

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For year ended June 30, 2015



## ASHLAND PARKS AND RECREATION COMMISSION

(A Component Unit of the City of Ashland, Oregon)

JACKSON COUNTY

STATE OF OREGON



**ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON**

(A Component Unit of the City of Ashland, Oregon)

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the year ended June 30, 2015**

Michael Black  
Ashland Parks and Recreation Director  
340 South Pioneer Street  
Ashland, OR 97520

Prepared by:  
City of Ashland  
Administrative Services Department



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ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

INTRODUCTORY SECTION





November 16, 2015

To the Chair and Commissioners  
of the Ashland Parks and Recreation Commission:

State law requires that all general-purpose governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Ashland Parks and Recreation Commission (the "Commission") for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the Commission. Consequently, the Commission assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the Commission has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for preparation of the Commission's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Commission's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements issued will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The licensed and certified public accounting firm of Pauly, Rogers and Co., P.C. has audited the Commission's financial statements. The goal of the independent audit was to provide reasonable assurance that the Commission's financial statements for the fiscal year ended June 30, 2015, were free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by the Commission; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Commission's financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that the Commission provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Commission's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE GOVERNMENT**

Turn of the century Ashland residents voted to establish the Ashland Parks and Recreation Commission (a component unit of the City of Ashland, Oregon) to provide a full range of parks and recreation services to the community. The Commission derives its authority from the City of Ashland's Charter, Articles XIX and XXII. The five-member Commission, elected by and directly accountable to Ashland's citizens, is responsible for the financing and administration of Ashland's parks and recreation system. The

## **2015 introductory section**

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parks and recreation system includes approximately 213 acres of developed parkland and approximately 515 acres of undeveloped parkland, including a network of 41 miles of maintained trails. Recreational facilities include a municipal golf course, five community centers, tennis courts, a swimming pool, and a seasonal ice rink.

The City Charter provides for a continuing millage levy dedicated to the care, maintenance, and development of Ashland's park system. Historically, the amount raised by the continuing millage levy changed as property tax values changed, but the millage rate remained constant. In 1997 a statewide ballot measure eliminated all existing special millage and serial levies, incorporating these levies into the overall rate that could be levied citywide. The Commission and City Council have completed a Memorandum of Understanding (MOU) identifying each body's responsibilities for the delivery and administration of duties associated with Ashland Parks and Recreation.

The Commission operates under a commission-director form of government. The Commission is responsible for, among other things, adopting the annual budget, appointing the Parks Director, and setting Park policy. The Parks Director is responsible for carrying out the directives and policies of the Commission and overseeing the day-to-day operation of the Parks and Recreation Department.

The Commission maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council of the City of Ashland. The biennial budget serves as the foundation for the Commission's financial planning and control. The Parks Director develops a proposed Ashland Parks and Recreation budget every other year to present to the Commission. After review and gathering of public input, the Commission submits the proposed biennial budget to the City of Ashland for inclusion in the budget process. The City's Budget Committee holds public meetings before approving the budget and setting the property tax rate. City Council adoption of the budget for the following biennial year period must be done in a public hearing no later than June 30 every other year. The level of budgetary controls (i.e., the level at which expenditures cannot legally exceed the appropriated amounts) is established by function and activity within an individual fund. Appropriations are limited to each biennial year period. Therefore, all spending authority of the Commission lapses upon conclusion of the biennial period. Budget-to-actual comparisons are provided in this report for each of the three funds as part of the basic financial statements.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Commission operates.

**Local economy:** Ashland's major economic sectors—retail, service, education and tourism—support the relatively strong and stable local economy. While Ashland's population numbers have dropped (based on ten-year census numbers issued), we are seeing higher collections rates for property tax revenues.

**Long-term financial planning:** In 1990, Ashland residents confirmed their commitment to parks and open space by passing a charter amendment that established an Open Space Plan and map. Working jointly with the Ashland City Council, the Commission has added approximately 400 acres of park and open space land to the City's inventory over the past 25 years.

The Commission is currently working on the development of an infrastructure inventory, to begin putting a long-term plan in place for upgrade and replacement or removal of current infrastructure that is deteriorating as a result of age or use.

**Major initiatives:** With the update of the food and beverage tax approval, the Commission has focused

**2015 introductory section**

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its efforts on updating and expanding its Capital Improvements Plan. New to the updated and voter-approved food and beverage tax are provisions that allow for major improvements to, or rehabilitation of, existing facilities under the management of the Commission. The result is Commission discussion occurring on the potential use of leveraging future funds to front load certain projects that would benefit the citizens of Ashland.

**Relevant financial policies:** Periodically, the Commission's ending fund balance exceeds its budgeted projections. This is usually the result of collection of more revenue than originally anticipated, expending less on services than originally anticipated, or a combination of both. Last year, the Commission and Council transferred some of the balance to the City operations account. The Commission and Council have completed a Memorandum of Understanding that redefines their relationship, including budgeting and management responsibilities. The Commission and Council are continuing to work on an incentive policy for the Ashland Parks and Recreation Department that encourages entrepreneurial opportunities.

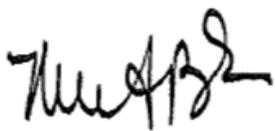
**AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commission for its comprehensive annual financial report (CAFR) for the fiscal year ending June 30, 2014. This was the twenty-sixth consecutive year that the Commission achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Commission published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. I believe our current CAFR continues to meet the Certificate of Achievement Program's requirements and it is being submitted to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Ashland Parks and Recreation Department. I express my appreciation to all members of the Department who assisted and contributed to its preparation. I also thank the Commissioners for their interest and support in planning and conducting the financial operations of the Department in a responsible and progressive manner.

Respectfully submitted,



Michael A. Black, Director  
Ashland Parks and Recreation Commission



Government Finance Officers Association

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

Presented to

**Ashland Parks and Recreation  
Commission, Oregon**

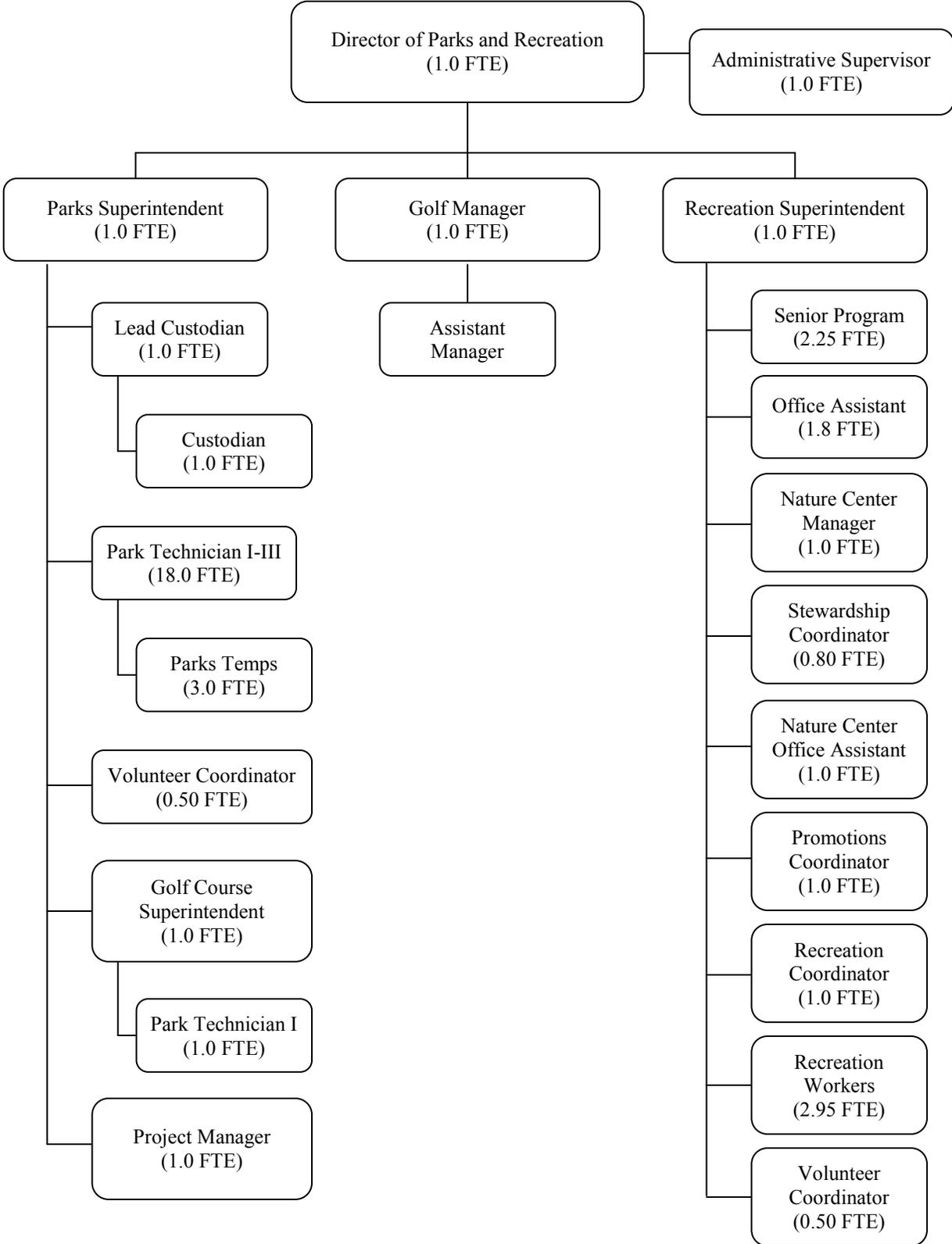
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# Parks and Recreation Department

## 44.80 FTE



**ASHLAND PARKS AND RECREATION DEPARTMENT  
(A Component Unit of the City of Ashland, Oregon)  
ELECTED OFFICIALS  
as of June 30, 2015**

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Mike Gardiner 340 Orange Street Ashland, OR 97520	Commissioner	December 2018
Rick Landt 468 Helman Street Ashland, OR 97520	Commissioner	December 2018
Jim Lewis 640 A Street Ashland, OR 97520	Commissioner	December 2016
Matt Miller 1290 Greenmeadows Way Ashland, OR 97520	Commissioner	December 2018
Vanston Shaw 608 Drager Street Ashland, OR 97520	Commissioner	December 2016
<u>Appointed Official</u>		
Michael Black 941 Providence Way Grants Pass, OR 97526	Parks and Recreation Director	

## ASHLAND PARKS AND RECREATION COMMISSION

340 S. PIONEER STREET • ASHLAND, OREGON 97520

COMMISSIONERS:

Mike Gardiner  
Rick Landt  
Jim Lewis  
Stefani Seffinger  
Vanston Shaw



Michael Black  
Director

TEL: 541.488.5340  
FAX: 541.488.5314  
parksinfo@ashland.or.us

November 16, 2015

The City Council and  
The Ashland Parks and Recreation Commission  
City of Ashland, Oregon

The Municipal Audit Commission was established by the City Council to perform certain tasks relating to the annual audit. The Ashland Parks and Recreation Commission, a component unit of the City of Ashland, has delegated similar responsibilities to the Audit Commission for their annual audit process.

In fulfilling its responsibilities, the Commission participates in selecting the City's auditor on a regular basis. The Commission interviews qualified, independent certified public accountants and discusses the overall scope and specific plans for the audit. The Commission also recommends which municipally-certified individual or firm is to be engaged as the City's auditor by the City Council.

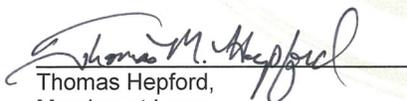
At the conclusion of the annual audit, the Commission meets with the City's auditor to discuss the results of their audit and their evaluation of the City and Parks financial reporting. The Commission also discusses the financial accounting and reporting processes with the City's auditor, including the preparation of the financial statements for the City and Parks Commission, safeguarding of assets and other resources against unauthorized acquisition, use or disposition, and other required accounting issues.

