$ 800,000	\$ 800,000	\$ -	\$ (800,000)
Miscellaneous	2,500	2,500	279,404	276,904
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	802,500	802,500	279,404	(523,096)
EXPENDITURES				
Capital outlay	4,195,000	4,195,000	435,690	3,759,310
	<hr/>	<hr/>	<hr/>	<hr/>
REVENUES OVER (UNDER) EXPENDITURES	(3,392,500)	(3,392,500)	(156,286)	3,236,214
OTHER FINANCING SOURCES (USES)				
Transfers in	2,707,060	2,707,060	-	(2,707,060)
	<hr/>	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	(685,440)	(685,440)	(156,286)	529,154
FUND BALANCE, beginning of year	685,440	685,440	597,316	(88,124)
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCE, end of year	\$ -	\$ -	\$ 441,030	\$ 441,030
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – PARKS SDC FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 1,100,000	\$ 1,100,000	\$ 2,683,464	\$ 1,583,464
Miscellaneous	10,000	10,000	427	(9,573)
<i>Total Revenues</i>	1,110,000	1,110,000	2,683,891	1,573,891
OTHER FINANCING SOURCES (USES)				
Transfers out	(100,000)	(1,850,000)	(500,000)	1,350,000
NET CHANGE IN FUND BALANCE	1,010,000	(740,000)	2,183,891	2,923,891
FUND BALANCE, beginning of year	1,005,050	1,005,050	1,836,742	831,692
FUND BALANCE, end of year	<u>\$ 2,015,050</u>	<u>\$ 265,050</u>	<u>\$ 4,020,633</u>	<u>\$ 3,755,583</u>

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – STORM SDC FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 30,000	\$ 30,000	\$ 313,280	\$ 283,280
Miscellaneous	8,000	8,000	1,572	(6,428)
<i>Total Revenues</i>	38,000	38,000	314,852	276,852
OTHER FINANCING SOURCES (USES)				
Transfers out	(150,000)	(150,000)	-	150,000
NET CHANGE IN FUND BALANCE	(112,000)	(112,000)	314,852	426,852
FUND BALANCE, beginning of year	814,730	814,730	779,018	(35,712)
FUND BALANCE, end of year	\$ 702,730	\$ 702,730	\$ 1,093,870	\$ 391,140

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – EQUIPMENT REPLACEMENT FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Miscellaneous	\$ 8,000	\$ 8,000	\$ 1,575	\$ (6,425)
EXPENDITURES				
Capital outlay	1,030,510	1,030,510	-	1,030,510
REVENUES OVER (UNDER) EXPENDITURES	(1,022,510)	(1,022,510)	1,575	1,024,085
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
NET CHANGE IN FUND BALANCE	(872,510)	(872,510)	151,575	1,024,085
FUND BALANCE, beginning of year	872,510	872,510	794,199	(78,311)
FUND BALANCE, end of year	\$ -	\$ -	\$ 945,774	\$ 945,774

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – GO DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2022**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes and assessments	\$ 581,000	\$ 581,000	\$ 594,304	\$ 13,304
Miscellaneous	2,000	2,000	1,185	(815)
<i>Total Revenues</i>	<u>583,000</u>	<u>583,000</u>	<u>595,489</u>	<u>12,489</u>
EXPENDITURES				
Debt service				
Principal	570,000	570,000	568,000	2,000
Interest	37,500	37,500	36,650	850
<i>Total Expenditures</i>	<u>607,500</u>	<u>607,500</u>	<u>604,650</u>	<u>2,850</u>
NET CHANGE IN FUND BALANCE	(24,500)	(24,500)	(9,161)	15,339
FUND BALANCE, beginning of year	<u>24,500</u>	<u>24,500</u>	<u>23,929</u>	<u>(571)</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,768</u>	<u>\$ 14,768</u>

CITY OF WOODBURN, OREGON

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

YEAR ENDED JUNE 30, 2022

	<u>Water</u>	<u>Water SDC</u>	<u>Water Capital Construction</u>	<u>Total Water Operations</u>
REVENUES				
Charges for services	\$ 4,707,562	\$ -	\$ -	\$ 4,707,562
Licenses and permits	-	1,457,155	-	1,457,155
Miscellaneous	72,702	-	-	72,702
Interest earnings	5,137	5,479	2,104	12,720
<i>Total Revenues</i>	4,785,401	1,462,634	2,104	6,250,139
EXPENDITURES				
Water	2,797,024	-	-	2,797,024
Debt service				
Principal	1,104,000	-	-	1,104,000
Interest	124,597	-	-	124,597
Capital outlay	-	-	180,676	180,676
<i>Total Expenses</i>	4,025,621	-	180,676	4,206,297
REVENUES OVER (UNDER) EXPENDITURES	759,780	1,462,634	(178,572)	2,043,842
OTHER FINANCING SOURCES (USES)				
Transfers out	(66,770)	-	-	(66,770)
Proceeds from sale of assets	18,400	-	-	18,400
<i>Total Other Financing Sources (Uses)</i>	(48,370)	-	-	-
NET CHANGE IN FUND BALANCE	711,410	1,462,634	(178,572)	1,995,472
FUND BALANCE, beginning of year	2,495,795	3,021,013	900,226	6,417,034
FUND BALANCE, end of year	\$ 3,207,205	\$ 4,483,647	\$ 721,654	8,412,506
RECONCILIATION TO NET POSITION- GAAP BASIS				
Capital assets, net				10,684,963
OPEB asset				22,118
Deferred outflows related to PERS				468,066
Deferred outflows related to OPEB				7,552
Deferred charges on refunding				495
Compensated absences				(42,368)
Accrued interest payable				(8,587)
Net pension liability				(577,053)
OPEB liability				(69,625)
Long-term debt				(3,686,000)
Deferred inflows related to PERS				(830,266)
Deferred inflows related to OPEB				(19,226)
NET POSITION - GAAP BASIS				\$ 14,362,575

