

CITY OF MEDFORD

COMPREHENSIVE ANNUAL FINANCIAL REPORT



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MEDFORD
OREGON

**FOR THE FISCAL YEAR
ENDED: JUNE 30, 2019**

MEDFORD OREGON

Comprehensive Annual
Financial Report
For the Fiscal Year Ended
June 30, 2019

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF MEDFORD, OREGON

For the Fiscal Year Ended June 30, 2019

Prepared by:
City Finance Department

City of Medford
June 30, 2019
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Introductory Section



MEDFORD

CITY MANAGER'S OFFICE

December 30, 2019

Honorable Mayor, City Council Members
And Citizens of the City of Medford, Oregon:

In accordance with State statutes and local Charter provisions, I hereby transmit the Comprehensive Annual Financial Report of the City of Medford, Oregon as of June 30, 2019 and for the year then ended.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State law requires the financial statements of the City of Medford be audited by a certified public accountant selected by the City Council. The accounting firm of Moss Adams LLP conducted the audit for the fiscal year ending June 30, 2019 and has issued an unmodified ("clean") opinion. Their opinion is located in the Financial Section.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report in the Financial Section and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City:

The City of Medford, incorporated in 1885, is located in the southwestern part of Oregon. It currently occupies 26 square miles, has a population of just over 80,000 and an estimated service population of over 400,000. The City operates under the Council-Manager form of government. Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and eight council members, all elected on a non-partisan basis. The Council appoints the City Manager, who in turn appoints the heads of various departments. Council members, elected by ward, serve four-year terms, with four members elected every two years. The Mayor is elected at large for a four-year term.

The City of Medford provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational activities. It is

also financially accountable for a legally separate Water Commission, which is reported separately within the City's financial statements. Additional information on the Water Commission can be found in the notes to the financial statements.

Local Economy:

The City of Medford continues to experience increases in revenues which can be directly tied to the improving economy. Existing businesses continue to lead job creation with the vast majority of net new jobs coming from existing business growth. Medford continues to have increasing numbers of inquiries from businesses considering relocation and expansion. The City's Electronic Commerce Zone has historically been the most active in the State. Medford had an increase in revenues from property taxes due to an 8.6% increase in tax assessed values. Since the largest share of City revenues comes from property taxes, any change is significant and is closely monitored.

Local, State and Federal governments continue to be major area employers. Outside of government, health care is still the largest single category of employment in Medford with Asante Health Systems being the largest in the category and community with more than 4,200 employees. Transient lodging tax revenues continue to increase. Even during the economic downturn, transient lodging tax revenue was consistently stable. The amount of money spent by visitors and business travelers to Jackson County and Medford continues to be a solid revenue factor for the region. The tourism industry and sports tourism continues to grow in Jackson County and Medford with the addition of U.S. Cellular Community Sports Park and the growing wine and craft beer industries.

Long-term financial planning:

The economic climate in Medford continues to improve. Development applications and building permits continue to increase to expand local business. The City embraces its core value of accountability by making the best use of taxpayer dollars; focusing on ways to conserve its existing assets while improving livability. The City accomplishes this goal by maintaining a three month contingency fund for personnel and operating expenses.

The City continues its emphasis on assisting with the increase of affordable and workforce housing. In the 2019-21 biennial budget, the City utilized a \$1 million loan from the Building Safety Fund to jumpstart the Construction Excise Tax Fund, which has a goal to provide funding for affordable housing. Revenues come from a .33% tax on most new construction and home improvement building permits.

The City of Medford has become much more reliant this fiscal year on long-term forecasts and planning. Where previously the City would look at the two year budget cycle, staff and elected officials are now preparing or reviewing six years of financial forecasts. Forecasting six years into the future allows stakeholders to look more closely at trends, surpluses, and deficits and gives more opportunity to make the best use of taxpayer dollars. The six year forecast is part of the City's biennial budget that was adopted by Council in June 2019.

Awards and Acknowledgements:

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awards Certificates of Achievement for Excellence in Financial Reporting to those governments whose annual financial reports are judged to conform substantially to the high standards of public financial reporting, including generally accepted accounting principles promulgated by the Government Accounting Standards Board.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Medford for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report could not have been accomplished without the dedicated effort of the Finance Department's staff, and the cooperation of all City departments. Credit must also be given to the Mayor and the City Council for their unflinching support for maintaining the highest standards of professionalism in the management of the City of Medford's finances.

Respectfully submitted,



Brian Sjothun
City Manager



Government Finance Officers Association

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

Presented to

**City of Medford
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

**City of Medford
Officials of the City
June 30, 2019**

		<u>Term Expires December 31</u>
Gary Wheeler	Mayor	2020
Kay Brooks	Council Member Ward 3	2020
Alex Poythress	Council Member Ward 1	2022
Dick Gordon	Council Member Ward 1	2020
Eric Stark	Council Member Ward 4	2020
Tim D'Alessandro	Council Member Ward 2	2020
Michael Zarosinski	Council Member Ward 4	2022
Clay Bearson	Council Member Ward 2	2022
Kevin Stine	Council Member Ward 3	2022