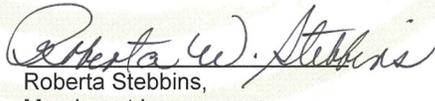
After receiving the annual reports and related documentation from the auditor and staff, evaluating the information, and considering the potential for changes, the Commission makes recommendations to both elected bodies on acceptance of the respective annual reports and changes deemed appropriate through the process.

Based upon the above, we accept the 2014-2015 Parks and Recreation Comprehensive Annual Financial Report (CAFR) and the related audit reports of the independent certified public accountants for the City of Ashland and the Ashland Parks and Recreation Commission and recommend that the respective CAFR and auditor's reports be accepted by the Council and the Commission.

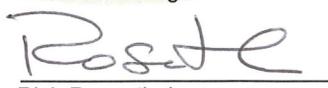
Respectfully submitted,

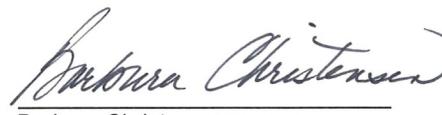
The Municipal Audit Commission

  
Thomas Hepford,  
Member at Large

  
Roberta Stebbins,  
Member at Large

  
Mary Cody, Budget Liaison  
Representing Budget Committee

  
Rich Rosenthal,  
City Council Liaison/Member

  
Barbara Christensen,  
City Recorder/Treasurer  
Ex-Officio Member



ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

FINANCIAL SECTION





**PAULY, ROGERS AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. ♦ Tigard, OR 97223  
(503) 620-2632 ♦ (503) 684-7523 FAX  
www.paulyrogersandcoepas.com

September 27, 2015

To the Chair and Commissioners of the  
Ashland Parks and Recreation Commission  
City of Ashland, Oregon

INDEPENDENT AUDITORS' REPORT

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, and each major fund, of Ashland Parks and Recreation Commission (a blended component unit of the City of Ashland), as of and for the year June 30, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

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

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund, of Ashland Parks and Recreation Commission, as of June 30, 2015, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Emphasis of Matter* The Commission adopted the provisions of GASB Statement No. 68, Accounting and Reporting for Pensions, as well as the provisions of GASB Statement No. 71, Pensions Transition for Contributions Made Subsequent to the Measurement Date, for the year ended June 30, 2015. Our opinion is not modified with respect to this matter.

**2015 financial section**

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*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information 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 comparison schedules presented as Required Supplementary Information, as listed in the table of contents, 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 records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Other Information**

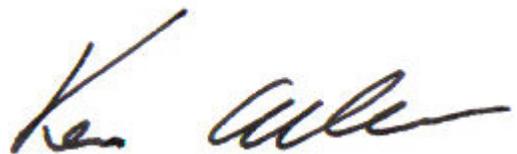
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary and other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, 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 supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Report on Other Legal and Regulatory Requirements**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated September 27, 2015, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Kenneth Allen, CPA  
PAULY, ROGERS AND CO., P.C.

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Ashland Parks and Recreation Commission, we offer readers of the Ashland Parks and Recreation Commission's financial statements this narrative overview and analysis of the financial activities of the Ashland Parks and Recreation Commission for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page 9 of this report.

### **Financial Highlights**

- The assets of the Ashland Parks and Recreation Commission exceeded its liabilities at the close of the most recent fiscal year by \$10,391,645 (net position).
- The Park and Recreation Commission's total net position have decreased by \$747,951.
- As of the close of the current fiscal year, the Ashland Parks and Recreation Commission's governmental funds reported combined ending fund balances of \$712,928, a decrease of \$202,948 from the prior fiscal year.

### **Overview Of Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Ashland Parks and Recreation Commission's basic financial statements. The Ashland Parks and Recreation Commission's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Ashland Parks and Recreation Commission's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Ashland Parks and Recreation Commission's assets and liabilities, with the difference between the two reported as net assets.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the Ashland Parks and Recreation Commission that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Ashland Parks and Recreation Commission include general park operations, recreation, and golf course operation.

The government-wide financial statements can be found on pages 26 and 27 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

**2015 financial section**

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The Ashland Parks and Recreation Commission maintains two individual governmental funds.

The Ashland Parks and Recreation Commission develops a budget for its annual appropriated budget for its General Fund and is included in the City Biennium Budget process. A budgetary statement has been provided for all funds, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 26-31 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-46 of this report.

**Government-Wide Financial Analysis**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Ashland Parks and Recreation Commission, assets exceed liabilities by \$10,391,645 at the close of the most recent fiscal year.

**Ashland Parks and Recreation Commission  
Net Position**

	June 30, 2015	June 30, 2014	Change
Current and other assets	\$ 2,014,284	\$ 1,293,146	55.8%
Capital assets	10,397,953	10,478,922	-0.8%
Total assets	12,412,237	11,772,068	5.4%
Long-term liabilities outstanding	354,102	255,202	38.8%
Other liabilities	1,666,490	377,269	341.7%
Total liabilities	2,020,592	632,471	219.5%
 Net Position			
Net investment in capital assets	10,397,953	10,478,922	-0.8%
Restricted	-	-	
Unassigned	(6,308)	660,674	-101.0%
Total net position	\$ 10,391,645	\$ 11,139,596	-6.7%

**Ashland Parks And Recreation Commission's Net Position**

At the end of the current fiscal year, the Ashland Parks and Recreation Commission is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its two separate governmental funds.

**Governmental Activities.** Net Position has decreased \$747,951, down 6.7 percent from last year. Revenues are up 14.1 percent from last year, while expenses are down 7.3%.

**Ashland Parks and Recreation Commission  
Change in Net Position  
For the Year Ended June 30, 2015**

	June 30, 2015	June 30, 2014	Change
Revenues:			
Program revenues:			
Charges for services	\$ 1,149,154	\$ 1,578,123	-27.2%
Operating grants and contributions	320,539	-	N/A
General revenues:			
City of Ashland	4,896,167	3,959,833	23.7%
Miscellaneous	17,620	53,234	-66.9%
Interest	4,957	7,934	-37.5%
Total revenues	6,388,437	5,599,124	14.1%
Expenses:			
Parks	3,921,790	4,372,964	-10.3%
Recreation	1,124,584	935,821	20.2%
Golf course	406,177	572,695	-29.1%
Total expenses	5,452,550	5,881,480	-7.3%
Increase in net position	935,887	(282,356)	-431.5%
<b>Net Position - Beginning, Restated</b>	9,455,758	11,421,952	-17.2%
<b>Net position - Ending</b>	\$ 10,391,645	\$ 11,139,596	-6.7%

Please note the June 30, 2014 Revenues and expenditures were not restated due to Government Accounting Standards Board 68 (GASB 68) since the Commission wasn't supplied that data by the actuaries. (See note 8) pg 46 for a detail restatement).

Significant factors leading to the decrease in net position include:

- The Parks had to restate the beginning Net Position by \$1,683,838 due to GASB 68, which is Accounting and Financial Reporting for Pensions.
- Charges for services decreased due to less of a need for Food and Beverage Tax for capital projects.
- Parks received a grant for the Ashland Creek Park of \$320,000 (approx).
- Recreation expenses are up mainly due to depreciation expenses and operational costs.
- The Golf course expenses are down due to the pension expense recorded as a Generally Accepted Accounting Principles (GAAP) adjustment.

**Governmental Funds.** As of the end of the current fiscal year, the Ashland Parks and Recreation Commission's governmental funds reported a combined ending fund balance of \$712,928, a decrease of \$202,948 from the prior fiscal year.

## ***2015 financial section***

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The General Fund is the chief operating fund of the Ashland Parks and Recreation Commission. As of the end of the current fiscal year, the General Fund's unassigned fund balance was \$503,626, a decrease of \$79,768 from the prior year. The General Fund's balance represents 71 percent of the combined governmental funds balance.

The Capital Projects Fund has a total fund balance of \$209,302, all of which is reserved for future capital projects and equipment replacement.

### **General Fund Budgetary Highlights**

The Ashland Parks and Recreation Commission did revise its budget during the second year of this biennium. The budget adjustments were increased in two divisions, the park and golf division. The general fund's revenue ended just a little below budget at 99%. Expenditures were right at 99%, this was due to unanticipated retirements which required hiring more temporary employees as well as operational costs increasing.

### **Capital Asset And Debt Administration**

**Capital Assets.** The Ashland Parks and Recreation Commission's investment in capital assets for its governmental activity as of June 30, 2015, amounted to \$10,397,953 (net of accumulated depreciation.)

A major portion of the Ashland Parks and Recreation Commission's investment in capital assets include leasehold improvements of \$4,760,157 (net of accumulated depreciation) related to a long-term lease with the Oregon Shakespeare Festival Association. The detail is shown on page 53 of the Notes to the Basic Financial Statements section.

**Long-term Debt.** At the end of the current fiscal year, the Ashland Parks and Recreation Commission had no long-term debt outstanding.

### **Requests For Information**

This financial report is designed to provide a general overview of the Ashland Parks and Recreation Commission's finances for all those with an interest in the government's finances. Copies of this report may be obtained at:

340 South Pioneer Street  
Ashland, OR 97520

ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

**2015 basic financial statements**

**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
STATEMENT OF NET POSITION  
June 30, 2015**

	<b>Primary Government</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ 981,557
Receivables:	
Accounts	85,472
Proportional Share of Net Pension assets	947,255
Capital assets, net of Accumulated Depreciation	10,397,953
<b>Total Assets</b>	<b>12,412,237</b>
 <b>Liabilities:</b>	
Accounts payable	187,564
Payroll Liabilities	166,538
Non-Current Liabilities:	
Due Within 1 Year:	
Vacation and Sick Payable	62,583
Due In More than 1 Year:	
Vacation and Sick Payable	187,747
<b>Total Liabilities</b>	<b>604,432</b>
 <b>Deferred Inflows of Resources:</b>	
Net deferred pension assets	1,416,160
 <b>Net Position</b>	
Net investment in Capital Assets	10,397,953
Unrestricted:	(6,308)
<b>Total Net Position</b>	<b>\$ 10,391,645</b>

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

**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
STATEMENT OF ACTIVITIES  
June 30, 2015**

Functions	Expenses	Function Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Service	Operating Grants and Contributions	
Parks	\$ 3,921,790	\$ 481,246	\$ 320,539	\$ (3,120,005)
Recreation	1,124,584	386,251	-	(738,333)
Golf Course	406,177	281,657	-	(124,520)
Total Governmental Activities	\$ 5,452,550	\$ 1,149,154	\$ 320,539	\$ (3,982,857)
				\$ 4,896,167
				4,957
				17,620
				<b>Total General Revenues</b> 4,918,744
				935,887
				<b>Net Position - Beginning, Restated</b> 9,455,758
				<b>Net Position - Ending</b> \$ 10,391,645

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

**2015 basic financial statements**

**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2015**

	General	Capital Improvement	Total Governmental Funds
<b>ASSETS</b>			
<b>Assets:</b>			
Cash and Investments	\$ 750,809	\$ 230,748	\$ 981,557
Receivables:			
Accounts	74,163	11,309	85,472
<b>Total Assets</b>	<b>824,972</b>	<b>242,057</b>	<b>1,067,029</b>
<b>LIABILITIES, AND EQUITY</b>			
<b>Liabilities:</b>			
Accounts payable	154,809	32,755	187,564
Payroll Liabilities	166,537	-	166,537
<b>Total Liabilities</b>	<b>321,346</b>	<b>32,755</b>	<b>354,101</b>
<b>Fund Balances:</b>			
Committed for:			
Equipment Replacement	-	209,302	209,302
Unassigned:			
Unassigned	503,626	-	503,626
<b>Total fund balances</b>	<b>503,626</b>	<b>209,302</b>	<b>712,928</b>
<b>Total liabilities and fund balances</b>	<b>\$ 824,972</b>	<b>\$ 242,057</b>	<b>\$ 1,067,029</b>

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

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**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
For the year ended June 30, 2015**

Total Fund Balances - Governmental Funds \$ 712,928

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The statement of Net Assets includes those capital assets among the assets of the Commission as a whole.