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL - WATER FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 4,381,180	\$ 4,381,180	\$ 4,707,562	\$ 326,382
Miscellaneous	58,470	58,470	72,702	14,232
Interest earnings	31,750	31,750	5,137	(26,613)
<i>Total Revenues</i>	<u>4,471,400</u>	<u>4,471,400</u>	<u>4,785,401</u>	<u>314,001</u>
EXPENDITURES				
Water	2,746,240	3,041,865	2,797,024	244,841
Debt service				
Principal	1,104,000	1,104,000	1,104,000	-
Interest	124,600	124,600	124,597	3
Contingency	791,180	520,555	-	520,555
<i>Total Expenditures</i>	<u>4,766,020</u>	<u>4,791,020</u>	<u>4,025,621</u>	<u>765,399</u>
REVENUES OVER (UNDER) EXPENDITURES	(294,620)	(319,620)	759,780	1,079,400
OTHER FINANCING SOURCES (USES)				
Transfers in	-	25,000	-	(25,000)
Transfers out	(453,080)	(453,080)	(66,770)	386,310
Proceeds from sale of assets	2,000	2,000	18,400	16,400
<i>Total Other Financing Sources (Uses)</i>	<u>(451,080)</u>	<u>(426,080)</u>	<u>(48,370)</u>	<u>377,710</u>
NET CHANGE IN FUND BALANCE	(745,700)	(745,700)	711,410	1,457,110
FUND BALANCE, beginning of year	<u>2,054,000</u>	<u>2,054,000</u>	<u>2,495,795</u>	<u>441,795</u>
FUND BALANCE, end of year	<u>\$ 1,308,300</u>	<u>\$ 1,308,300</u>	<u>\$ 3,207,205</u>	<u>\$ 1,898,905</u>

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - WATER SDC FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 600,000	\$ 600,000	\$ 1,457,155	\$ 857,155
Interest earnings	20,000	20,000	5,479	(14,521)
<i>Total Revenues</i>	620,000	620,000	1,462,634	842,634
EXPENDITURES	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	620,000	620,000	1,462,634	842,634
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,500,000)	(2,500,000)	-	2,500,000
NET CHANGE IN FUND BALANCE	(1,880,000)	(1,880,000)	1,462,634	3,342,634
FUND BALANCE, beginning of year	2,526,560	2,526,560	3,021,013	494,453
FUND BALANCE, end of year	\$ 646,560	\$ 646,560	\$ 4,483,647	\$ 3,837,087

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – WATER CAPITAL CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Interest earnings	\$ 20,000	\$ 20,000	\$ 2,104	\$ (17,896)
EXPENDITURES				
Water capital construction	4,581,800	4,581,800	180,676	4,401,124
REVENUES OVER (UNDER) EXPENDITURES	(4,561,800)	(4,561,800)	(178,572)	4,383,228
OTHER FINANCING SOURCES (USES)				
Transfers in	2,886,310	2,886,310	-	(2,886,310)
NET CHANGE IN FUND BALANCE	(1,675,490)	(1,675,490)	(178,572)	1,496,918
FUND BALANCE, beginning of year	1,675,490	1,675,490	900,226	(775,264)
FUND BALANCE, end of year	\$ -	\$ -	\$ 721,654	\$ 721,654

CITY OF WOODBURN, OREGON

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

YEAR ENDED JUNE 30, 2022

	<i>Sewer</i>	<i>Sewer SDC</i>	<i>Sewer Capital Construction</i>	<i>Eliminations</i>	<i>Total Sewer Operations</i>
REVENUES					
Charges for services	\$ 9,383,489	\$ -	\$ -	\$ -	\$ 9,383,489
Licenses and permits	-	2,055,128	-	-	2,055,128
Miscellaneous	10,304	-	-	-	10,304
Interest earnings	15,340	4,962	-	-	20,302
<i>Total Revenues</i>	9,409,133	2,060,090	-	-	11,469,223
EXPENDITURES					
Sewer	4,219,544	-	-	-	4,219,544
Debt service					
Interest	266,113	-	-	-	266,113
Capital outlay	-	-	3,687,265	-	3,687,265
<i>Total Expenses</i>	4,485,657	-	3,687,265	-	8,172,922
REVENUES OVER (UNDER) EXPENDITURES	4,923,476	2,060,090	(3,687,265)	-	3,296,301
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	3,628,905	(3,628,905)	-
Transfers out	(2,304,055)	(1,489,430)	-	3,628,905	(164,580)
Proceeds from sale of assets	510	-	-	-	510
<i>Total Other Financing Sources (Uses)</i>	(2,303,545)	(1,489,430)	3,628,905	-	(164,070)
NET CHANGE IN FUND BALANCE	2,619,931	570,660	(58,360)	-	3,132,231
FUND BALANCE, beginning of year	11,206,993	2,828,971	1,251	-	14,037,215
FUND BALANCE (Deficit), end of year	\$ 13,826,924	\$ 3,399,631	\$ (57,109)	\$ -	17,169,446
RECONCILIATION TO NET POSITION- GAAP BASIS					
Capital assets, net					44,418,948
OPEB asset					29,656
Deferred outflows related to PERS					902,490
Deferred outflows related to OPEB					9,792
Compensated absences					(19,900)
Net pension liability					(1,158,267)
OPEB liability					(86,889)
Deferred inflows related to PERS					(1,048,959)
Deferred inflows related to OPEB					(26,241)
NET POSITION - GAAP BASIS					<u>\$ 60,190,076</u>