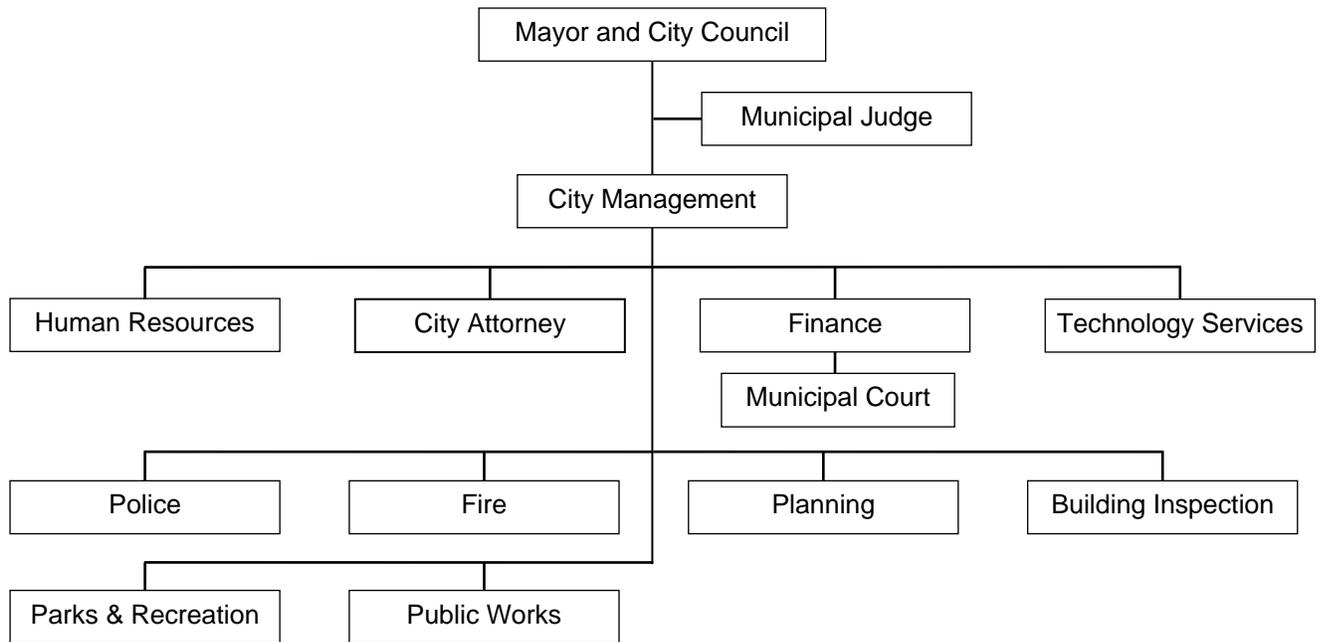
Principal Officials

Brian Sjothun, City Manager
Lori Cooper, City Attorney
Ryan Martin, Finance Director

City Address

City of Medford
411 West 8th Street
Medford, Oregon 97501

**City of Medford
Organizational Chart
June 30, 2019**



Financial Section

Report of Independent Auditors

Honorable Mayor and City Council Members
City of Medford, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Medford, Oregon (the "City") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Medford Water Commission, which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Medford Water Commission, are based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 4 through 10, budgetary comparison information and notes on pages 58 through 61, other postemployment benefit schedules on pages 55 through 56, and pension schedules and notes on page 57 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 management's discussion and analysis, other postemployment benefit schedules, and pension schedules in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary schedules, schedule of expenditures by division – budget and actual, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (collectively, the supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, statistical section and other schedules section are presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2019 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Auditing Standards

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated December 30, 2019, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Amanda McCleary-Moore
Medford, Oregon
December 30, 2019

CITY OF MEDFORD, OREGON
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2019

This discussion and analysis presents the highlights of the financial position for the City of Medford, Oregon (“the City”). The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the City. It focuses on current year activities and resulting changes.

Financial Highlights:

The City’s governmental activities assets totaled \$408.2 million at June 30, 2019 consisting of \$300.5 million in capital assets, \$97.3 million in cash and investments and \$8.5 million in receivables and other assets. The City’s governmental activities liabilities totaled \$141.1 million at June 30, 2019 consisting of \$80.3 million in noncurrent liabilities, \$13.8 million in accounts payable and other liabilities, and net pension liability of \$47.0 million. Total net position was \$279.8 million of which \$250.7 million was invested in capital assets, \$59.7 million was restricted and the remaining \$30.5 million was a deficit balance.

The City’s governmental activities net position increased by \$9.6 million or 8.6 percent. Overall governmental activities revenue increased by \$9.1 million or 8.6 percent. The increase was most noticeable in taxes, which increased by \$3.0 million. The \$3.0 million increase was a reflection of assessed tax valuations increasing by 8.4 percent. The franchise and lodging taxes are also trending up with the improving economy.

The City’s business-type activities assets totaled \$123.8 million at June 30, 2019 consisting of \$86.8 million in capital assets, \$34.8 million in cash and investments and \$2.1 million in receivables and other assets. The City’s business-type activities liabilities totaled \$7.5 million at June 30, 2019 consisting of \$0.4 million in noncurrent liabilities, \$1.0 million in accounts payable and other liabilities, and net pension liability of \$5.5 million. Total net position was \$117.8 million of which \$86.8 million was invested in capital, \$10.4 million was restricted and the remaining \$20.5 million was unrestricted.

The City’s business-type activities net position increased by \$4.5 million or 4.3 percent. Business-type activities total revenue increased by \$2.2 million or 6.4 percent.

Report Layout:

The City’s annual financial report consists of several sections. Taken together they provide a comprehensive financial look at the City. The components of the report include the following:

- ◆ **Management’s Discussion and Analysis.** This section of the report provides financial highlights and overviews.

- ◆ **Basic Financial Statements.** Includes Statement of Net Position, Statement of Activities, Fund Financial Statements, the Notes to the Financial Statements and Required Supplementary Information. Statements of Net Position and Activities focus on an entity-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated into a total for the City.