Net Capital Assets 10,397,953

The net pension assets (Liability), and deferred inflows and outflows related to the Net Pension Asset is the difference between the total pension liability and the assets set aside to pay benefits earned to the past and current employees and beneficiaries. (468,906)

Accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. (250,330)

Net Position \$ 10,391,645

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

**2015 basic financial statements**

**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the year ended June 30, 2015**

	<u>Governmental Fund Types</u>		<u>Total Governmental Funds</u>
	<u>General</u>	<u>Capital Projects</u>	
<b>Revenues:</b>			
Intergovernmental	\$ 10,589	\$ 309,950	\$ 320,539
Charges for Services	5,768,643	276,678	6,045,321
Interest on Investments	3,694	1,263	4,957
Miscellaneous	12,551	5,069	17,620
<b>Total Revenues</b>	<u>5,795,477</u>	<u>592,960</u>	<u>6,388,437</u>
<b>Expenditures:</b>			
Current:			
Parks	3,753,591	-	3,753,591
Recreation	1,300,196	-	1,300,196
Golf Course	501,458	-	501,458
Capital Outlay	-	1,036,140	1,036,140
<b>Total Expenditures</b>	<u>5,555,245</u>	<u>1,036,140</u>	<u>6,591,385</u>
Excess(Deficiency) of Revenues over Expenditures	240,232	(443,180)	(202,948)
<b>Other financing sources (uses):</b>			-
Transfers in	-	320,000	320,000
Transfers out	(320,000)	-	(320,000)
<b>Total other financing sources (uses):</b>	<u>(320,000)</u>	<u>320,000</u>	<u>-</u>
Net Change in Fund Balance	(79,768)	(123,180)	(202,948)
<b>Fund Balance, July 1, 2014</b>	583,394	332,482	915,876
<b>Fund Balance, June 30, 2015</b>	<u>\$ 503,626</u>	<u>\$ 209,302</u>	<u>\$ 712,928</u>

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

**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
For the year ended June 30, 2015**

Total Net Changes in Fund Balances - Governmental Funds	\$	(202,948)
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Capital asset additions are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.

Capital Asset Additions	\$	1,738,836	
Capital Asset Deletions		(658,442)	
Depreciation Expense		(1,161,362)	
Depreciation Deletions		-	
		-	(80,968)

The Pension Expense and the changes in the deferred inflows and outflows related to the Net Pension Assets represents the changes in the Net Pension Assets (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.		1,214,934
--	--	-----------

Change in compensated Absences is an expense on the Statement of Activities but it is not an expenditure to the governmental fund, unless matured.		4,869
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Change in Net Position of Governmental Activities	\$	<u>935,887</u>
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The accompanying notes are an integral part of the basic financial statements.



ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

**2015 notes to basic financial statements**

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## **ASHLAND PARKS AND RECREATION COMMISSION JACKSON COUNTY, OREGON**

### **Notes to Basic Financial Statements**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Ashland Parks and Recreation Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (aka generally accepted accounting principles-GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant Parks and Recreation Commission accounting policies are described below.

##### **A. THE FINANCIAL REPORTING ENTITY**

The Ashland Parks and Recreation Commission (the Commission) was created by vote of qualified electors of the City of Ashland, Oregon (the City) , at a special election on December 15, 1908. The Commission presently operates under the charter of the City. Currently, the Commission has control of over 637 acres of park-designated lands, which includes 19 parks ranging in size from .33 to 270 acres and a network of over 29 miles of developed and maintained trails. The Commission also maintains and operates several athletic fields on property owned by Jackson County School Commission No. 5 and Southern Oregon University (SOU), under contractual agreements with Commission No. 5 and the State of Oregon. Five commissioners elected to serve four-year terms govern the Commission. The Commissioners serve without pay. The City charter also provides for an appointed director.

The basic financial statements include all financial activities, organizations, and functions for which the Commission is considered to be financially accountable and a financial benefit or burden exists. Financial accountability exists if the Commission appoints a voting majority of the component unit's board and the ability to impose will by the primary government. A financial burden/benefit exists between Parks and the City due to the fact that the City has access to most of the Parks resources, and that Parks doesn't have their own property tax levy, but instead gets an allocation of monies from the City to fund operations. The Commission has no component units, but is a blended component unit of the City and, as such, is included in the basic financial statements of the City as a blended component unit. Although the members of the Commission's governing board are elected by the voters, the Commission is fiscally dependent upon the City because, by state law and City charter, the Commission's budget and tax levy must be included as part of the City's. The City must also approve any debt issuance and has ultimate financial responsibility for the Commission.

##### **B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION**

###### **GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)**

The Statement of net position and Statement of Activities display information about the reporting government as a whole

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for nonexchange Transactions."

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Commission's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Commission's general revenues.

The Commission reports all direct expenses by function in the Statement of Activities. Direct expenses are

## **2015 notes to basic financial statements**

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those that are clearly identifiable with a function. Interest of general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as inter-fund activity and balances in the funds were eliminated or reclassified. Inter-fund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities.

### **FUND FINANCIAL STATEMENTS**

The accounts of the Commission are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained in consistency with legal and managerial requirements.

### **GOVERNMENTAL FUND TYPES**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be measurable to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Commission reports the following major funds:

#### **GENERAL FUND**

This fund (also referred to as the Parks and Recreation Fund) accounts for all financial resources and expenditures of the Commission, except those required to be accounted for in another fund. The principal revenue sources are charges for services. Major expenditures are for personal services, operating supplies, maintenance, and supporting services related to the administrative functions of the Commission. The General Fund is also used to account for financial resources used for the operation and maintenance of the Oak Knoll Golf Course.

#### **CAPITAL IMPROVEMENT FUND**

The Parks Capital Improvement Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. Principal resources and revenues are inter-fund transfers, charges for services, and interest earnings.

### **C. BUDGET**

As a component unit of the City, the budget of the Commission is included in the budget of the City. A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles.

The City begins its budget process early for the biennium budget with the establishment of the Budget Committee. Recommendations are developed through late winter, with the Budget Committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring,

**2015 notes to basic financial statements**

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with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted. Appropriations are made and the tax levy is declared no later than June 30th.

Appropriations are at the department (organizational unit) level for funds with more than one department and by total personal services, materials and services, capital outlay, debt service, operating transfers, and contingency for those funds with only one department or function at the levels of control established by resolution.

Expenditures cannot legally exceed the above appropriation levels, except in the case of grants that could not be estimated at the time of budget adoption. Appropriations lapse at the end of the biennium. Management may amend line items in the budget without Council approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Council approves them due to a need that exists that was not determined at the time the budget was adopted. Budget amounts shown in the Basic Financial Statements reflect the original budget and one appropriation transfer.

Expenditures of the various funds were within authorized appropriations.

**D. ACCOUNTS RECEIVABLE**

There is no allowance for bad debts based on historically low write offs.

**E. CAPITAL ASSETS**

Capital assets are recorded at the original or estimated cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The Commission defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life beyond a single reporting period.. Interest incurred during construction, maintenance and repairs that do not add to the value of the asset or materially extend as- sets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	33 to 50 years
Public domain infrastructure	15 to 25 years
Vehicles, furniture, and equipment	5 to 15 years

**F. RETIREMENT PLAN**

Substantially all of the Commission's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

**G. VESTED COMPENSATED ABSENCES**

It is the Commission's policy to permit employees to accumulate earned unused vacation and sick pay benefits. There is a liability for unpaid accumulated sick leave. The Commission approved the following "at separation, for employees with accrued sick leave balances between 101 and 1000 hours, a transfer of equivalent funding to their HRA VEBA accounts." All unused vacation and sick pay are accrued when earned in the Government-wide Financial Statements.

**2015 notes to basic financial statements**

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**H. ESTIMATES**

In conformance to accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenditures during the reporting period when preparing financial statements. Actual results could differ from those estimates.

**I. LONG TERM DEBT**

In the Government-wide Financial Statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the Fund Financial Statements, bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and are not deferred. The face amount of the debt issued, premiums received on debt issuances, and discounts are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**J. FUND EQUITY**

In March 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions. The objective of this statement is to enhance the usefulness of fund balance information by providing clear fund balance classifications that can be consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated funds were replaced with five new classifications nonspendable, restricted, committed, assigned, and unassigned. The specific purposes for the restriction and commitments are shown on the face of the balance sheet.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution by City of Ashland City Council.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

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

**K. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net

**2015 notes to basic financial statements**

position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission does not have an item that qualifies for reporting in this category.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission's statement of net position shows a Net Deferred Inflow this amount is equal to the difference between actuarially projected investment earnings and actual investment earnings, less contributions that the District paid to PERS during 2014-2015.

**2. CASH AND INVESTMENTS**

State statutes govern the Commission's cash management policies. Statutes authorize the Commission to invest in bankers acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool (LGIP).

The City maintains a cash and investment pool that is used by all funds, including Commission funds. The Commission's cash and investments at June 30, 2015, consisted of the following:

	<u>2015</u>
Petty Cash	\$ 750
City Investment Pool	980,807
Total	<u>\$ 981,557</u>

**INVESTMENTS**

Policies officially adopted by the City's Board allows the entity to invest in: U.S. Treasury Obligations (Bills, notes and bonds), U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations, Bankers' Acceptances (BA's), Certificates of Deposit (Commercial Banks which have a branch in Oregon & Savings & Loan Associations which have a branch in Oregon), State & Local Government Securities, Commercial Paper (A1, AA,P1), State of Oregon Investment Pool, and Repurchase Transactions. The State Treasurer's investment policies are government by Oregon Revised Statutes and the Oregon Short-Term Fund Board (OSTFB). There were no known violations of legal or contractual provisions for deposits.

Investments are valued at fair value as required by GASB 31. As of June 30, 2015, the fair value of the position in the LGIP is 100.71% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

As of June 30, 2015, the Commission had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in months)</u>		
		<u>Less than 3</u>	<u>3-17</u>	<u>18-59</u>
State Treasurer's investment pool	\$ 981,557	\$ 981,557	-	-
Total	<u>\$ 981,557</u>	<u>\$ 981,557</u>	<u>\$ -</u>	<u>\$ -</u>

**2015 notes to basic financial statements**

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**Interest Rate Risk**

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

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

The City limits investment maturities as follows:

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

**Credit Risk**

Neither the Oregon Revised Statutes nor the City's investment policy limits investments as to credit rating for securities purchased from U.S. Government Agencies. The City's investments in U.S. Government Agencies were rated AAA by Standard & Poor's and AAA by Moody's Investor Service. The State Pool is unrated. Oregon Revised Statutes require that Bankers Acceptances be guaranteed by, and carried on the books of, a qualified financial institution eligible for discount by the Federal Reserve System, and issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

**Concentration of Credit Risk**

To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the City's investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2015, the City was in compliance with all percentage restrictions.