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SEWER FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Charges for services	\$ 8,550,800	\$ 8,550,800	\$ 9,383,489	\$ 832,689
Miscellaneous	2,500	2,500	10,304	7,804
Interest earnings	75,000	75,000	15,340	(59,660)
<i>Total Revenues</i>	8,628,300	8,628,300	9,409,133	780,833
EXPENDITURES				
Sewer	4,678,900	4,699,525	4,219,544	479,981
Debt service				
Interest	-	-	266,113	(266,113) *
Contingency	1,239,710	1,219,085	-	1,219,085
<i>Total Expenditures</i>	5,918,610	5,918,610	4,485,657	1,432,953
REVENUES OVER (UNDER) EXPENDITURES	2,709,690	2,709,690	4,923,476	2,213,786
OTHER FINANCING SOURCES (USES)				
Transfers out	(7,879,070)	(7,879,070)	(2,304,055)	5,575,015
Proceeds from sale of assets	-	-	510	510
<i>Total Other Financing Sources (Uses)</i>	(7,879,070)	(7,879,070)	(2,303,545)	5,575,525
NET CHANGE IN FUND BALANCE	(5,169,380)	(5,169,380)	2,619,931	7,789,311
FUND BALANCE, beginning of year	8,003,380	8,003,380	11,206,993	3,203,613
FUND BALANCE, end of year	\$ 2,834,000	\$ 2,834,000	\$ 13,826,924	\$ 10,992,924

*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, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
Licenses and permits	\$ 1,000,000	\$ 1,000,000	\$ 2,055,128	\$ 1,055,128
Interest earnings	20,000	20,000	4,962	(15,038)
<i>Total Revenues</i>	1,020,000	1,020,000	2,060,090	1,040,090
EXPENDITURES	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	1,020,000	1,020,000	2,060,090	1,040,090
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,715,510)	(3,715,510)	(1,489,430)	2,226,080
NET CHANGE IN FUND BALANCE	(2,695,510)	(2,695,510)	570,660	3,266,170
FUND BALANCE, beginning of year	2,695,510	2,695,510	\$ 2,828,971	133,461
FUND BALANCE, end of year	\$ -	\$ -	\$ 3,399,631	\$ 3,399,631

CITY OF WOODBURN, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – SEWER CAPITAL CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2022**

	<i>Budget Amounts</i>		<i>Actual</i>	<i>Variance</i>
	<i>Original</i>	<i>Final</i>		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Sewer capital construction				
Capital outlay	11,518,000	11,518,000	3,687,265	7,830,735
REVENUES OVER (UNDER) EXPENDITURES	(11,518,000)	(11,518,000)	(3,687,265)	7,830,735
OTHER FINANCING SOURCES (USES)				
Transfers in	11,430,000	11,430,000	3,628,905	(7,801,095)
NET CHANGE IN FUND BALANCE	(88,000)	(88,000)	(58,360)	29,640
FUND BALANCE, beginning of year	88,000	88,000	1,251	(86,749)
FUND BALANCE (Deficit), end of year	\$ -	\$ -	\$ (57,109)	\$ (57,109)

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

JUNE 30, 2022

	<i>Information Technology</i>	<i>Insurance</i>	<i>Total</i>
ASSETS			
Current Assets			
Cash and investments	\$ 446,710	\$ 850,273	\$ 1,296,983
Accounts receivable	67,793	-	67,793
<i>Total Current Assets</i>	514,503	850,273	1,364,776
Noncurrent Assets			
OPEB Asset	5,938	1,055	6,993
<i>Total Assets</i>	520,441	851,328	1,371,769
DEFERRED OUTFLOWS			
Deferred outflows related to PERS	230,048	30,230	260,278
Deferred outflows related to OPEB	2,282	268	2,550
	232,330	30,498	262,828
LIABILITIES			
Current Liabilities			
Accounts payable	6,641	-	6,641
Accrued compensated absences	15,839	-	15,839
<i>Total Current Liabilities</i>	22,480	-	22,480
Noncurrent Liabilities			
Accrued compensated absences	23,759	-	23,759
Net pension liability	331,240	32,240	363,480
OPEB liability	19,632	2,694	22,326
<i>Total Noncurrent Liabilities</i>	374,631	34,934	409,565
<i>Total Liabilities</i>	397,111	34,934	432,045
DEFERRED INFLOWS			
Deferred inflows related to PERS	215,477	38,467	253,944
Deferred inflows related to OPEB	5,281	805	6,086
	220,758	39,272	260,030
NET POSITION			
Unrestricted	\$ 134,902	\$ 807,620	\$ 942,522

CITY OF WOODBURN, OREGON

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022**

	<u><i>Information Technology</i></u>	<u><i>Insurance</i></u>	<u><i>Total</i></u>
OPERATING REVENUES			
Charges for services	\$ 1,234,878	\$ 726,000	\$ 1,960,878
Miscellaneous	1,814	669	2,483
	<hr/>	<hr/>	<hr/>
<i>Total Operating Revenues</i>	1,236,692	726,669	1,963,361
OPERATING EXPENSES			
Personal services	426,848	67,977	494,825
Materials and services	647,165	606,628	1,253,793
	<hr/>	<hr/>	<hr/>
<i>Total Expenses</i>	1,074,013	674,605	1,748,618
OPERATING INCOME			
	162,679	52,064	214,743
NONOPERATING REVENUES (EXPENSES)			
Investment revenue	273	(57)	216
	<hr/>	<hr/>	<hr/>
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS			
	162,952	52,007	214,959
Transfers out	(5,590)	(700)	(6,290)
Non-cash transfers out	(53,487)	-	(53,487)
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION			
	103,875	51,307	155,182
NET POSITION, beginning of year			
	31,027	756,313	787,340
	<hr/>	<hr/>	<hr/>
NET POSITION, end of year			
	\$ 134,902	\$ 807,620	\$ 942,522
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CITY OF WOODBURN, OREGON**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS**YEAR ENDED JUNE 30, 2022