- The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the community owns, the liabilities it owes and the net difference.
 - The Statement of Activities focuses on gross and net costs of city programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues
 - Fund Financial Statements focus separately on major governmental funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Governmental Funds."
 - The Notes to the Financial Statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.
 - Required Supplementary Information contains budgetary comparison statements for the major general fund and special revenue governmental funds, presented in a biennium format.
- ◆ **Supplementary Information.** Readers desiring additional information can find it in the Supplementary Information section of this report. Components within this section include:
- Major Fund Budgetary Schedules
 - Special Revenue Funds (non major)
 - Debt Service Funds (non major)
 - Capital Projects Funds (non major)
 - Enterprise Funds (non major)
 - Internal Service Funds
- ◆ **Statistical Section.** This section includes trend information and demographics.
- ◆ **Reports by independent certified public auditors.** Supplemental communication on the City's compliance and internal controls as required by Oregon statutes and the Single Audit Act.

Government-Wide Financial Statement:

TABLE 1
CITY OF MEDFORD - STATEMENT OF NET POSITION
JUNE 30, 2019 AND 2018
(In millions)

	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2019	2018	2019	2018	2019	2018
Cash and investments	\$97.3	\$89.3	34.8	\$34.9	\$132.1	\$124.2
Other assets	10.3	8.7	2.1	1.3	12.4	10.0
Capital assets, net of depreciation	300.5	299.0	86.8	83.3	387.3	382.3
Total assets	<u>408.2</u>	<u>397.0</u>	<u>123.8</u>	<u>119.5</u>	<u>531.9</u>	<u>516.5</u>
Deferred outflows of	16.7	14.4	1.9	1.8	18.6	16.2
total assets and deferred	<u>\$424.8</u>	<u>\$411.4</u>	<u>\$125.7</u>	<u>\$121.3</u>	<u>\$550.6</u>	<u>\$532.7</u>
Other liabilities	\$13.8	\$12.1	1.0	\$2.0	\$14.8	\$14.1
Long-term debt outstanding	80.3	84.3	0.9	0.5	80.7	84.8
Net pension liability	47.0	43.0	5.5	5.4	52.5	48.4
Total Liabilities	<u>141.1</u>	<u>139.4</u>	<u>7.5</u>	<u>7.9</u>	<u>148.6</u>	<u>147.3</u>
Deferred inflow of resources	3.9	1.4	0.5	0.4	4.4	1.8
Net position:						
Net investment in capital	250.7	245.3	86.8	83.3	337.5	328.6
Restricted	59.7	55.0	10.4	11.3	70.1	66.3
Unrestricted	(30.5)	(30.0)	20.5	18.5	(10.0)	(11.5)
Total Net Position	<u>\$279.9</u>	<u>\$270.3</u>	<u>\$117.7</u>	<u>\$113.1</u>	<u>\$397.6</u>	<u>\$383.4</u>

TABLE 2
CITY OF MEDFORD - STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019 AND 2018
(In millions)

	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2019	2018	2019	2018	2019	2018
REVENUES						
General revenues:						
Taxes	\$57.5	\$54.5	\$-	\$-	\$57.5	\$54.5
Other	1.7	1.2	0.6	0.4	2.3	1.6
Program revenues:						
Charges for services	21.3	19.4	19.0	17.8	40.3	37.2
Operating	15.4	13.8	-	-	15.4	13.8
Capital	8.1	6.0	3.3	2.5	11.4	8.5
Total revenues	<u>104.0</u>	<u>94.9</u>	<u>22.9</u>	<u>20.7</u>	<u>126.9</u>	<u>115.6</u>
EXPENSES						
General government	9.5	10.8	-	-	10.9	10.8
Public safety	45.0	44.0	-	-	45.0	44.0
Highways and streets	17.7	15.2	-	-	16.8	15.2
Culture and recreation	12.0	13.2	-	-	13.2	13.2
Community development	7.9	5.2	-	-	6.1	5.2
Interest on long-term debt	3.5	4.2	-	-	3.5	4.2
Sewer services	-	-	16.6	14.9	16.6	14.9
Parking services	-	-	0.7	0.6	0.7	0.6
Total expenses	<u>95.5</u>	<u>92.6</u>	<u>17.3</u>	<u>15.5</u>	<u>112.8</u>	<u>108.1</u>
Increase (decrease) in net position before transfers	8.5	2.3	5.6	5.2	14.1	7.5
Transfers	1.1	1.0	(1.1)	(1.0)	-	-
Change in net position	9.6	3.3	4.5	4.2	14.1	7.5
Beginning Net Position	<u>270.3</u>	<u>267.2</u>	<u>113.2</u>	<u>108.7</u>	<u>383.5</u>	<u>375.9</u>
Ending Net Position	<u>\$279.9</u>	<u>\$270.3</u>	<u>\$117.7</u>	<u>\$113.1</u>	<u>\$397.6</u>	<u>\$383.4</u>

Financial Analysis:

Governmental Funds. As of the end of the current year, the City's governmental funds reported a combined ending fund balance of \$88.3 million, an increase from the prior year of \$7.7 million.

The General Fund ending fund balance decreased by \$1.1 million during the current fiscal year. Total General Fund revenues in 2019 increased by \$1.3 million, which comprised of increases in property taxes of \$.7 million, charges for services of \$.4 million, and investment earnings of \$.2 million (among other changes). General Fund expenditures decreased by \$1.1 million in 2019, which comprised mostly of a decrease in capital outlay of \$.8 million.