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

No more than the stated percentage of the overall portfolio will be invested in each of the following categories of securities:

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

**2015 notes to basic financial statements**

**3. CAPITAL ASSETS**

The changes in capital assets for the 2014-2015 fiscal years are as follows:

	<u>Balance June 30, 2014</u>	<u>Additions &amp; Reclasses</u>	<u>Retirements &amp; Reclasses</u>	<u>Balance June 30, 2015</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 658,442	\$ 631,658	\$ 658,442	\$ 631,658
Total capital assets, not being depreciated	\$ 658,442	\$ 631,658	\$ 658,442	\$ 631,658
Capital assets, being depreciated:				
Buildings	\$ 13,349,615	\$ 116,575	\$ -	\$ 13,466,190
Equipment	1,929,834	116,254	-	2,046,088
Improvements Other than Buildings	<u>2,008,418</u>	<u>874,349</u>	<u>-</u>	<u>2,882,767</u>
Total capital assets, being depreciated	17,287,867	1,107,178	-	18,395,045
Less accumulated depreciation for:				
Buildings	5,295,972	904,243	-	6,200,215
Equipment	1,118,212	155,784	-	1,273,996
Improvements Other than Buildings	<u>1,053,204</u>	<u>101,335</u>	<u>-</u>	<u>1,154,539</u>
Total accumulated depreciation	7,467,388	1,161,362	-	8,628,750
Total capital assets being depreciated, net	<u>\$ 10,478,921</u>	<u>\$ 577,474</u>	<u>\$ 658,442</u>	<u>\$ 10,397,953</u>

Depreciation expense for the year was charged to the following functions:

Depreciation Expense	
<u>2015</u>	
Parks	\$ 1,029,016
Recreation	78,994
Golf	53,352
Total	<u>\$ 1,161,362</u>

**4. LONG-TERM DEBT**

The General Fund is used to liquidate the compensated absences. The balances of the compensated absences accounts are as follows:

	<u>June 30, 2014 Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2015 Balance</u>	<u>Due Within a Year</u>
Governmental Activities:	\$ 255,202	\$ 250,330	\$ 255,202	\$ 250,330	\$ 62,583
Total Compensated Absences Payable	<u>\$ 255,202</u>	<u>\$ 250,330</u>	<u>\$ 255,202</u>	<u>\$ 250,330</u>	<u>\$ 62,583</u>

**2015 notes to basic financial statements**

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**5. PENSION PLAN**

**Plan Description and Provisions:**

**Plan Description** – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employee defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at: [http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx). If the link is expired please contact Oregon PERS for this information.

- a) **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i) **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
  - ii) **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
    - member was employed by PERS employer at the time of death,
    - member died within 120 days after termination of PERS covered employment,
    - member died as a result of injury sustained while employed in a PERS-covered job, or
    - member was on an official leave of absence from a PERS-covered job at the time of death.
  - iii) **Disability Benefits.** A member with 10 or more years of creditable service who becomes disable from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  - iv) **Benefit Changes After Retirement.** Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
- b) **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i) **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age: Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
**General service:** 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
  - ii) **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
  - iii) **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

**2015 notes to basic financial statements**

iv) **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2011 actuarial valuation, which became effective July 1, 2013. Employer contributions for the year ended June 30, 2015 were \$189,012. In addition approximately \$115,403 in employee contributions were paid or picked up by the Commission in fiscal 2015.

At June 30, 2015, the Commission reported a net pension asset of \$947,255, it's proportionate share of the net pension asset. The pension asset was measured as of December 31, 2012, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2012, the Commission's proportion was .042 percent.

	Deferred Outflow of Resources	Deferred Inflow Of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportionate share of contributions		1,827,817
Parks contributions subsequent to measurement date	411,657	
Net Deferred outflow (inflow) of resources		\$ (1,416,160)

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

Year ending June 30,	Amount
2016	\$ (457,582)
2017	(457,582)
2018	(457,582)
2019	(455,071)
2020	
Thereafter	
Total	\$ (1,827,817)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated July 29, 2015. Oregon PERS produces an independently audited CAFR which can be found at:

[http://www.oregon.gov/pers/Pages/section/financial\\_reports/financial.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financial.aspx)

**Actuarial Valuations** – The employer contribution rates effective July 1, 2013 through June 30, 2015, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

**2015 notes to basic financial statements**

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

Actuarial Methods and Assumptions:

Valuation date	December 31, 2012 rolled forward to June 30, 2014
Experience Study Report	2012, Published September 18, 2013
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
Inflation rate	2.75 percent
Investment rate of return	7.75 percent
Projected salary increase	3.75 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (65% for males and 90% for females) of the RP-2000 static combined disabled mortality sex-distinct table.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2012 Experience Study which is reviewed for the four-year period ending December 31, 2012.

Discount Rate – The discount rate used to measure the total pension liability was 7.75 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission’s proportionate share of the net pension liability to changes in the discount rate – The following presents the Commission’s proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Commission’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent than the current rate.

	Decrease (6.75%)	Rate (7.75%)	Increase (8.75%)
Parks proportionate share of the net pension liability	\$ 2,005,963	\$ (947,255)	\$ (3,445,003)

**2015 notes to basic financial statements**

Changes in Plan Provisions Subsequent to Measurement Date: The Oregon Supreme Court on April 30, 2015, ruled in the Moro decision, 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 were 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. PERS will make restoration payments to those benefit recipients. PERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire. Oregon Public Employees Retirement System Notes to the Schedules of Employer Allocations and Pension Amounts by Employer As of and for the Fiscal Year Ended June 30, 2014. This is a change in benefit terms subsequent to the measurement date of June 30, 2014, which will be reflected in the next year's actuarial valuations. The impact of the Moro decision on the total pension liability and employer's net pension liability (asset) has not been fully determined. However, PERS' third-party actuaries have estimated the impact of the Moro decision under one possible methodology, which is summarized below (dollars in millions). Estimates have been rounded to the nearest \$10 million.

	June 30, 2014 Measurement Date	
	Before Moro Decision	Estimate After Moro Decision
Net pension liability		
Total pension liability	\$ 63,135	\$ 68,050
Fiduciary net position	65,402	65,400
Net pension liability (asset)	\$ (2,267)	\$ 2,650

Additional disclosures related to Oregon PERS not applicable to specific employers are available online at the below website, or by contacting PERS at the following address: PO BOX 23700 Tigard, OR 97281-3700,

[http://www.oregon.gov/pers/EMP/docs/er\\_general\\_information/opers\\_gasb\\_68\\_disclosure\\_information\\_revised.pdf](http://www.oregon.gov/pers/EMP/docs/er_general_information/opers_gasb_68_disclosure_information_revised.pdf)

**6) RISK MANAGEMENT**

As a component unit of the City of Ashland, the Ashland Parks and Recreation Commission is included in the City's risk management program. The City directly manages the Commission's participation. The City is exposed to various risks of loss related to general liability, property, automobile, and workers' compensation. The City purchases its auto, property, and liability insurance from Citycounty Insurance Services, a member-owned trust. The City is self-insured for the first annual cumulative deductible of \$50,000 under its general liability insurance policy. Workers' compensation is self-insured for \$450,000 per occurrence for claims incurred; excess coverage above this retention limit is purchased from commercial insurers on a stop-loss basis. The Commission, and all participating City funds, pay contributions based on prior experience, exposure, insurance premiums, and administrative costs. Settlements have not exceeded insurance coverage in each of the past three years.

**7) TRANSFERS**

The purposes of the transfers were to fund deferred maintenance projects in the Capital Improvement Project fund.

Fund	Transfers In	Transfers Out
General Fund	\$ -	\$ 320,000
Capital Projects Fund	320,000	-
Total	\$ 320,000	\$ 320,000

**2015 notes to basic financial statements**

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**8) RESTATEMENT OF PRIOR YEAR NET POSITION**

Due to the implementation of GASB 68 a restatement of the prior year net position was required. The restatement is as follows:

Net position Beginning as previously reported	\$ 11,139,596
Proportionate share of net pension liability	(2,132,592)
Net outflow/(inflow) of resources	448,754
Net position - Beginning as restated	<u>\$ 9,455,758</u>

**9) TRANSACTIONS WITH PRIMARY GOVERNMENT (CITY OF ASHLAND)**

The biennial budget of the 2013-2015 significantly altered the way Parks and Recreation Department revenue is shown, although it fully funds all the Parks operations, in the past, Parks revenue was shown as property tax in the amount of \$2.09 per \$1,000 of assessed valuation. Over the years, this resulted in a very large unappropriated balance in the Parks fund. Rather than continuing to budget Parks Fund revenue as property tax, the City of Ashland transferred \$4,896,167 to the Parks General Fund for operations and \$89,810 was transferred to Capital Project Fund from Food and beverage for Projects for the fiscal year of 2015.

ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

Notes to the Required Supplementary Information - the basis of budgeting is the same  
as GAAP

**2015 required supplementary information**

**REQUIRED SUPPLEMENTARY INFORMATION  
For the fiscal year ended June 30, 2015**

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Year Ended June 30,	Employer's proportion of the net pension liability (NPL) (a)	Employer's proportionate share of the net pension liability (NPL) (b)	covered payroll (c)	NPL as a percentage of covered payroll (b/c)	Plan fiduciary net position as a percentage of the total pension liability
2015	0.04%	\$ 947,255	\$ 1,848,032	51.3 %	103.6 %
2014	0.04%	(2,132,592)	1,962,898	(108.6)	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date. These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**SCHEDULE OF CONTRIBUTIONS**

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2015	\$ 411,657	\$ 411,657	\$ -	\$ 1,848,032	22.3 %
2014	448,754	448,754	-	1,962,898	22.9

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date. These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

2015 required supplementary information

ASHLAND PARKS AND RECREATION COMMISSION, ASHLAND , OREGON  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN NET POSITION - BUDGET AND ACTUAL  
 GENERAL FUND  
 For the year ended June 30, 2015

	BN 2013-2015		First Year Actual FY 2013-14	Second Year Actual FY 2014-15	Total Actual for budget period	Variance with Final Budget - Positive (Negative)
	Biennium Budget Amounts					
	Original	Final				
<b>Revenues:</b>						
Intergovernmental	\$ -	\$ -	\$ -	\$ 10,589	\$ 10,589	\$ 10,589
Charges for Services	10,649,633	10,649,633	4,813,323	5,768,643	10,581,966	(67,667)
Interest on Investments	26,000	26,000	5,841	3,694	9,535	(16,465)
Miscellaneous	69,000	69,000	34,862	12,551	47,413	(21,587)
<b>Total Revenues</b>	<b>10,744,633</b>	<b>10,744,633</b>	<b>4,854,026</b>	<b>5,795,477</b>	<b>10,649,503</b>	<b>(95,130)</b>
<b>Expenditures:</b>						
Parks:						
Personal Services	4,141,330	4,201,330	2,160,812	2,077,128	4,237,940	(36,610)
Materials and Services	3,242,060	3,242,060	1,530,322	1,676,463	3,206,785	35,275
Capital Outlay	86,000	86,000	28,383	-	28,383	57,617
Total Parks	7,469,390	7,529,390	3,719,517	3,753,591	7,473,108	56,282
Recreation:						
Personal Services	1,976,580	1,976,580	944,136	988,495	1,932,631	43,949
Materials and Services	571,250	571,250	263,443	311,701	575,144	(3,894)
Total Recreation	2,547,830	2,547,830	1,207,579	1,300,196	2,507,775	40,055
Golf Course:						
Personal Services	711,280	751,280	353,879	386,081	739,960	11,320
Materials and Services	301,600	301,600	171,090	115,377	286,467	15,133
Total Golf Course	1,012,880	1,052,880	524,969	501,458	1,026,427	26,453
Contingency	100,000	-	-	-	-	-
<b>Total Expenditures</b>	<b>11,130,100</b>	<b>11,130,100</b>	<b>5,452,065</b>	<b>5,555,245</b>	<b>11,007,310</b>	<b>5,678,035</b>
<b>Other financing sources (uses):</b>						
Transfer Out	(922,000)	(922,000)	(602,000)	(320,000)	(922,000)	-
<b>Total other financing sources (uses):</b>	<b>(922,000)</b>	<b>(922,000)</b>	<b>(602,000)</b>	<b>(320,000)</b>	<b>(922,000)</b>	<b>-</b>
Net Change in Fund Balance	(1,307,467)	(1,307,467)	(1,200,039)	(79,768)	(1,279,807)	27,660
<b>Fund Balance, July 1, 2014</b>	<b>1,973,756</b>	<b>1,973,756</b>	<b>1,783,433</b>	<b>583,394</b>	<b>1,783,433</b>	<b>(190,323)</b>
<b>Fund Balance, June 30, 2015</b>	<b>\$ 666,289</b>	<b>\$ 666,289</b>	<b>\$ 583,394</b>	<b>\$ 503,626</b>	<b>\$ 503,626</b>	<b>\$ (162,663)</b>