	<u>Information Technology</u>	<u>Insurance</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Collected from customers	\$ 1,196,609	\$ 785,771	\$ 1,982,380
Paid to suppliers	(692,250)	(611,730)	(1,303,980)
Paid to employees	(434,074)	(69,876)	(503,950)
	<hr/>	<hr/>	<hr/>
<i>Net Cash Provided by Operating Activities</i>	70,285	104,165	174,450
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Received from (paid to) other funds	(14,346)	(2,625)	(16,971)
Transfers out	(5,590)	(700)	(6,290)
	<hr/>	<hr/>	<hr/>
<i>Net Cash Used in Non-Capital Financing Activities</i>	(19,936)	(3,325)	(23,261)
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(53,487)	-	(53,487)
 CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	273	(57)	216
	<hr/>	<hr/>	<hr/>
<i>Increase in Cash and Investments</i>	(2,865)	100,783	97,918
CASH AND INVESTMENTS, Beginning of year	449,575	749,490	1,199,065
	<hr/>	<hr/>	<hr/>
CASH AND INVESTMENTS, End of year	\$ 446,710	\$ 850,273	\$ 1,296,983
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
- INFORMATION TECHNOLOGY FUND
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance
	Original	Final		
REVENUES				
Charges for services	\$ 1,224,150	\$ 1,224,150	\$ 1,234,878	\$ 10,728
Miscellaneous	5,000	5,000	1,814	(3,186)
Interest earnings	5,600	5,600	273	(5,327)
<i>Total Revenues</i>	1,234,750	1,234,750	1,236,965	2,215
EXPENDITURES				
Information technology	1,243,790	1,243,790	1,134,726	109,064
Contingency	260,870	260,870	-	260,870
<i>Total Expenditures</i>	1,504,660	1,504,660	1,134,726	369,934
OTHER FINANCING SOURCES (USES)				
Transfers out	(5,590)	(5,590)	(5,590)	-
NET CHANGE IN FUND BALANCE	(275,500)	(275,500)	96,649	372,149
FUND BALANCE, beginning of year	385,500	385,500	411,214	25,714
FUND BALANCE, end of year	\$ 110,000	\$ 110,000	507,863	\$ 397,863
RECONCILIATION TO NET POSITION - GAAP BASIS				
OPEB asset			5,937	
Deferred outflows related to PERS			230,048	
Deferred outflows related to OPEB			2,282	
Accrued compensated absences			(39,598)	
Net pension liability			(331,240)	
OPEB liability			(19,632)	
Deferred inflows related to PERS			(215,477)	
Deferred inflows related to OPEB			(5,281)	
NET POSITION, GAAP BASIS			\$ 134,902	

CITY OF WOODBURN, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
- INSURANCE FUND
YEAR ENDED JUNE 30, 2022**

	<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	669	(3,821)
Interest earnings	6,000	6,000	(57)	(6,057)
<i>Total Revenues</i>	<u>736,490</u>	<u>736,490</u>	<u>726,612</u>	<u>(9,878)</u>
EXPENDITURES				
Insurance	846,220	846,220	676,504	169,716
Contingency	477,530	477,530	-	477,530
<i>Total Expenditures</i>	<u>1,323,750</u>	<u>1,323,750</u>	<u>676,504</u>	<u>647,246</u>
REVENUES OVER (UNDER) EXPENDITURES	(587,260)	(587,260)	50,108	637,368
OTHER FINANCING SOURCES (USES)				
Transfers out	(700)	(700)	(700)	-
NET CHANGE IN FUND BALANCE	(587,960)	(587,960)	49,408	637,368
FUND BALANCE, beginning of year	<u>587,960</u>	<u>587,960</u>	<u>800,865</u>	<u>212,905</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>850,273</u>	<u>\$ 850,273</u>
RECONCILIATION TO NET POSITION - GAAP BASIS				
OPEB asset			1,056	
Deferred outflows related to PERS			30,230	
Deferred outflows related to OPEB			267	
Net pension liability			(32,240)	
OPEB liability			(2,694)	
Deferred inflows related to PERS			(38,467)	
Deferred inflows related to OPEB			(805)	
NET POSITION, GAAP BASIS			<u>\$ 807,620</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)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 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	\$ 70,723,048
Restricted	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	27,828,278
Unrestricted	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	10,813,820
Total governmental activities net position	\$ 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	\$ 109,365,146
Business-type activities										
Net investment in capital assets	\$ 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	\$ 51,418,406
Restricted for: Construction	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	8,547,823
Unrestricted	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	14,586,422
Total business-type activities net position	\$ 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	\$ 74,552,651
Primary government										
Net investment in capital assets	\$ 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	\$ 122,141,454
Restricted	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	36,376,101
Unrestricted	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	25,400,242
Total primary government net position	\$ 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	\$ 183,917,797

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

Expenses	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
General government	\$ 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	\$ 3,737,926
Public safety	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	8,021,074
Highways and streets	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	2,419,718
Culture and recreation	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	6,670,443
Economic development	-	-	-	-	829,477	1,139,732	2,023,962	2,025,642	3,021,707	6,907,549
Interest on long-term debt	248,109	226,504	204,905	183,342	169,933	108,133	76,949	59,907	46,781	35,369
Total governmental activities expenses	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	27,792,079
Business-type activities:										
Water	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	3,291,960
Sewer	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	6,061,286
Total business-type activities expenses	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	9,353,246
Total primary government expenses	\$ 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	\$ 37,145,325
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 733,090	\$ 682,238	\$ 649,703	\$ 978,244	\$ 660,502	\$ 1,263,142	\$ 91,987	\$ 243,805	\$ 291,774	\$ 4,512,831
Public safety	715,743	627,424	716,467	93,443	113,331	120,152	272,432	243,369	137,642	154,239
Highways and streets	106,604	274,205	6,188	22,519	1,104	7,533	945	2,275	50,622	279,051
Culture and recreation	574,513	517,400	571,921	705,415	565,889	557,725	774,081	573,205	166,835	409,130
Economic development	-	-	-	-	457,432	403,044	1,307,278	1,579,828	2,349,952	12,125,795
Operating grants and contributions	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	2,935,200
Capital grants and contributions	840,242	885,093	1,286,163	350,449	266,679	502,857	934,723	2,506,331	5,372,006	11,819,278
Total governmental activities program revenues	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	32,235,524
Business-type activities:										
Charges for services:										
Water	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	4,707,562
Sewer	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	9,383,489
Capital grants and contributions	290,930	446,971	310,272	307,152	114,664	438,189	376,165	425,801	2,239,137	3,512,282
Total business-type activities program revenues	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	17,603,333
Total primary government program revenues	\$ 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	\$ 49,838,857