The Revenue Bond fund is used to pay debt service for the 2011B limited tax refunding bonds and the 2013 Police, Fire, and Parks limited tax revenue bonds. The total revenue bonds outstanding as of June 30, 2019 was \$38.3 million. The ending fund balance for the Revenue Bond Fund for 2019 was \$438.

As of June 30, 2019, the MURA Debt Service Fund had a total liability and fund balance of \$4.7 million. This is an increase of 3.6 million compared to 2018 and is due to MURA collecting the full division of taxes.

The Gas Tax Fund had a \$2.7 million increase in fund balance during the current fiscal year. This is due to projects in the second year of the biennium not proceeding as budgeted.

The Street SDC Fund had a \$.1 million decrease in fund balance during the current fiscal year. This is due to the current year street projects exceeding the street development fees collected.

The Street Improvement Fund, fund balance increased by \$1.4 million. This is due to the current year grants and other revenue collected exceeding street project expenses.

Proprietary Funds. The City has two enterprise funds: the Sewer Utility Fund and the Parking Facilities Fund. As of the end of the current year, the Sewer Utility Fund had unrestricted net position of \$19.3 million, restricted net position of \$10.4 million and investment in capital assets of \$84.2 million. Net position increased \$4.5 million to \$113.9 million. The Parking Facilities Fund had total net position \$3.8 million of which \$1.2 million is unrestricted. Net position increased by \$0.1 million.

Budgetary Highlights:

The City's final budget differed from the original budget in that it contains supplemental appropriations approved during the fiscal year. The budget for the General Fund resources increased by \$4.1 million.

TABLE 3
CITY OF MEDFORD - CAPITAL ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019 AND 2018
(In millions)

	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2019	2018	2019	2018	2019	2018
Land	\$24.3	\$24.2	\$1.7	\$1.7	\$26.0	\$25.4
Land rights of way	99.2	95.7	-	-	99.2	95.7
Construction in progress	7.8	6.7	2.0	3.1	9.8	9.8
Buildings	47.2	48.4	3.1	3.1	50.3	51.5
Improvements	26.5	24.8	12.9	13.7	39.3	38.5
Equipment	9.7	7.4	15.8	11.9	25.5	19.3
Sewers	-	-	19.0	17.7	19.0	17.7
Storm drains	-	-	32.3	32.0	32.3	32.0
Infrastructure	85.8	91.7	-	-	85.8	91.7
Total	<u>\$300.5</u>	<u>\$298.9</u>	<u>\$86.8</u>	<u>\$83.4</u>	<u>\$387.3</u>	<u>\$381.6</u>

Capital Assets and Debt Administration:

Capital Assets. As of June 30, 2019, the City had \$387.3 million in capital assets, net of depreciation as reflected in the following table, which represents a net increase (additions, deductions and depreciation) of \$5.7 million.

The following table reconciles the change in capital assets. Additions include assets acquired or under construction at year-end. Reductions are for disposition of assets and depreciation.

TABLE 4
CITY OF MEDFORD - CHANGE IN CAPITAL ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(In millions)

	Governmental	Business-type	Total
	Activities	Activities	
Beginning balance	\$299.0	\$83.4	\$382.4
Additions	23.4	10.2	\$33.6
Transfers and Deletions	-6.7	-3.1	\$(9.8)
Depreciation	-15.3	-3.7	\$(19.0)
Ending Balance	<u>\$300.5</u>	<u>\$86.8</u>	<u>\$387.3</u>

Capital assets, net of depreciation for governmental activities increased \$1.4 million. Additions included acquisition of land of \$3.7 million, buildings and building improvements of \$4.5 million, equipment purchases of \$4.5 million, infrastructure of \$3.0 million, and construction in progress of \$7.8 million. Offsetting these additions were depreciation of \$15.2 million and transfers and deletions of \$6.7 million.

Business-type activities capital assets, net of depreciation increased \$3.6 million. Additions included sewers of \$2.0 million, equipment and other additions of \$5.1 million, and construction in progress of \$2.0 million. Offsetting these additions were depreciation of \$3.7 million and transfers and dispositions of \$3.1 million. For more detailed information on the City's capital asset activity, refer to Note III (B) of the financial statements.

Debt Administration. As of year-end, the City had \$74.6 million in debt outstanding compared to \$79.3 million last year. For more detailed information, refer to Note III (C) of the financial statements.

TABLE 5
CITY OF MEDFORD - OUTSTANDING DEBT AT FISCAL YEAR END
FOR THE FISCAL YEAR ENDED JUNE 30, 2019 AND 2018
(In millions)

	Governmental Activities	Business-type Activities	Total
Bonds & notes payable	\$71.2	\$-	\$71.2
Unamortized premium	1.6	-	1.6
Compensated absences	3.5	0.4	3.9
Total	<u>\$74.6</u>	<u>\$0.4</u>	<u>\$75.0</u>

Economic Factors and the Biennium Budget:

The improving economy is positively impacting the City's revenues; the City saw noticeable increased tax valuations in the second year of the biennium, and increasing revenues in several other funds.

For the first year of the biennium the assessed tax valuation for property taxes was \$7.3 billion. The tax collection rate of 97.47% was quite a bit higher than the historical average for tax collection rates.

Financial Contact:

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate Medford's accountability. If you have questions about the report or need additional financial information, please contact the City's Finance Director at (541) 774-2030 or Room 380, 411 West 8th Street, Medford, Oregon 97501.