(1) Appropriation Level



ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

SUPPLEMENTARY INFORMATION

**2015 supplementary information**

**ASHLAND PARKS AND RECREATION COMMISSION, ASHLAND, OREGON  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN NET POSITION - BUDGET TO ACTUAL  
CAPITAL IMPROVEMENT FUND  
For the year ended June 30, 2015**

	BN 2013-2015		First Year Actual FY 2013-14	Second Year Actual FY 2014-15	Total Actual for budget period	Variance with Final Budget - Positive (Negative)
	Biennium Budget Amounts					
	Original	Final				
<b>Revenues:</b>						
Intergovernmental	\$ 3,929,000	\$ 3,929,000	\$ 724,634	\$ 309,950	\$ 1,034,584	(2,894,416)
Charges for Services	59,000	59,000	-	276,678	276,678	217,678
Interest on Investments	4,100	4,100	2,093	1,263	3,356	(744)
Miscellaneous	-	-	18,372	5,069	23,441	23,441
<b>Total Revenues</b>	<b>3,992,100</b>	<b>3,992,100</b>	<b>745,099</b>	<b>592,960</b>	<b>1,338,059</b>	<b>(2,654,041)</b>
<b>Expenditures:</b>						
Materials and Services	-	2,000	-	1,331	1,331	669
Capital Outlay	4,851,000	4,849,000	1,402,249	1,034,809	2,437,058	2,411,942
Total Parks	4,851,000	4,851,000	1,402,249	1,036,140	2,438,389	2,412,611
<b>Total Expenditures</b>	<b>4,851,000</b>	<b>4,851,000</b>	<b>1,402,249</b>	<b>1,036,140</b>	<b>2,438,389</b>	<b>2,412,611</b>
Net Change in Fund Balance	(858,900)	(858,900)	(657,150)	(443,180)	(1,100,330)	(241,430)
<b>Other financing sources (uses):</b>						
Transfer In	922,000	922,000	602,000	320,000	922,000	-
<b>Total other financing sources (uses)</b>	<b>922,000</b>	<b>922,000</b>	<b>602,000</b>	<b>320,000</b>	<b>922,000</b>	<b>-</b>
Net Change in Fund Balance	63,100	63,100	(55,150)	(123,180)	(178,330)	(241,430)
<b>Fund Balance, July 1, 2014</b>	<b>239,032</b>	<b>239,032</b>	<b>387,632</b>	<b>332,482</b>	<b>387,632</b>	<b>148,600</b>
<b>Fund Balance, June 30, 2015</b>	<b>\$ 302,132</b>	<b>\$ 302,132</b>	<b>\$ 332,482</b>	<b>\$ 209,302</b>	<b>\$ 209,302</b>	<b>\$ (92,830)</b>

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**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
SCHEDULE OF CAPITAL ASSETS - BY SOURCES  
For the year ended June 30, 2015**

Capital Assets:	
Buildings and improvements	\$ 13,466,190
Equipment	2,046,088
Improvements other than Building	2,882,767
Construction in Process	<u>631,657</u>
Total capital assets	<u><u>\$ 19,026,702</u></u>
Sources of Investment in Capital Assets:	
General Fund	\$ 10,204,069
Shakespeare Festival	<u>8,822,633</u>
Total sources of investment in capital assets	<u><u>\$ 19,026,702</u></u>
Sources of Investment in Capital Assets:	
General Fund - depreciation	\$ 4,566,274
Shakespeare Festival- depreciation	<u>4,062,476</u>
Total sources of investment in capital assets	<u><u>\$ 8,628,750</u></u>

**2015 supplementary information**

**ASHLAND PARKS AND RECREATION COMMISSION  
ASHLAND, OREGON  
SCHEDULE OF CHANGES IN CAPITAL ASSETS - BY SOURCES  
For the year ended June 30, 2015**

	<u>Total</u>	<u>Buildings and Improvements</u>	<u>Equipment</u>	<u>Improvements other than Buildings</u>	<u>CIP</u>
Capital Assets, July 1, 2014	\$ 17,946,309	\$ 13,349,615	\$ 1,929,834	\$ 2,008,418	\$ 658,442
Additions:					
General Fund	1,738,836	116,575	116,254	874,349	631,658
Shakespeare Festival	-	-	-	-	-
	<u>1,738,836</u>	<u>116,575</u>	<u>116,254</u>	<u>874,349</u>	<u>631,658</u>
Deletions:					
General Fund	658,442	-	-	-	658,442
Shakespeare Festival	-	-	-	-	-
	<u>658,442</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>658,442</u>
Capital Assets, June 30, 2015	<u>\$ 19,026,703</u>	<u>\$ 13,466,190</u>	<u>\$ 2,046,088</u>	<u>\$ 2,882,767</u>	<u>\$ 631,658</u>

**ASHLAND PARKS AND RECREATION COMMISSION**  
**ASHLAND, OREGON**  
**SCHEDULE OF CAPITAL ASSETS - BY FUNCTION AND ACTIVITY**  
**For the year ended June 30, 2015**

Function and Activity	<u>Total</u>	<u>Buildings and Improvements</u>	<u>Equipment</u>	<u>Improvements other than Buildings</u>	<u>CIP</u>
Parks and Recreation	<u>\$ 19,026,703</u>	<u>\$ 13,466,190</u>	<u>\$ 2,046,088</u>	<u>\$ 2,882,767</u>	<u>\$ 631,658</u>

*2015 supplementary information*

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**ASHLAND PARKS AND RECREATION COMMISSION**  
**ASHLAND, OREGON**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS - BY FUNCTION AND ACTIVITY**  
**For the year ended June 30, 2015**

Function and Activity	<u>Capital Assets July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Capital Assets June 30, 2015</u>
Parks and Recreation	<u>\$ 17,946,309</u>	<u>\$ 1,738,836</u>	<u>\$ 658,442</u>	<u>\$ 19,026,703</u>

ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

STATISTICAL SECTION



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**ASHLAND PARKS AND RECREATION COMMISSION  
STATISTICAL SECTION  
(Unaudited)**

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

	<u>Page</u>
<b>Financial Trends</b>	
These tables contain trend information that may assist the reader in assessing the Commission's current financial performance by placing it in historical perspective.	60-69
<b>Revenue Capacity</b>	
These tables contain information that may assist the reader is assessing the viability of the revenue sources.	70-74
<b>Debt Capacity</b>	
These tables present information that may assist the reader in analyzing the affordability of the Commission's current levels of outstanding debt and the Commission's ability to issue additional debt in the future.	75
<b>Economic &amp; Demographic Information</b>	
These tables offer economic and demographic indicators that are commonly used for financial analysis and that can help the reader understand the Commission's present and ongoing financial status.	76-77
<b>Operating Information</b>	
These tables contain service and infrastructure indicators that can help the reader understand how the information in the Commission's financial statements relates to the services the Commission provides and the activities it performs.	78-84

**Source:**

Unless otherwise noted, the information in these tables is derived from the annual financial reports for the Ashland Parks Commission and the annual financial reports for the City of Ashland.

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
STATEMENT OF NET POSITION  
For the last ten fiscal years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 981,557	\$ 1,193,676	\$ 2,416,468	\$ 2,829,756
Receivables:				
Interest				
Accounts	85,472	99,470	90,512	112,138
Taxes		-	-	370,792
Proportional Share of Net Pension assets	947,255			
Capital assets, net of Accumulated Depreciation	10,397,953	10,478,922	9,527,217	9,592,447
<b>Total Assets</b>	<u>12,412,237</u>	<u>11,772,068</u>	<u>12,034,197</u>	<u>12,905,133</u>
<b>LIABILITIES:</b>				
Accounts payable	187,564	232,706	216,013	131,911
Payroll Liabilities	166,538	144,563	119,902	116,978
Vacation Payable				
Noncurrent liabilities				
Due within one year	62,583	63,800	69,083	23,511
Due in more than one year	187,747	191,402	207,247	70,532
<b>Total Liabilities</b>	<u>604,432</u>	<u>632,471</u>	<u>612,245</u>	<u>342,932</u>
<b>NET POSITION:</b>				
Net Investment in Capital Assets	10,397,953	10,478,922	9,527,217	9,592,447
Restricted for: YAL	-	-	-	20,325
Unassigned	(6,308)	660,674	1,894,735	2,949,429
<b>Total Net Position</b>	<u>\$ 10,391,645</u>	<u>\$ 11,139,596</u>	<u>\$ 11,421,952</u>	<u>\$ 12,562,201</u>

**ASHLAND PARKS AND RECREATION COMMISSION  
STATEMENT OF NET POSITION  
For the last ten fiscal years (continued)**

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 2,855,465	\$ 2,210,964	\$ 1,824,579	\$ 1,796,482	\$ 1,409,665	\$ 1,874,507
					4,234
24,666	89,798	7,244	83,579	260,327	76,656
382,865	369,389	368,142	386,156	381,549	408,391
9,114,880	9,388,309	9,799,880	9,909,134	9,259,967	9,456,082
<u>12,377,876</u>	<u>12,058,460</u>	<u>11,999,845</u>	<u>12,175,351</u>	<u>11,311,508</u>	<u>11,819,870</u>
163,169	177,249	200,522	200,865	208,891	197,466
92,725	91,657	89,530	92,064	54,893	97,444
					-
22,062	27,076	27,898	23,410	21,259	22,995
66,185	81,228	83,694	70,229	63,778	68,984
<u>344,141</u>	<u>377,210</u>	<u>401,644</u>	<u>386,568</u>	<u>348,821</u>	<u>386,889</u>
9,114,880	9,388,309	9,799,880	9,909,134	9,259,967	9,456,082
9,898					
2,908,957	2,292,941	1,798,320	1,879,647	1,702,720	1,976,899
<u>\$ 12,033,735</u>	<u>\$ 11,681,250</u>	<u>\$ 11,598,200</u>	<u>\$ 11,788,781</u>	<u>\$ 10,962,687</u>	<u>\$ 11,432,981</u>

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
CHANGE IN NET POSITION  
For the last ten fiscal years**

	2015	2014	2013	2012
<b>Revenues:</b>				
Program revenues:				
Charges for services	\$ 1,149,154	\$ 1,578,123	\$ 932,235	\$ 968,436
Operating grants and contributions	320,539	-	-	33,117
<b>General revenues:</b>				
City of Ashland	4,896,167	3,959,833		
Property taxes		-	4,082,108	4,349,737
Interest	4,957	7,934	16,133	20,698
Other	17,620	53,234	67,690	35,648
<b>Total revenues</b>	<u>6,388,437</u>	<u>5,599,124</u>	<u>5,098,166</u>	<u>5,407,636</u>
<b>Expenses:</b>				
Parks	3,921,790	4,372,964	4,515,960	3,363,614
Recreation	1,124,584	935,821	1,207,171	1,060,887
Golf course	406,176	572,695	371,911	454,669
Debt service	-	-	-	-
<b>Total expenses</b>	<u>5,452,550</u>	<u>5,881,480</u>	<u>6,095,042</u>	<u>4,879,170</u>
Increase (Decrease) in net assets	935,887	(282,356)	(996,876)	528,466
Net position - Beginning, Restated	9,455,758	11,421,952	12,562,201	12,033,735
Prior Period Adjustment			(143,373)	
<b>Net position - Ending</b>	<u>\$ 10,391,645</u>	<u>\$ 11,139,596</u>	<u>\$ 11,421,952</u>	<u>\$ 12,562,201</u>