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net(expense)/revenue										
Governmental activities	\$ (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)	\$ 4,443,445
Business-type activities	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	8,250,087
Total primary government net expense	\$ (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)	\$ 12,693,532
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 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	\$ 11,789,537
Franchise taxes	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	2,594,751
Other taxes	-	454,363	437,339	550,346	547,220	712,127	595,650	491,023	596,829	622,953
Unrestricted investment earnings	122,672	96,347	99,620	105,901	200,736	354,201	632,056	517,897	211,337	60,655
Intergovernmental	660,547	633,530	655,575	649,350	702,990	728,991	831,319	903,481	975,321	3,789,280
Miscellaneous	170,119	117,872	28,620	163,827	101,908	304,920	120,782	32,117	117,092	286,900
Gain on sale of capital assets		(69,877)	-	49,948	13,241	25,148	298,208	11,060	10,241	14,868
Transfers in (out)	333,578	663,841	680,212	688,937	650,141	364,299	979,533	1,040,253	745,467	231,350
Total governmental activities	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	19,390,294
Business-type activities:										
Unrestricted investment earnings	109,942	125,139	122,988	159,067	283,101	454,022	713,164	622,056	154,209	33,022
Miscellaneous	66,445	302,251	67,461	68,059	86,136	56,386	60,171	71,002	61,289	83,006
Gain on sale of capital assets	1,300	-	-	-	3,505	10,613	62,922	-	-	18,910
Transfers in (out)	(333,578)	(663,841)	(680,212)	(688,937)	(650,141)	(364,299)	(979,533)	(1,040,253)	(745,467)	(231,350)
Total business-type activities	(155,891)	(236,451)	(489,763)	(461,811)	(277,399)	156,722	(143,276)	(347,195)	(529,969)	(96,412)
Total primary government	\$ 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	\$ 19,293,882
Change in Net Position										
Governmental activities	\$ 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	\$ 23,833,739
Business-type activities	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	8,153,675
Total primary government	\$ 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	\$ 31,987,414

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Nonspendable	\$ 1,470	\$ 740	\$ 1,467	\$ 936	\$ 3,064	\$ 18,230	\$ 31,972	\$ 23,390	\$ 24,888	\$ 22,319
Committed	-	-	-	-	-	-	1,678,280	-	-	183,120
Unassigned	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	11,611,678
Total general fund	<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>	<u>\$ 11,817,117</u>
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,300	\$ 3,300	\$ 3,300
Restricted	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	27,338,441
Committed	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	7,465,349
Total other governmental funds	<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>	<u>\$ 34,807,090</u>

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes and assessments	\$ 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	\$ 12,421,675
Licenses and permits	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	21,600,302
Charges for services	1,008,368	901,197	1,351,102	1,364,684	1,260,038	1,153,372	1,422,284	930,786	477,163	1,556,238
Intergovernmental	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	8,406,007
Fines & forfeitures	589,574	571,831	673,377	426,867	420,305	395,164	343,790	352,400	667,444	2,507,611
Miscellaneous	316,536	540,782	454,140	683,371	562,957	784,799	1,193,261	1,306,767	822,465	965,400
Total revenues	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	47,457,233
Expenditures										
Current										
General government	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	2,080,966
Public safety	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	8,331,476
Highways and streets	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	1,647,546
Culture and recreation	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	3,762,378
Economic development	-	-	-	-	-	-	1,965,382	4,028,407	3,090,165	1,458,569
Capital outlay	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	3,893,361
Debt service										
Principal	526,296	560,172	584,429	436,479	400,399	456,675	516,000	1,303,000	1,348,000	6,999,864
Interest	249,237	228,861	206,832	185,327	169,937	117,094	70,208	174,881	148,437	108,074
Total expenditures	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	28,282,234
Excess of revenues over (under) expenditures	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	19,174,999
Other financing sources (uses)										
Proceeds from sale of capital assets	-	-	-	-	19,861	35,415	308,894	22,179	21,815	265,326
Proceeds from issuance of debt	-	-	-	-	-	-	4,600,000	-	-	-
Inception of lease	-	-	-	-	-	-	-	-	-	386,335
Refunding bonds issued	-	-	-	-	-	3,749,000	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	(3,699,114)	-	-	-	-
Transfers in	1,279,532	1,430,985	853,858	294,248	419,236	829,268	2,658,488	2,943,348	390,000	2,146,350
Transfers out	(1,180,842)	(1,443,985)	(823,259)	(252,378)	(374,656)	(875,443)	(2,457,828)	(2,489,369)	(200,000)	(1,908,710)
Total other financing sources (uses)	98,690	(13,000)	30,599	41,870	64,441	39,126	5,109,554	476,158	211,815	889,301
Net change in fund balances	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	20,064,300
Fund balances at beginning of year	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	26,559,907
Fund balances at end of year	\$ 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	\$ 46,624,207