Basic Financial Statements

City of Medford
Statement of Net Position
June 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Medford Water Commission
ASSETS				
Cash and investments	\$ 97,330,819	\$ 34,808,271	\$ 132,139,090	\$ 22,386,761
Receivables				
Accounts	5,739,394	1,738,764	7,478,158	2,578,565
Taxes	2,742,143	-	2,742,143	-
Inventory	784,746	336,440	1,121,186	1,212,663
Prepaid expenses	535,260	-	535,260	213,458
Restricted cash and cash equivalents	236,216	-	236,216	324,607
Notes receivable	-	-	-	2,363,769
Capital assets not being depreciated	131,333,951	3,725,753	135,059,704	6,775,314
Depreciable capital assets, net	169,131,030	83,121,390	252,252,420	130,172,503
Net OPEB asset	338,222	45,526	383,748	-
Total assets	408,171,781	123,776,144	531,947,925	166,027,640
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related	156,291	21,038	177,329	-
Pension related	16,553,763	1,928,428	18,482,191	1,758,263
Total deferred outflows of resources	16,710,054	1,949,466	18,659,520	1,758,263
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 424,881,835	\$ 125,725,610	\$ 550,607,445	\$ 167,785,903
LIABILITIES				
Accounts payable	\$ 3,404,376	\$ 639,288	\$ 4,043,664	\$ 1,331,663
Payroll and related accruals	2,808,542	225,684	3,034,226	-
Unearned revenue	838,384	-	838,384	-
Retainage payable	143,122	51,181	-	-
Deposits	5,052,317	128,943	5,181,260	411,352
Accrued interest payable	940,478	-	940,478	-
Claims payable	584,670	-	584,670	-
Long-term liabilities				
Due within one year				
Bonds payable	5,861,128	-	5,861,128	-
Compensated absences	691,629	82,642	774,271	378,400
Due in more than one year				
Bonds payable, including unamortized premium of \$1,605,085	66,914,652	-	66,914,652	-
Compensated absences	2,766,517	330,567	3,097,084	93,616
Total OPEB liability	4,114,809	553,868	4,668,677	-
Net pension liability	46,973,318	5,472,154	52,445,472	4,989,283
Total liabilities	141,093,942	7,484,327	148,578,269	7,204,314
DEFERRED INFLOWS OF RESOURCES				
OPEB related	95,939	12,914	108,853	-
Pension related	3,853,783	448,946	4,302,729	409,330
Total deferred inflows of resources	3,949,722	461,860	4,411,582	409,330
NET POSITION				
Net investment in capital assets	250,699,201	86,847,143	337,546,344	136,947,817
Restricted for				
Future system development	-	10,410,666	10,410,666	-
Public safety	2,032,934	-	2,032,934	-
Highways and streets	43,640,737	-	43,640,737	-
Culture and recreation	5,503,652	-	5,503,652	-
Community development	5,069,357	-	5,069,357	-
Debt service	3,415,192	-	3,415,192	347,939
Unrestricted	(30,522,902)	20,521,614	(10,001,288)	22,876,503
Total net position	279,838,171	117,779,423	397,617,594	160,172,259
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 424,881,835	\$ 125,725,610	\$ 550,607,445	\$ 167,785,903

**City of Medford
Statement of Activities
For the Year Ended June 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Medford Water Commission
		Fines, Fees, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
PRIMARY GOVERNMENT								
Governmental activities								
General government	\$ 9,490,305	\$ 2,892,728	\$ 6,653,679	\$ -	\$ 56,102	\$ -	\$ 56,102	\$ -
Public safety	45,008,775	5,831,015	21,714	-	(39,156,046)	-	(39,156,046)	-
Highways and streets	17,713,304	8,671,653	6,427,123	8,097,759	5,483,231	-	5,483,231	-
Culture and recreation	11,965,388	1,680,673	999,175	-	(9,285,540)	-	(9,285,540)	-
Community development	7,933,411	2,250,546	1,298,110	-	(4,384,755)	-	(4,384,755)	-
Interest on long-term debt	3,487,880	-	-	-	(3,487,880)	-	(3,487,880)	-
Total governmental activities	<u>95,599,063</u>	<u>21,326,615</u>	<u>15,399,801</u>	<u>8,097,759</u>	<u>(50,774,888)</u>	<u>-</u>	<u>(50,774,888)</u>	<u>-</u>
BUSINESS-TYPE ACTIVITIES								
Sewer services	16,587,237	18,245,373	-	3,341,253	-	4,999,389	4,999,389	-
Parking services	650,646	738,817	-	-	-	88,171	88,171	-
Total business-type activities	<u>17,237,883</u>	<u>18,984,190</u>	<u>-</u>	<u>3,341,253</u>	<u>-</u>	<u>5,087,560</u>	<u>5,087,560</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 112,836,946</u>	<u>\$ 40,310,805</u>	<u>\$ 15,399,801</u>	<u>\$ 11,439,012</u>	<u>(50,774,888)</u>	<u>5,087,560</u>	<u>(45,687,328)</u>	<u>-</u>
COMPONENT UNITS								
Medford Water Commission	<u>\$ 15,019,191</u>	<u>\$ 18,648,005</u>	<u>\$ 12,943</u>	<u>\$ 6,057,944</u>				9,699,701
GENERAL REVENUES								
Property taxes – City of Medford					42,030,584	-	42,030,584	-
Use taxes					15,498,001	-	15,498,001	-
Unrestricted investment earnings					1,720,663	607,191	2,327,854	609,549
Total general revenues					<u>59,249,248</u>	<u>607,191</u>	<u>59,856,439</u>	<u>609,549</u>
TRANSFERS								
Total general revenues and transfers					<u>60,346,623</u>	<u>(490,184)</u>	<u>59,856,439</u>	<u>609,549</u>
CHANGE IN NET POSITION								
NET POSITION, beginning of year					<u>270,266,436</u>	<u>113,182,047</u>	<u>383,448,483</u>	<u>149,863,009</u>
NET POSITION, end of year					<u>\$ 279,838,171</u>	<u>\$ 117,779,423</u>	<u>\$ 397,617,594</u>	<u>\$ 160,172,259</u>