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
CHANGE IN NET POSITION  
For the last ten fiscal years (continued)**

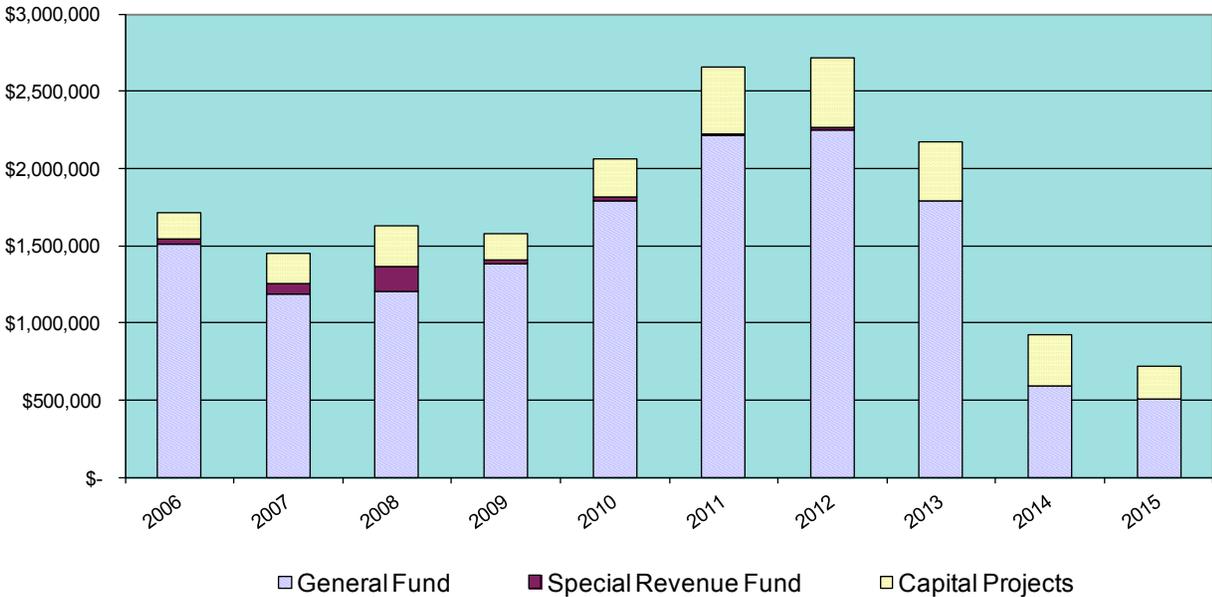
<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 1,101,358	\$ 1,010,118	\$ 1,019,780	\$ 890,905	\$ 888,857	\$ 957,870
21,140	9,983	-	733,847	19,796	33,536
4,210,320	4,082,522	3,970,602	6,434,459	5,826,859	5,734,513
16,096	23,515	22,455	104,150	107,140	73,410
47,888	21,785	256,122	137,340	-	-
<u>5,396,802</u>	<u>5,147,923</u>	<u>5,268,959</u>	<u>8,300,701</u>	<u>6,842,652</u>	<u>6,799,329</u>
3,557,166	3,452,280	3,884,152	3,600,415	3,624,837	3,484,095
1,141,094	1,135,400	1,151,793	3,472,763	3,312,781	3,240,475
346,057	477,193	423,595	401,429	375,328	390,461
-	-	-	-	-	11,773
<u>5,044,317</u>	<u>5,064,873</u>	<u>5,459,540</u>	<u>7,474,607</u>	<u>7,312,946</u>	<u>7,126,804</u>
352,485	83,050	(190,581)	826,094	(470,294)	(327,475)
11,681,250	11,598,200	11,788,781	10,962,687	11,432,981	11,760,456
<u>\$ 12,033,735</u>	<u>\$ 11,681,250</u>	<u>\$ 11,598,200</u>	<u>\$ 11,788,781</u>	<u>\$ 10,962,687</u>	<u>\$ 11,432,981</u>

2015 statistical section

**ASHLAND PARKS AND RECREATION COMMISSION  
FUND BALANCES  
For the last ten fiscal years**

	2015	2014	2013	2012
<b>General Fund</b>				
Unassigned, reported in: General Fund	\$ 503,626	\$ 583,394	\$ 1,783,433	\$ 2,242,227
<b>Total General Fund</b>	<u>503,626</u>	<u>583,394</u>	<u>1,783,433</u>	<u>2,242,227</u>
<b>Special Revenue Fund</b>				
Restricted, reported in: Special revenue Funds	-	-	-	20,325
<b>Total Special Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,325</u>
<b>Capital Projects</b>				
Committed, reported in: Capital projects funds	209,302	332,482	387,632	449,132
<b>Total Capital Projects</b>	<u>209,302</u>	<u>332,482</u>	<u>387,632</u>	<u>449,132</u>
<b>Total Governmental Funds</b>	<u>\$ 712,928</u>	<u>\$ 915,876</u>	<u>\$ 2,171,065</u>	<u>\$ 2,711,684</u>

Fund Balance Comparison  
Governmental Funds  
Last Ten Years



**ASHLAND PARKS AND RECREATION COMMISSION  
FUND BALANCES  
For the last ten fiscal years (continued)**

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 2,214,031	\$ 1,787,781	\$ 1,379,752	\$ 1,201,443	\$ 1,180,912	\$ 1,507,367
<u>2,214,031</u>	<u>1,787,781</u>	<u>1,379,752</u>	<u>1,201,443</u>	<u>1,180,912</u>	<u>1,507,367</u>
9,898	22,534	27,356	160,591	72,671	35,374
<u>9,898</u>	<u>22,534</u>	<u>27,356</u>	<u>160,591</u>	<u>72,671</u>	<u>35,374</u>
432,867	252,864	166,991	263,343	195,390	165,326
<u>432,867</u>	<u>252,864</u>	<u>166,991</u>	<u>263,343</u>	<u>195,390</u>	<u>165,326</u>
<u>\$ 2,656,796</u>	<u>\$ 2,063,179</u>	<u>\$ 1,574,099</u>	<u>\$ 1,625,377</u>	<u>\$ 1,448,973</u>	<u>\$ 1,708,067</u>

**2015 statistical section**

**ASHLAND PARKS AND RECREATION  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENT FUNDS  
For the last ten fiscal years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>REVENUES:</b>				
Property Taxes:	\$ -	\$ -	\$ 4,434,223	\$ 4,349,737
City of Ashland	4,896,167	3,959,833		
Intergovernmental Revenues	320,539	724,634	-	33,117
Charges for Services	1,149,154	853,490	932,235	968,436
Interest Revenue	4,957	7,934	16,133	20,698
Miscellaneous Revenue	17,620	53,234	67,690	35,648
<b>Total Revenues</b>	<u>6,388,437</u>	<u>5,599,125</u>	<u>5,450,281</u>	<u>5,407,636</u>
<b>EXPENDITURES:</b>				
Current:				
Parks	3,753,591	3,719,517	3,855,744	3,800,834
Recreation	1,300,196	1,207,579	1,184,863	1,032,591
Golf Course	501,458	524,969	419,249	414,374
Capital Outlay	1,036,140	1,402,249	531,044	104,949
Debt Service	-	-	-	-
Ratio of Debt Service to non capital expenditures	0.00%	0.00%	0.00%	0.00%
<b>Total Expenditures</b>	<u>6,591,385</u>	<u>6,854,314</u>	<u>5,990,900</u>	<u>5,352,748</u>
Excess of Revenues Over, (Under)				
Expenditures	(202,948)	(1,255,189)	(540,619)	54,888
Other Financing Sources, (Uses)				
Transfers In	320,000	602,000	370,325	-
Transfers Out	(320,000)	(602,000)	(370,325)	-
<b>Total Other Financing Sources, (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	(202,948)	(1,255,189)	(540,619)	54,888
<b>Fund Balance - Beginning of Year,</b>	915,876	2,171,065	2,711,684	2,656,796
Prior Period Adjustment	-	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ 712,928</u>	<u>\$ 915,876</u>	<u>\$ 2,171,065</u>	<u>\$ 2,711,684</u>

**ASHLAND PARKS AND RECREATION  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENT FUNDS  
For the last ten fiscal years (continued)**

2011	2010	2009	2008	2007	2006
\$ 4,210,320	\$ 4,082,522	\$ 3,982,698	\$ 6,425,334	\$ 5,848,886	\$ 5,683,452
21,140	9,983	-	79,026	118,097	128,536
1,101,358	1,010,118	1,019,781	811,879	747,933	814,550
16,096	23,515	22,455	104,150	107,140	73,410
47,888	21,785	256,122	137,340	42,623	48,320
<u>5,396,802</u>	<u>5,147,923</u>	<u>5,281,056</u>	<u>7,557,729</u>	<u>6,864,679</u>	<u>6,748,268</u>
3,277,305	3,121,588	3,487,474	3,460,324	3,454,492	3,202,140
1,080,917	1,081,399	1,315,635	3,426,125	3,156,750	3,195,195
281,834	437,285	370,199	361,825	357,650	348,104
163,129	18,571	159,026	133,051	154,881	273,460
-	-	-	-	-	12,285
0.00%	0.00%	0.00%	0.00%	0.00%	0.18%
<u>4,803,185</u>	<u>4,658,843</u>	<u>5,332,334</u>	<u>7,381,325</u>	<u>7,123,773</u>	<u>7,031,184</u>
593,617	489,080	(51,278)	176,404	(259,094)	(282,916)
-	-	-	110,000	80,000	125,000
-	-	-	(110,000)	(80,000)	(125,000)
-	-	-	-	-	-
593,617	489,080	(51,278)	176,404	(259,094)	(282,916)
2,063,179	1,574,099	1,625,377	1,448,973	1,708,067	1,932,787
-	-	-	-	-	(58,196)
<u>\$ 2,656,796</u>	<u>\$ 2,063,179</u>	<u>\$ 1,574,099</u>	<u>\$ 1,625,377</u>	<u>\$ 1,448,973</u>	<u>\$ 1,708,067</u>

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
ADOPTED AND ACTUAL FUND BALANCE  
For the last ten fiscal years**

<b>Fund Balances</b>	<u>2015</u> Adopted	<u>2014</u> Adopted	<u>2013</u> Adopted	<u>2012</u> Adopted
<b>Parks Component</b>				
Parks and Recreation Fund	\$ 666,289	\$ 666,289	\$ 1,290,439	\$ 1,703,840
Youth Activities Levy Fund		-	-	-
Parks Capital Improvements Fund	302,132	302,132	242,067	193,504
<b>Total Budget</b>	<u><u>968,421</u></u>	<u><u>968,421</u></u>	<u><u>1,532,506</u></u>	<u><u>1,897,344</u></u>
<b>For the Fiscal Year Ended June 30,</b>	2015	2014	2013	2012
<b>Fund Balances</b>	Actual	Actual	Actual	Actual
<b>Parks Component</b>				
Parks and Recreation Fund	503,626	583,394	1,783,433	2,242,227
Youth Activities Levy Fund		-	-	20,325
Parks Capital Improvements Fund	209,302	332,482	387,632	449,132
<b>Total Budget</b>	<u><u>\$ 712,928</u></u>	<u><u>\$ 915,876</u></u>	<u><u>\$ 2,171,065</u></u>	<u><u>\$ 2,711,684</u></u>

**ASHLAND PARKS AND RECREATION COMMISSION  
ADOPTED AND ACTUAL FUND BALANCE  
For the last ten fiscal years (continued)**