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)
2013	\$ 703,075,530	\$ 857,650	\$ 313,388,630	\$ 190,486,580	\$ 48,092,497
2014	702,053,360	868,480	374,295,240	143,111,800	49,539,001
2015	779,859,386	476,270	376,129,580	148,705,150	53,477,977
2016	830,915,110	878,310	387,086,020	149,051,530	56,599,979
2017	868,154,380	883,320	404,525,450	159,818,080	57,908,292
2018	902,999,410	689,300	415,565,670	148,807,610	62,107,308
2019	932,416,020	942,330	432,522,080	149,454,580	63,865,513
2020	973,117,650	1,842,700	451,512,140	151,172,270	69,785,848
2021	1,008,494,619	1,001,800	461,377,890	151,870,950	69,785,848
2022	1,062,850,539	2,446,550	478,159,800	157,218,590	74,332,770

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

CITY OF WOODBURN, OREGON**MARKET AND ASSESSED VALUE OF TAXABLE PROPERTY (continued)**
LAST TEN FISCAL YEARS

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
\$ 35,977,800	\$ 1,291,878,687	\$ 6.0534	\$ 1,512,407,943	\$ 1,756,070,733	73.566%
34,316,630	1,304,184,511	6.0534	1,503,013,174	1,751,863,757	74.446%
38,981,380	1,397,629,743	6.0534	1,652,955,312	1,925,612,145	72.581%
31,207,820	1,455,738,769	6.0534	1,778,119,364	2,056,463,271	70.788%
33,592,820	1,524,882,342	6.0534	1,920,324,583	2,207,659,188	69.072%
42,113,077	1,572,282,375	6.0534	2,136,350,540	2,429,890,960	64.706%
52,194,300	1,631,394,823	6.0534	2,347,935,303	2,669,251,668	61.118%
53,712,000	1,701,142,608	6.0534	2,582,277,844	2,921,850,774	58.221%
51,814,596	1,744,345,703	6.0534	2,669,427,103	3,026,488,916	57.636%
50,310,300	1,825,318,549	6.0534	3,229,605,701	3,231,252,761	56.490%

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>
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
2022	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>2022</i>			<i>2013</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	\$ 85,981,750	1	4.71%	\$ 68,371,102	1	5.29%
Woodburn Premium Outlets LLC	74,492,820	2	4.08%	56,980,260	2	4.41%
Food Services of America Inc	33,888,320	3	1.86%	28,893,840	3	2.24%
Hardware Wholesalers Inc	18,108,150	4	0.99%	15,164,380	5	1.17%
Wal-Mart Real Estate Business TR	18,147,520	5	0.99%	14,734,760	4	1.14%
Portland General Electric Co	17,530,000	6	0.96%	12,345,400	7	0.96%
Cascade Meadow LLC	15,597,770	7	0.85%	11,954,420	6	0.93%
Northwest Natural Gas Co	16,842,000	8	0.92%	9,813,000	10	0.76%
Crown 2 Development LLC	13,945,070	9	0.76%	10,687,770	8	0.83%
Pacific Realty Associates LP	11,285,289	10	0.62%			
Mid-Valley Plaza LLC				10,144,650	9	0.79%
Subtotal	<u>305,818,689</u>		<u>16.75%</u>	<u>239,089,582</u>		<u>18.51%</u>
All Other	<u>1,519,499,860</u>		<u>83.25%</u>	<u>1,052,789,105</u>		<u>81.48%</u>
Totals	<u>\$ 1,825,318,549</u>		<u>100.0%</u>	<u>\$ 1,291,878,687</u>		<u>100.0%</u>

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>	
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%	292,387	8,845,746	97.70%	
2016	9,421,624	8,943,387	94.92%	261,483	9,204,870	97.70%	
2017	9,958,340	9,456,995	94.97%	263,301	9,720,296	97.61%	
2018	10,323,495	9,832,811	95.25%	244,676	10,077,487	97.62%	
2019	10,757,144	10,243,398	95.22%	469,484	10,712,882	99.59%	
2020	11,214,218	10,624,844	94.74%	263,478	10,888,322	97.09%	
2021	11,474,255	10,946,941	95.40%	354,624	11,301,565	98.49%	
2022	12,064,723	11,503,030	95.34%	350,825	11,853,855	98.25%	

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>				
2013	\$ 5,065,000	\$ 642,154	\$ 37,674,655	\$ 5,559,833	\$ 2,624,932	\$ 51,566,574	13.17%	24,090	2,141
2014	4,745,000	401,982	35,126,768	5,194,240	2,555,855	48,023,845	11.74%	24,330	1,974
2015	4,410,000	152,553	32,082,220	4,813,265	2,210,469	43,668,507	10.30%	24,455	1,786
2016	4,060,000	66,074	29,302,005	4,416,251	2,072,315	39,916,645	9.37%	24,670	1,618
2017	3,690,000	35,675	26,384,767	4,002,523	1,934,160	36,047,125	8.28%	24,795	1,454
2018	3,328,000	-	22,893,978	3,571,377	1,796,006	31,589,361	6.79%	24,685	1,280
2019	2,812,000	4,600,000	22,158,072	-	1,657,852	31,227,924	6.72%	24,760	1,265
2020	2,301,000	3,808,000	18,786,241	-	1,519,698	26,414,939	5.68%	25,135	1,070
2021	1,762,000	2,999,000	4,790,100	-	-	9,551,100	2.05%	26,250	386
2022	1,194,000	2,109,000	3,686,000	-	-	6,989,000	1.34%	26,468	278

(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>
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
2022	26,468	1,825,318,549	1,194,000	14,768	1,179,232	0.06%	45

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, 2022

<i>Jurisdiction</i>	<i>Total Net Debt</i>	<i>Percent Within City</i>	<i>City's Pro Rata Share</i>
Direct:			
City of Woodburn	\$ 3,303,000	* 100%	\$ 3,303,000
Overlapping:			
Chemeketa Community College	94,425,000	4.16%	3,926,569
Marion County	31,134,292	6.20%	1,930,139
Marion Cty SD 103 (Woodburn)	70,530,000	84.77%	59,786,236
Willamette ESD	<u>6,416,593</u>	3.79%	<u>243,009</u>
Total overlapping	202,505,885		65,885,953
 TOTAL	 <u>\$ 205,808,885</u>		 <u>\$ 69,188,953</u>