**City of Medford
Balance Sheet
Governmental Funds
June 30, 2019**

	General Fund	Gas Tax Fund – 530	Street SDC Fund – 520	Street Improvement Fund – 550	Revenue Bond Fund – 161	MURA Debt Service Fund – 902	Nonmajor Governmental Funds	Total
ASSETS								
Cash and investments	\$ 25,249,663	\$ 20,317,459	\$ 13,072,776	\$ 7,364,004	\$ 438	\$ 4,402,380	\$ 22,972,474	\$ 93,379,194
Receivables								
Accounts	2,244,563	573,087	245,508	-	-	345,540	2,625,690	6,034,388
Taxes	2,365,206	-	-	-	-	-	31,397	2,396,603
Inventories	43,480	-	-	-	-	-	-	43,480
Restricted cash and cash equivalents	76,579	-	-	-	-	-	32,843	109,422
Advances to other funds	1,735,331	-	-	-	-	-	-	1,735,331
Total assets	\$ 31,714,822	\$ 20,890,546	\$ 13,318,284	\$ 7,364,004	\$ 438	\$ 4,747,920	\$ 25,662,404	\$ 103,698,418
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION								
Liabilities								
Accounts payable	\$ 1,109,897	\$ 444,432	\$ 370,237	\$ 3,629	\$ -	\$ -	\$ 2,257,147	\$ 4,185,342
Payroll and related accruals	1,683,027	78,573	11,018	(33)	-	-	198,336	1,970,921
Retainage payable	-	24,836	28	-	-	-	118,258	143,122
Customer deposits	840,740	-	-	3,093,519	-	-	236,332	4,170,591
Unearned revenue	-	-	-	-	-	-	838,384	838,384
Advances from other funds	-	-	-	-	-	1,315,000	420,331	1,735,331
Total liabilities	3,633,664	547,841	381,283	3,097,115	-	1,315,000	4,068,788	13,043,691
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	1,826,622	-	201,666	-	-	291,676	20,866	2,340,830
FUND BALANCES								
Nonspendable								
Inventory	43,480	-	-	-	-	-	-	43,480
Advances to other funds	1,735,331	-	-	-	-	-	-	1,735,331
Restricted for								
Public safety	-	-	-	-	-	-	2,032,934	2,032,934
Highways and streets	-	20,342,705	12,735,335	4,266,889	-	-	6,295,808	43,640,737
Culture and recreation	-	-	-	-	-	-	5,503,652	5,503,652
Community development	-	-	-	-	-	-	5,069,357	5,069,357
Debt service	-	-	-	-	438	3,141,244	273,510	3,415,192
Committed for								
Public safety, police	-	-	-	-	-	-	458,033	458,033
Culture and recreation	-	-	-	-	-	-	1,941,082	1,941,082
PERS debt	4,328,596	-	-	-	-	-	-	4,328,596
Assigned								
2019-21 Budget	17,630,300	-	-	-	-	-	-	17,630,300
Unassigned	2,516,829	-	-	-	-	-	(1,626)	2,515,203
Total fund balances (deficits)	26,254,536	20,342,705	12,735,335	4,266,889	438	3,141,244	21,572,750	88,313,897
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE (DEFICITS)	\$ 31,714,822	\$ 20,890,546	\$ 13,318,284	\$ 7,364,004	\$ 438	\$ 4,747,920	\$ 25,662,404	\$ 103,698,418

City of Medford
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net
Position
June 30, 2019

FUND BALANCES – total governmental funds		\$ 88,313,897
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets, cost		
Less accumulated depreciation		300,219,595
Certain items, such as liabilities and deferred outflows of resources are reported on the statement of net position, however, if they are not due and payable in the current period, they are not recorded in the governmental funds.		
Revenues earned but not available	2,340,830	
Deferred outflow of resources	<u>16,543,620</u>	
		18,884,450
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Accrued interest payable	(940,478)	
Compensated absences	(3,407,428)	
Total OPEB liability	(4,049,799)	
Net OPEB asset	332,878	
Bonds payable	(71,170,695)	
Unamortized bond premium	(1,605,085)	
Net pension liability	(46,508,046)	
Deferred inflow of resources	<u>(3,910,035)</u>	
		(131,258,688)
Internal service funds are used by management to charge costs of insurance, risk management, and fleet management services to individual funds. Their assets and liabilities are included in the statement of net position.		
		<u>3,678,917</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 279,838,171</u>

City of Medford
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
June 30, 2019