2011 Adopted	2010 Adopted	2009 Adopted	2008 Adopted	2007 Adopted	2006 Adopted
\$ 1,409,225	\$ 1,450,910	\$ 1,190,614	\$ 877,245	\$ 667,250	\$ 993,667
-	10,591	-	216,893	-	125,306
167,739	287,239	107,590	26,926	44,866	112,569
<b>1,576,964</b>	<b>1,748,740</b>	<b>1,298,204</b>	<b>1,121,064</b>	<b>712,116</b>	<b>1,231,542</b>
2011 Actual	2010 Actual	2009 Actual	2008 Actual	2007 Actual	2006 Actual
2,214,031	1,787,781	1,379,752	1,201,443	1,180,912	1,507,367
9,898	22,534	27,356	160,591	72,671	35,374
432,867	252,864	166,991	263,343	195,390	165,326
<b>\$ 2,656,796</b>	<b>\$ 2,063,179</b>	<b>\$ 1,574,099</b>	<b>\$ 1,625,377</b>	<b>\$ 1,448,973</b>	<b>\$ 1,708,067</b>

2015 statistical section

**ASHLAND PARKS AND RECREATION COMMISSION**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**For the last ten fiscal years - Unaudited**

Fiscal Year Ended June 30	Real (1)	Mobile Home	Personal	Utilities	Total	Property Tax Rate	Taxable ratio (True Cash Value to Assessed)
2014-15	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013-14	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012-13	\$ 2,079,286,927	\$ 6,060,300	\$ 36,739,550	\$ 26,166,700	\$ 2,148,253,477	2.09	73.3%
2011-12	2,055,111,118	6,318,010	40,939,090	26,290,929	2,128,659,147	2.09	67.7%
2010-11	2,000,563,826	5,956,110	41,057,580	24,422,710	2,072,000,226	2.09	61.0%
2009-10	1,937,303,620	5,881,825	40,133,110	24,860,300	2,008,178,855	2.09	53.0%
2008-09	1,871,896,544	5,744,350	44,282,840	21,243,990	1,943,167,724	2.09	48.4%
2007-08	1,802,639,910	5,762,080	44,536,050	22,372,000	1,875,310,040	3.47	46.9%
2006-07	1,700,020,579	5,498,040	40,468,280	20,509,400	1,766,496,299	3.47	46.6%
2005-06	1,610,148,502	5,301,570	38,820,610	20,344,260	1,674,614,942	3.47	51.3%

All property is evaluated once every six years as required by State Statute.

N/A: As of July 1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

Source: County Assessor tax roll property values.

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUATION)  
For the last ten fiscal years - Unaudited**

Fiscal Year	Parks Commission	Parks YAL	City of Ashland Permanent	City of Ashland		City of Ashland Total Tax Rate	Net General Government Tax Rate	Net School Support Tax Rate	Total
				Bonded Debt	Local Option Levies				
2014-15	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013-14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012-13	2.09	-	2.10	0.24	0.19	4.62	7.16	8.38	15.54
2011-12	2.09	-	2.10	0.24	0.19	4.63	7.18	8.38	15.56
2010-11	2.09	-	2.10	0.32	0.19	4.70	7.25	7.14	14.39
2009-10	2.09	-	2.10	0.20	0.19	4.59	7.17	7.14	14.31
2008-09	2.09	-	1.99	0.21	0.13	4.42	6.90	8.42	15.31
2007-08	2.09	1.38	1.85	0.20	0.20	5.72	8.12	6.90	15.01
2006-07	2.09	1.38	1.88	0.21	-	5.56	8.30	6.37	14.67
2005-06	2.09	1.38	1.62	0.16	-	5.26	8.01	6.28	14.29

N/A: As of July 1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

(1) Oregon Measure 5 limited the effective tax rates of General Government and School Support after December 7, 1990. At the present time, only school support tax rates have been compressed and limited.

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

Source: Jackson County Assessor and Tax Collector

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
PROPERTY VALUE AND NEW CONSTRUCTION HISTORY  
FOR THE CITY OF ASHLAND, OREGON  
For the last ten fiscal years - Unaudited**

Fiscal Year Ended June 30	Property Value (1)	Commercial Construction		Residential Construction	
		Number of Units	Value	Number of Units	Value
2014-15	N/A		N/A		N/A
2013-14	N/A		N/A		N/A
2012-13	\$ 2,079,286,927	8	\$ 1,632,075	56	\$ 11,568,784
2011-12	2,148,253,477	10	34,221,808	33	6,123,270
2010-11	2,072,000,226	11	1,989,421	47	7,531,926
2009-10	2,008,178,855	4	611,406	89	14,985,434
2008-09	1,943,167,724	15	1,812,635	21	5,108,099
2007-08	1,875,310,040	23	16,269,379	82	8,258,031
2006-07	1,766,496,299	26	8,086,124	98	15,270,781
2005-06	1,674,614,942	19	20,988,810	160	24,336,944

N/A: As of July1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

(1) Property value is assessed valuation

Sources: State of Oregon Department of Insurance and Finance,  
Division of Finance and Corporate Securities

City of Ashland, Department of Community Development

Jackson County Assessor

2015 statistical section

**ASHLAND PARKS AND RECREATION COMMISSION  
PRINCIPAL PROPERTY TAX PAYERS  
Current year and ten years ago**

<u>Taxpayers</u>	<u>Type of Business</u>	<u>2015 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Deluca Ronald L Trustee	Housing	\$ 11,047,590	0.49%
Avista Corp.	Utility	10,740,000	0.47%
Ashland Community Hopsital	Hospital	9,014,730	0.40%
Financial Pacific INC	Financial	7,003,110	0.31%
Charter Communication	Utility	6,215,400	0.27%
Skylark Assisted Living	Assisted Care	6,067,120	0.27%
Ashland Shopping Center LLC	Retail	5,815,390	0.26%
Mark Antony Hist Prop LLC	Motel	5,799,800	0.25%
Bard's Inn	Motel	5,471,920	0.24%
Plaza Hospitality	Motel	5,379,140	0.24%
All other		2,275,892,588	96.80%
<b>Total</b>		<b>\$ 2,348,446,788</b>	<b>100.00%</b>

<u>Taxpayers</u>	<u>Type of Business</u>	<u>2006 Assessed Valuation</u>	<u>of Total Assessed Valuation</u>
AHI Inc.	Motels	\$ 14,752,870	0.93%
US West Communications, Inc.	Utility	9,339,270	0.59%
Washington Water Power Co.	Utility	7,732,200	0.49%
Warren Family Limited Partnership	Construction	5,979,500	0.38%
Brodeur/Brodeur Inc.	Motels	5,164,000	0.32%
Payless Drug Stores	Retail	4,327,280	0.27%
Stand-By Corporation Inc.	Retail	4,268,270	0.27%
Ashland Investment Group	Housing	4,071,850	0.26%
MDK Investments	Housing	3,986,320	0.25%
Albertson's Inc.	Retail	3,649,510	0.23%
All other		1,528,249,280	96.02%
<b>Total</b>		<b>\$ 1,591,520,350</b>	<b>100.00%</b>

Source: Jackson County Assessor

2015 statistical section

**ASHLAND PARKS AND RECREATION COMMISSION  
PROPERTY TAX LEVIES AND COLLECTIONS  
For the last ten fiscal years - Unaudited**

<b>Fiscal Year Ended June 30</b>	<b>Total Tax Levy (1)</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Tax Collections (2)(3)</b>	<b>Total Tax Collections</b>	<b>Total Tax Collections to Tax Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Delinquent Taxes to Tax Levy</b>
2014-15	N/A	N/A	N/A	N/A	N/A	N/A		
2013-14	N/A	N/A	N/A	N/A	N/A	N/A		
2012-13	\$ 4,566,229	\$ 4,290,892	94.0%	\$ 143,331	\$ 4,434,223	97.1%	\$ - **	
2011-12	4,444,689	4,150,020	93.4%	199,717	4,349,737	97.9%	370,792	8.3%
2010-11	4,303,634	4,033,202	93.7%	177,118	4,210,320	97.8%	382,865	8.9%
2009-10	4,188,739	3,876,127	92.5%	206,395	4,082,522	97.5%	369,388	8.8%
2008-09	4,082,000	3,769,727	92.4%	212,971	3,982,698	97.6%	368,142	9.0%
2007-08	6,437,000	6,120,830	95.1%	304,504	6,425,334	99.8%	386,155	6.0%
2006-07	6,116,000	5,655,058	92.5%	202,943	5,858,001	95.8%	381,549	6.2%
2005-06	5,825,000	5,113,995	87.8%	569,457	5,683,451	97.6%	408,392	7.0%

N/A: As of July1st, 2013 the Ashland Parks and Recreation does not received Property Taxes

\*\*Note: The City of Ashland has retained the rights to taxes and receivables for FY 2013-2014 and the foreseeable future thus no receivable is recorded for Ashland Park Commission.

Sources: Basic financial statements; Ashland Parks and Recreation Commission financial records

**ASHLAND PARKS AND RECREATION COMMISSION  
COMPUTATION OF DIRECT AND OVERLAPING BONDED DEBT - GENERAL OBLIGATION  
BONDS**

**For the year ended June 30, 2015 - Unaudited**

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to City</u>	<u>Amount Applicable to Parks</u>
<b>Direct:</b>			
Parks Commission	N/A	(1)	N/A
<b>Overlapping:</b>			
Jackson County	3,401,982	15.14%	515,060
School District #5	20,618,692	80.49%	16,595,985
Rogue Community College	<u>2,870,525</u>	(2) 15.14%	<u>434,597</u>
	<u>\$ 26,891,199</u>		<u>\$ 17,545,643</u>

(1) Excluding general obligation bonds reported in the Enterprise Funds supported by non-tax revenue sources

(2) Net tax supported debt

Source: City of Ashland Financial Statements and Records  
County Treasurer Statements of Bonded Indebtedness.

**CITY OF ASHLAND, OREGON  
PRINCIPAL EMPLOYERS  
Current and ten years ago**

<u>Employer</u>	<u>2015</u>	
	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	784	10.30%
Oregon Shakespeare Festival	676	8.88%
Ashland Public Schools	308	4.04%
City of Ashland	305	4.01%
Asante Ashland Community Hospital	290	3.81%
Total	<u>2,363</u>	<u>31.03%</u>
Estimated total city employment	7,614	

<u>Employer</u>	<u>2006</u>	
	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Southern Oregon University	750	8.96%
Oregon Shakespeare Festival	450	5.38%
Ashland Public Schools	429	5.13%
Ashland Community Hospital	425	5.08%
City of Ashland	269	3.21%
Subtotal	<u>2,323</u>	<u>25.81%</u>
Professional Tool Mfg. LLC	95	1.14%
Prestige Care (dba Linda Vista)	84	1.00%
Albertsons	71	0.85%
Ashland Springs Hotel	65	0.78%
Windmill Inn of Ashland	53	0.63%
	0	0.00%
Total	<u>2,691</u>	<u>32.15%</u>
Estimated total city employment	8,369	

Source: Ashland Chamber of Commerce

Note: Ashland Chamber of Commerce has changed their reporting method and now only tracks the top five employers in the city

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**ASHLAND PARKS AND RECREATION COMMISSION**  
**DEMOGRAPHIC STATISTICS FOR THE CITY OF ASHLAND, OREGON**  
**For the last ten fiscal years - Unaudited**

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<b>Fiscal Year Ended June 30</b>	<b>Population (1)</b>	<b>Percentage Change</b>	<b>Per Capita Income (2)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate Jackson Co. (2)</b>
2014-15	20,684	1.56%	N/A	2,735	6.6%
2013-14	20,366	0.20%	N/A	2,800	8.4%
2012-13	20,325	-5.29%	N/A	2,700	8.3%
2011-12	21,460	6.79%	N/A	2,720	8.3%
2010-11	20,095	-6.56%	N/A	2,737	11.9%
2009-10	21,505	0.09%	N/A	2,819	12.1%
2008-09	21,485	-1.44%	\$ 18,219	2,767	13.6%
2007-08	21,800	1.73%	19,770	2,846	6.7%
2006-07	21,430	2.63%	21,636	2,909	5.6%
2005-06	20,880	1.41%	22,079	2,915	5.7%