Source: Debt Management Division, Oregon State Treasury
Excluding Revenue Bonds and Urban Renewal Loan

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

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

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

	<u>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>	<u>2022</u>
Debt Limit	\$ 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	\$ 90,794,667
Total net debt applicable to limit	<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>	<u>1,194,000</u>
Legal debt margin*	<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>	<u>\$ 89,600,667</u>
the limit as a percentage of debt limit	9.61%	9.03%	7.63%	6.58%	5.57%	4.57%	3.51%	2.63%	1.94%	1.32%

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

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

<i>Water Revenue Bonds</i>									<i>Sewer Revenue Bonds</i>					
<i>Fiscal Year</i>	<i>Customer Accounts (1)</i>	<i>Water Charges and Other</i>	<i>Less: Operating Expenses</i>	<i>Net Available Revenue</i>	<i>Coverage Ratio</i>	<i>Debt Service (2)</i>		<i>Sewer Charges and Other</i>	<i>Less: Operating Expenses</i>	<i>Net Available Revenue</i>	<i>Coverage Ratio</i>	<i>Debt Service</i>		
						<i>Principal</i>	<i>Interest</i>					<i>Principal</i>	<i>Interest</i>	
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	
2022	7,597	6,266,433	2,797,026	3,469,407	282%	1,104,000	124,597 **	11,469,733	4,219,544	7,250,189	2724%	-	266,113	

(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>
2013	24,090	\$ 391,438,410	16,249	32.0	8.7%
2014	24,330	409,181,940	16,818	31.4	7.3%
2015	24,455	424,049,700	17,340	32.8	6.1%
2016	24,670	426,124,910	17,273	33.6	5.3%
2017	24,795	435,226,635	17,553	33.4	4.5%
2018	24,685	465,040,715	18,839	32.9	4.0%
2019	24,760	466,082,240	18,824	33.5	4.2%
2020	25,135	520,797,200	20,720	33.9	4.2%
2021	26,250	585,663,750	22,311	38.1	5.4%
2022	26,468	614,507,556	23,217	38.6	4.4%

(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)

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

<i>Employer</i>	<i>2022</i>			<i>2012</i>		
	<i>Employees</i>	<i>Rank</i>	<i>Percentage of total city employment</i>	<i>Employees</i>	<i>Rank</i>	<i>Percentage of total city employment</i>
Winco Foods	525-550	1	4.69%	450-500	2	5.54%
Woodburn School District	525-550	2	4.65%	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	2.63%	300-350	4	3.79%
Kerr Contractors Oregon Inc.	200-250	7	2.11%	100-150	9	1.46%
Fleetwood Homes Inc.	200-250	8	1.80%	50-100	15	0.87%
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%	-	-	-
Al's Garden Centers & Greenhouses	100-150	12	1.21%	100-150	10	1.46%
Do It Best Corp	100-150	13	1.20%	50-100	17	0.87%
Safeway Stores, Inc.	100-150	14	1.14%	100-150	12	1.46%
Nike Retail Services, Inc.	100-150	15	1.09%	50-100	16	0.87%
Oregon Child Development Coalition	100-150	16	1.04%	100-150	11	1.46%
Dominguez Labor Contractor Inc	100-150	17	1.03%	-	-	-
Wave	100-150	18	1.02%	25-50	28	0.44%
Salud Medical Center	100-150	19	0.94%	100-150	13	1.46%
Universal Forest Products Woodburn LLC	50-100	20	0.84%	100-150	14	1.46%
Woodburn Health Center	50-100	21	0.81%	50-100	18	0.87%
Triplett Wellman Inc.	50-100	22	0.78%	25-50	30	0.44%
Corona Farm Labor LLC	50-100	23	0.77%	-	-	-
Country Meadows Village LLC	50-100	24	0.70%	50-100	20	0.87%
Speciality Polymers Inc	50-100	25	0.65%	25-50	29	0.44%
French Prairie Nursing & Rehab	50-100	26	0.64%	-	-	-
Gem Equipment of Oregon, Inc.	50-100	27	0.62%	50-100	19	0.87%
Woodburn Mega Foods	50-100	28	0.62%	50-100	21	0.87%
United Pacific Forest Products	50-100	29	0.56%	25-50	31	0.44%
Townsend Farms, Inc	50-100	30	0.50%	-	-	-
TJX Co Inc.	50-100	31	0.45%	-	-	-
JAM Labor Services LLC	50-100	32	0.44%	-	-	-
Oregon Family Labor LLC	50-100	33	0.44%	-	-	-
The North Face	50-100	34	0.44%	-	-	-
Ashland Brothers Landscaping Inc	25-50	35	0.42%	-	-	-
Truss T Structures Inc	25-50	36	0.42%	25-50	34	0.44%
United Disposal Service Inc	25-50	37	0.41%	50-100	22	0.87%
Tree Top Inc	25-50	38	0.39%	25-50	36	0.44%
Darigold Inc	25-50	39	0.38%	-	-	-
Greentree III Inc	25-50	40	0.38%	-	-	-
Heartwood Place	25-50	41	0.37%	-	-	-
Sanchez Valley Labor Contractor LLC	25-50	42	0.37%	-	-	-
Brother Farm Labor Contractor LLC	25-50	43	0.36%	-	-	-
Cascade Park Retirement Center	25-50	44	0.36%	50-100	23	0.87%
Red Robin Gourmet Burgers & Brews	25-50	45	0.36%	-	-	-
Silver Creek Care Properties LLC	25-50	46	0.34%	-	-	-
Wilbur-Ellis Co LLC	25-50	47	0.33%	-	-	-
Woodburn Ambulance Service Inc	25-50	48	0.33%	-	-	-
Adidas America Inc	25-50	49	0.32%	-	-	-
Ryder System	25-50	50	0.31%	-	-	-
Subtotal	6,220		54.81%	4,589		53.50%
All Other	5,128		45.19%	3,989		46.50%
Total	11,348		100.0%	8,578		100.0%