	General Fund	Gas Tax Fund – 530	Street SDC Fund – 520	Street Improvement Fund – 550	Revenue Bond Fund – 161	MURA Debt Service Fund – 902	Nonmajor Governmental Funds	Total
REVENUES								
Taxes								
Property	\$ 38,149,840	\$ -	\$ -	\$ -	\$ -	\$ 3,664,851	\$ 441,655	\$ 42,256,346
Franchise and lodging	11,654,963	-	-	-	-	-	3,437,307	15,092,270
Fuel	-	5,865,207	-	-	-	-	-	5,865,207
Other	405,731	-	-	-	-	-	-	405,731
Charges for services	1,983,792	242,083	-	-	-	-	35,615	2,261,490
Fines and penalties	2,091,059	-	-	-	-	-	-	2,091,059
Intergovernmental	5,644,024	-	-	-	-	-	548,310	6,192,334
Licenses, permits, and fees	622,720	-	-	-	-	-	14,822,745	15,445,465
Investment earnings	502,772	335,305	228,644	96,190	58	2,061	555,636	1,720,666
Grants and contributions	685,214	1,246	60,670	-	-	-	2,638,926	3,386,056
Other revenue	286,180	-	-	158,379	-	-	1,040,211	1,484,770
Capital contributions and donations	-	-	1,815,137	-	-	-	-	1,815,137
Total revenues	62,026,295	6,443,841	2,104,451	254,569	58	3,666,912	23,520,405	98,016,531
EXPENDITURES								
Current								
General government	8,996,264	-	-	-	-	-	-	8,996,264
Public safety	37,194,682	-	-	-	-	-	1,570,315	38,764,997
Highways and streets	-	2,201,132	673,199	109,534	-	-	5,333,292	8,317,157
Culture and recreation	7,784,508	-	-	-	-	-	499,726	8,284,234
Community development	1,984,047	-	-	-	-	-	4,353,429	6,337,476
Debt service								
Debt service principal	-	-	-	-	3,389,340	-	1,755,000	5,144,340
Debt service interest	-	-	-	-	2,080,360	86,700	1,529,465	3,696,525
Capital outlay	1,978,359	1,297,939	1,486,518	-	-	-	7,485,231	12,248,047
Total expenditures	57,937,860	3,499,071	2,159,717	109,534	5,469,700	86,700	22,526,458	91,789,040
Excess (deficiency) of revenues over (under) expenditures	4,088,435	2,944,770	(55,266)	145,035	(5,469,642)	3,580,212	993,947	6,227,491
OTHER FINANCING SOURCES (USES)								
Issuance of refunding bonds	-	-	-	-	-	-	-	-
Transfers in	3,059,417	-	-	1,300,000	5,469,698	-	4,494,302	14,323,417
Transfers out	(6,085,966)	(220,407)	(38,127)	(27,224)	-	-	(6,471,809)	(12,843,533)
Total other financing sources (uses)	(3,026,549)	(220,407)	(38,127)	1,272,776	5,469,698	-	(1,977,507)	1,479,884
NET CHANGE IN FUND BALANCES	1,061,886	2,724,363	(93,393)	1,417,811	56	3,580,212	(983,560)	7,707,375
FUND BALANCES, beginning of year	25,192,650	17,618,342	12,828,728	2,849,078	382	(438,968)	22,556,310	80,606,522
FUND BALANCES, end of year	\$ 26,254,536	\$ 20,342,705	\$ 12,735,335	\$ 4,266,889	\$ 438	\$ 3,141,244	\$ 21,572,750	\$ 88,313,897

City of Medford
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2019

NET CHANGE IN FUND BALANCES - total governmental funds \$ 7,707,375

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeds depreciation in the current period is:

Capital contributions	6,282,622	
Capital outlays	10,366,001	
Less current year depreciation	<u>(15,107,347)</u>	
		1,541,276

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. The change in unavailable revenue increases/decreases revenue in the Statement of Net Position. (225,748)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. The change in unavailable revenue increases/decreases revenue in the statement of net position.

Change in compensated absences	(456,870)	
Change in expenses related to pension and OPEB obligations	<u>(4,467,888)</u>	
		(4,924,758)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items:

Change in accrued interest	47,807	
Amortization of premium	160,838	
Principal payments	<u>5,144,340</u>	
		5,352,985

Internal service funds are used by management to charge costs of insurance, risk management, and fleet management services to individual funds. Their net activity is included in the statement of activities. 120,605