Sources:

(1) Center for Population and Research and Census,  
Portland State University

(2) State of Oregon Employment Division,  
Department of Human Resources

(3) Ashland School District

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
EMPLOYEE BY FUNCTION/PROGRAM (UNAUDITED)  
For the last ten fiscal years**

<b>Function/Program</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Parks Division</b>				
Director	1.00	1.00	1.00	1.00
Parks Superintendent	1.00	1.00	1.00	1.00
Department Secretary	1.00	1.00	1.00	1.00
Lead Custodian	1.00	1.00	1.00	1.00
Custodian	1.00	1.00	1.00	1.00
Volunteer Coordinator	1.00	1.00	1.00	1.00
Park Worker				
Park Technician I	12.20	12.20	12.20	12.20
Park Technician II	3.00	3.00	3.00	3.00
Park Technician III	3.00	3.00	3.00	3.00
Temps	3.00	3.00	3.00	3.00
<b>Recreation Division</b>				
Recreation Superintendent	1.00	1.00	1.00	1.00
CC/Recreation Facilities Manager	0.25	0.25	0.25	0.25
Recreation Coordinator	1.00	1.00	1.00	1.00
Environmental Education Coordinator	1.80	1.80	1.80	1.80
Promotions Coordinator	1.00	1.00	1.00	1.00
Senior Program Director	1.00	1.00	1.00	1.00
Senior Center Specialist	0.70	0.70	0.70	0.70
Senior Center Info/Ref Specialist	0.55	0.55	0.55	0.55
Receptionist	1.00	1.00	1.00	1.00
Environmental Ed Assistant	1.00	1.00	1.00	1.00
Temps	3.70	3.70	3.70	3.70
<b>Golf Division</b>				
Golf Manager	1.00	1.00	1.00	1.00
Assistant Manager	0.80	0.80	0.80	0.80
Greens Superintendent	1.00	1.00	1.00	1.00
Park Technician I	0.80	0.80	0.80	0.80
	<b>43.80</b>	<b>43.80</b>	<b>43.80</b>	<b>43.80</b>

**ASHLAND PARKS AND RECREATION COMMISSION  
EMPLOYEE BY FUNCTION/PROGRAM (UNAUDITED)  
For the last ten fiscal years (continued)**

2011	2010	2009	2008	2007	2006
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	2.00	2.00	2.00
1.00					
5.00	5.00	8.00	8.00	8.00	8.00
6.00	5.00	6.00	6.00	5.00	5.00
6.00	7.00	7.00	7.00	8.00	8.00
2.00	4.00	5.00	5.00	5.00	5.00
3.00	3.00	6.70	6.70	6.70	6.70
1.00	1.00	1.00	1.00	1.00	1.00
	1.00	1.00	1.00	1.00	1.00
1.00	1.00	2.00	2.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	-	-
0.80	0.80	0.80	0.80	0.80	0.80
0.80	0.80	0.70	0.70	0.70	0.70
0.35	0.35	0.35	0.35	0.25	0.25
0.00	0.00	1.00	1.00	1.00	1.00
2.00	2.00	1.00	1.00	1.00	1.00
3.70	3.70				
1.00	1.00				
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00				
<u><u>43.65</u></u>	<u><u>45.65</u></u>	<u><u>48.55</u></u>	<u><u>49.55</u></u>	<u><u>47.45</u></u>	<u><u>47.45</u></u>

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
OPERATING INDICATORS AND CAPTIAL ASSETS AND  
INFRASTRUCTURE BY FUNCTION/PROGRAM**

**For the last ten fiscal years**

Function/Program	Actual 2015	Actual 2014	Actual 2013	Actual 2012
<b>Forestry, Trails, and Natural Resources</b>				
Acres treated/retreated for fuel reduction	197	166	166	142
Miles of trail maintained	40	29	29	29
<b>Horticulture</b>				
Trees maintained	5,058	5,058	5,058	5,000
Number of trees planted	41	58	58	40
Number of plants planted	7,765	11,093	11,093	15,250
Acres mowed- athletic area	46	46	46	46
<b>Parks and Recreation Community Facilities</b>				
Community Center Rentals	39%	38%	42%	42%
Pioneer Hall Rentals	28%	28%	22%	17%
Hunter Park usage	49%	49%	21%	25%
Lithia Park Reservations	3%	4%	4%	3%
The Grove usage	25%	20%	11%	11%
(% rented of available rental hours)				
<b>Aquatic Facilities</b>				
Recreational swimmers	9,299	10,000 (est)	10,000	10,000 (est)
Lesson participants	341	317	275	282
Accidents per season	6	-	-	-
Number of seasonal employees	23	23*	14	13
<b>Ice Rink Facilities</b>				
Number of admissions	15,049	14500 (est)	14500 (est)	14,500
Accidents per season	9	1	1	-
Number of seasonal employees	17	14	12	10
<b>Golf Division</b>				
Total rounds of golf	16,998	17,859	17,916	17,528

\*more staff hired to decrease overtime

\*\* Includes punch card sales but not individual sales (157 punch cards sold).

**ASHLAND PARKS AND RECREATION COMMISSION  
OPERATING INDICATORS AND CAPITAL ASSETS AND  
INFRASTRUCTURE BY FUNCTION/PROGRAM  
For the last ten fiscal years (continued)**

Actual 2011	Actual 2010	Actual 2009	Actual 2008	Actual 2007	Actual 2006
98	63	63	40	45	45
29	25	25	25	25	25
5,000	5,000	5,000	5,000	5,000	5,000
40	40	40	100	60	50
15,250	15,250	15,250	15,100	15,000	15,000
46	46	46	46	46	46
38%	37%	290	300	267	139
23%	20%	270	297	229	110
21%	21%	88	70	60	20
3%	7%	108	109	104	104
11%	8%	31	50	35	20
10,000 (est)	10,500	10,500	11,000	12,100	12,200
286	475	475	500	603	576
-	-	-	-	-	-
17	19	19	14	17	17
14,500	14,850	1,500	11,500	12,400	12,299
-	-	-	-	1	-
10	10	6	9	10	10
16,820	18,093	12,209	17,159	19,623	20,964

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**ASHLAND PARKS AND RECREATION COMMISSION  
MISCELLANEOUS STATISTICS  
For the year ended June 30, 2015**

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**Dedicated Park Land** 785 Acres

**Dedicated Park Sites:** 19

- Lithia Park
- Greenway Park Property
- Hunter Park
- Garden Way Park
- Clay Street Park
- Sherwood Park
- Triangle Park
- YMCA City Park
- Garfield Park
- Glenwood Park
- Bluebird Park
- Railroad District Park
- Water Street Park
- Siskiyou Mountain Park
- North Mountain Park
- Oak Knoll Golf Course
- Todd - Oredson Woods
- Strawberry/Hald Property
- Vogel Property

**Number of Parks and Recreation Facilities**

- Community Centers 3
- Swimming Pool 1
- Tennis Courts 12
- Playgrounds 10
- Golf Course 1
- Seasonal Ice Rink 1
- Skateboard Facility 1
- Trails 29 Miles

**Number of Parks and Recreation Employees** 37.10

(not including temporary or part time employees)

**Usage Agreements:**

The Ashland Parks and Recreation Commission has joint usage agreements with the Ashland School District for community/school park sites located at all the elementary schools in Ashland.

The Ashland Parks and Recreation Commission has a usage agreement with Southern Oregon University for usage of the North Campus Athletic Fields.

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**ASHLAND PARKS AND RECREATION COMMISSION  
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION (1)  
For the last ten fiscal years - Unaudited**

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<b>Fiscal Year Ended June 30</b>	<b>Parks and Recreation</b>	<b>Capital Outlay</b>	<b>Debt Service</b>	<b>Total Expenditures</b>
2014-15	\$ 5,555,245	\$ 1,036,140	\$ -	\$ 6,591,385
2013-14	5,452,065	1,402,249	-	6,854,314
2012-13	5,459,855	531,044	-	5,990,899
2011-12	5,247,799	101,949	-	5,349,748
2010-11	4,633,591	94,830	-	4,728,421
2009-10	4,596,836	18,571	-	4,615,407
2008-09	5,173,308	159,026	-	5,332,334
2007-08	7,248,274	133,051	-	7,381,325
2006-07	6,968,892	154,881	-	7,123,773
2005-06	6,870,437	273,460	12,285	7,156,183

(1) Includes General, Special Revenue and Capital Projects Funds

Sources: Basic financial statements; Ashland Parks  
and Recreation Commission financial records

**2015 statistical section**

**ASHLAND PARKS AND RECREATION COMMISSION  
GENERAL GOVERNMENT REVENUES BY SOURCE (1)  
For the last ten fiscal years - Unaudited**

<b>Fiscal Year Ended June 30</b>	<b>Property Taxes</b>	<b>City of Ashland</b>	<b>Intergovernmental</b>	<b>Charges for Services</b>	<b>Interest</b>	<b>Miscellaneous</b>	<b>Total Revenues</b>
2014-15	\$ -	\$ 4,896,167	\$ 320,539	\$ 1,149,154	\$ 4,957	\$ 17,620	\$ 6,388,437
2013-14	-	3,959,833	-	1,578,123	7,934	53,234	5,599,124
2012-13	4,082,108	-	-	932,235	16,133	67,690	5,098,166
2011-12	4,349,737	33,117	33,117	968,436	20,698	35,648	5,407,636
2010-11	4,210,320	21,140	21,140	1,101,358	16,096	47,888	5,396,802
2009-10	4,082,522	9,983	9,983	1,010,118	17,639	21,785	5,142,047
2008-09	3,982,698	-	-	1,019,781	22,455	256,122	5,281,056
2007-08	6,425,334	79,026	79,026	811,879	104,150	137,340	7,636,755
2006-07	5,848,886	118,097	118,097	747,933	107,140	42,623	6,982,776
2005-06	5,683,451	128,536	128,536	909,550	73,410	48,320	6,971,803

(1) Includes General, Special Revenue and Capital Projects Funds

Source: Basic financial statements; Ashland Parks  
and Recreation Commission financial records

ASHLAND PARKS AND RECREATION COMMISSION  
JACKSON COUNTY, OREGON

2013-14 AUDITORS' COMMENTS AND DISCLOSURES

**2015 auditors' comments and disclosures**

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**PAULY, ROGERS AND CO., P.C.**  
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www.paulyrogersandcocpas.com

September 27, 2015

### **Independent Auditor's Report Required by Oregon State Regulations**

We have audited the basic financial statements of the Ashland Parks and Recreation Commission as of and for the year ended June 30, 2015, and have issued our report thereon dated September 27, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### **Compliance**

As part of obtaining reasonable assurance about whether the Ashland Parks and Recreation Commission'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, our audit was not directed primarily toward obtaining knowledge of such noncompliance. As such, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe the Ashland Parks and Recreation Commission 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.

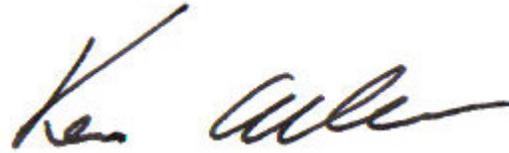
#### **OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the Ashland Parks and Recreation Commission's internal control over financial reporting as a basis for designing our auditing procedures 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 Ashland Parks and Recreation Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Ashland Parks and Recreation Commission's internal control over financial reporting.

**2015 auditors' comments and disclosures**

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This report is intended solely for the information and use of the Board of Commissioners/Council Members/Audit Committee Members and Management of Ashland Parks and Recreation Commission and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

A handwritten signature in black ink, appearing to read "Ken Allen". The signature is fluid and cursive, with a large initial "K" and a long horizontal stroke at the end.

Kenneth Allen, CPA  
PAULY, ROGERS AND CO., P.C.