OPERATING INFORMATION

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

Function	Actual										Budgeted
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022
General government	20.2	21.5	21.5	20.9	20.9	21.7	23.1	23.1	24.6	25.4	27.2
Public safety	40.0	39.6	41.1	42.6	42.7	43.6	43.6	43.6	45.8	44.5	49.5
Highways and streets	15.0	14.0	14.0	11.8	12.8	12.8	13.0	14	14	21.3	15.5
Culture and recreation	42.0	45.8	49.9	50.1	51.0	51.2	51.7	57.8	58.3	41.5	55.2
Economic development	-	-	-	1.0	0.5	1.0	1.0	0.9	0.9	2.0	1.0
Sewer	15.0	15.0	15.0	15.0	14.0	14.0	14.0	14	14	12.0	16.0
Water	11.0	11.0	11.0	11.0	11.0	11.0	11.0	10.5	10.5	10.0	10.5
Total	143.2	146.8	152.5	152.4	152.9	155.3	157.4	163.9	168.1	156.7	174.8

Source: Annual Adopted Budget Book and City Records

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

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Police calls	18,127	18,145	17,062	14,744	14,934	15,679	14,848	13,423	13,702	*
Authorized staffing	32	32	32	34	34	34	35	35	36	
Arrests	1,449	1,777	1,441	1,003	1,060	989	956	881	882	*
Offenses	2,757	3,212	3,119	2,871	3,408	3,534	2,952	3,257	2,572	*
Culture and recreation										
Park Acreage	110	110	110	110	128	128	128	128	128	*
Library attendance	150,127	138,607	132,575	135,317	125,153	114,987	116,223	82,066	18,206	*
Aquatics attendance	139,248	144,459	148,885	144,810	140,834	164,646	170,415	111,145	-	*
Sports, programs, and event attendance	8,405	12,459	12,200	29,424	30,578	32,701	36,521	29,779	-	*
Public transportation										
Fixed route rides	47,454	34,222	34,869	32,684	25,533	24,786	22,374	14,405	17,492	*
Dial-A-Ride trips	5,622	5,097	11,842	6,221	6,224	6,952	6,696	5,271	5,679	*
Out of town medical rides	1,742	1,972	2,441	1,321	1,473	1,445	2,368	1,850	1,377	*
Community development										
Building permits issued	263	279	230	386	171	226	160	161	322	*
Water										
Production capacity	2mgd	2mgd	2 mgd	2mgd	2mgd	2mgd	2mgd	2mgd	2.6mgd	*
Customers served	6,688	6,843	6,770	6,843	6,942	7,116	7,315	7,212	7,634	*
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	*

*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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	65	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	6230	6317	6414	6479	6503	6558	6558	6642	6976	7120
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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Customer Accounts	4,280	4,426	4,844	5,393	5,950	6,579	6,760	6,617	7,197	7,250
Revenues:										
Charges for Services	\$ 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	\$ 4,707,562
Miscellaneous	58,454	303,593	60,055	67,290	58,922	79,062	120,234	61,379	56,410	80,579
Interest	3,827	7,498	9,078	12,425	22,231	39,618	62,422	59,579	24,401	15,658
SDC	79,187	164,993	151,517	115,606	76,430	227,986	216,164	334,389	1,058,194	1,462,634
<i>Total Gross Revenues</i>	<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>	<u>6,266,433</u>
Operating Expenditures										
Personal Services	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	1,533,505
Materials & Services	598,109	736,473	834,953	885,257	875,184	923,878	1,210,952	760,029	1,174,436	1,263,521
<i>Total Operating Expenses</i>	<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>	<u>2,797,026</u>
<i>Water Fund Balance, End of Year</i>	<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>	<u>\$ 8,440,902</u>
Net Revenues	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	3,469,407
Total Debt Service	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	1,228,597
<i>Debt Service Coverage</i>	129%	143%	129%	134%	112%	125%	142%	156%	174%	282%

CITY OF WOODBURN, OREGON
MAJOR WATER SYSTEM CUSTOMERS
JUNE 30, 2022

#	Customer Name	Industry	2022	% of Total Charges
1	CASCADE MEADOWS APARTMENTS	Multi Family	\$ 68,947	1.5%
2	SPECIALTY POLYMER	Industrial	61,098	1.3%
3	STONEHEDGE COURT	Multi Family	50,799	1.1%
4	WOODBURN PREMIUM OUTLETS, LLC	Commercial	44,162	1.0%
5	AMERICOLD LOGISTICS	Commercial	35,353	0.8%
6	HARVARD MEADOWS	Multi Family	33,592	0.7%
7	MARION CO HOUSING AUTHORITY	Multi Family	31,144	0.7%
8	WOODBURN WEST MOBILE ESTATES	Multi Family	30,555	0.7%
9	TOWNSEND FARMS INC	Industrial	24,580	0.5%
10	COUNTRY MEADOWS VILLAGE	Multi Family	22,059	0.5%
		Subtotal	\$ 402,289	
		Total Water Charges	\$ 4,540,593	

COMPLIANCE SECTION



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

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, 2022 and have issued our report thereon dated December 30, 2022.

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 for the following:

- The City had two funds with deficit fund balances as of June 30, 2022 as noted in the notes to the basic financial statements.
- The City appropriated a contingency in the following non-operating funds: American Rescue Plan and Special Assessments. This is a budget violation under OAR 150-294-0430 – General Operating Contingencies.


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.

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 30, 2022