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 9,571,735

**City of Medford
Balance Sheet
Proprietary Funds
June 30, 2019**

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer Utility Fund	Nonmajor Parking Facilities Fund	Total	Internal Service Funds
ASSETS				
Current assets				
Cash and investments	\$ 33,539,401	\$ 1,268,870	\$ 34,808,271	\$ 3,951,625
Receivables	1,694,204	44,560	1,738,764	50,546
Prepaid expense	-	-	-	535,260
Inventories	336,440	-	336,440	741,266
Total current assets	<u>35,570,045</u>	<u>1,313,430</u>	<u>36,883,475</u>	<u>5,278,697</u>
Noncurrent assets				
Restricted cash and investments	-	-	-	126,794
Capital assets				
Land and construction in progress	2,329,638	1,396,115	3,725,753	-
Capital assets, net of accumulated depreciation	81,881,787	1,239,603	83,121,390	245,390
OPEB asset	44,635	891	45,526	5,344
Total noncurrent assets	<u>84,256,060</u>	<u>2,636,609</u>	<u>86,892,669</u>	<u>377,528</u>
Total assets	<u>119,826,105</u>	<u>3,950,039</u>	<u>123,776,144</u>	<u>5,656,225</u>
DEFERRED OUTFLOW OF RESOURCES				
OPEB related	20,626	412	21,038	2,469
Pension related	1,901,098	27,330	1,928,428	163,965
Total deferred outflows of resources	<u>1,921,724</u>	<u>27,742</u>	<u>1,949,466</u>	<u>166,434</u>
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u><u>\$ 121,747,829</u></u>	<u><u>\$ 3,977,781</u></u>	<u><u>\$ 125,725,610</u></u>	<u><u>\$ 5,822,659</u></u>
LIABILITIES				
Current liabilities				
Accounts payable	\$ 612,019	\$ 27,269	\$ 639,288	\$ 100,764
Payroll and related accruals	220,535	5,149	225,684	837,622
Retainage payable	51,181	-	51,181	-
Deposits and other liabilities	128,943	-	128,943	-
Compensated absences, due within one year	81,817	825	82,642	10,143
Claims payable	-	-	-	584,670
Total current liabilities	<u>1,094,495</u>	<u>33,243</u>	<u>1,127,738</u>	<u>1,533,199</u>
Long-term liabilities				
Compensated absences, due more than one year	327,267	3,300	330,567	40,574
OPEB liability	543,029	10,839	553,868	65,010
Net pension liability	5,394,600	77,554	5,472,154	465,272
Total long-term liabilities	<u>6,264,896</u>	<u>91,693</u>	<u>6,356,589</u>	<u>570,856</u>
Total liabilities	<u>7,359,391</u>	<u>124,936</u>	<u>7,484,327</u>	<u>2,104,055</u>
DEFERRED INFLOW OF RESOURCES				
OPEB related	12,661	253	12,914	1,515
Pension related	442,584	6,362	448,946	38,172
Total deferred inflows of resources	<u>455,245</u>	<u>6,615</u>	<u>461,860</u>	<u>39,687</u>
NET POSITION				
Net investment in capital assets	84,211,425	2,635,718	86,847,143	245,390
Restricted for				
Future system development	10,410,666	-	10,410,666	-
Employee section 125 plan	-	-	-	126,794
Unrestricted	19,311,102	1,210,512	20,521,614	3,306,733
Total net position	<u>113,933,193</u>	<u>3,846,230</u>	<u>117,779,423</u>	<u>3,678,917</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u><u>\$ 121,747,829</u></u>	<u><u>\$ 3,977,781</u></u>	<u><u>\$ 125,725,610</u></u>	<u><u>\$ 5,822,659</u></u>

City of Medford
Statement of Revenue, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2018

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Utility Fund	Nonmajor Parking Facilities Fund	Total	Activities Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 18,199,453	\$ 738,817	\$ 18,938,270	\$ 3,427,384
Other revenue	45,920	-	45,920	-
Total operating revenues	<u>18,245,373</u>	<u>738,817</u>	<u>18,984,190</u>	<u>3,427,384</u>
OPERATING EXPENSES				
Salaries and fringe benefits	7,876,222	166,881	8,043,103	960,070
Operating supplies	1,456,619	6,275	1,462,894	1,252,757
Professional services	1,646,736	-	1,646,736	20,661
Repairs and maintenance	690,908	6,366	697,274	7,768
Premiums and claims	98,000	1,000	99,000	604,556
Utilities	321,804	49,733	371,537	1,085
General, administrative, and engineering	919,750	333,077	1,252,827	100,053
Depreciation	3,577,198	87,314	3,664,512	42,984
Total operating expenses	<u>16,587,237</u>	<u>650,646</u>	<u>17,237,883</u>	<u>2,989,934</u>
OPERATING INCOME (LOSS)	1,658,136	88,171	1,746,307	437,450
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	<u>587,276</u>	<u>19,915</u>	<u>607,191</u>	<u>65,664</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>2,245,412</u>	<u>108,086</u>	<u>2,353,498</u>	<u>503,114</u>
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	3,341,253	-	3,341,253	-
Transfers in	-	-	-	-
Transfers out	<u>(1,072,653)</u>	<u>(24,722)</u>	<u>(1,097,375)</u>	<u>(382,509)</u>
Total contributions and transfers	<u>2,268,600</u>	<u>(24,722)</u>	<u>2,243,878</u>	<u>(382,509)</u>
CHANGE IN NET POSITION	4,514,012	83,364	4,597,376	120,605
NET POSITION, beginning of year	<u>109,419,181</u>	<u>3,762,866</u>	<u>113,182,047</u>	<u>3,558,312</u>
NET POSITION, end of year	<u>\$ 113,933,193</u>	<u>\$ 3,846,230</u>	<u>\$ 117,779,423</u>	<u>\$ 3,678,917</u>

City of Medford
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer Utility	Nonmajor Parking	Total	Internal Service
	Fund	Facilities Fund		Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 17,777,922	\$ 715,105	\$ 18,493,027	\$ 160,533
Receipt from interfund services provided	-	-	-	3,349,349
Payments to supplies	(6,333,177)	(386,955)	(6,720,132)	(2,231,208)
Payments to employees	(7,429,296)	(138,893)	(7,568,189)	(1,088,537)
Net cash provided (used) by operating activities	4,015,449	189,257	4,204,706	190,137
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from (to) other funds	(1,072,653)	(24,722)	(1,097,375)	(382,509)
Net cash provided (used) by noncapital financing activities	(1,072,653)	(24,722)	(1,097,375)	(382,509)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions (system development charges)	-	-	-	-
Acquisition and construction of capital assets	(3,856,090)	-	(3,856,090)	(6,450)
Net cash provided (used) by capital and related financing activities	(3,856,090)	-	(3,856,090)	(6,450)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	587,276	19,915	607,191	65,664
INCREASE (DECREASE) IN CASH	(326,018)	184,450	(141,568)	(133,158)
CASH, beginning of year	33,865,419	1,084,420	34,949,839	4,211,577
CASH, end of year	<u>\$ 33,539,401</u>	<u>\$ 1,268,870</u>	<u>\$ 34,808,271</u>	<u>\$ 4,078,419</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,658,136	\$ 88,171	\$ 1,746,307	\$ 437,450
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation expense	3,577,198	87,314	3,664,512	42,984
Pension and OPEB expense	368,360	23,135	391,495	(23,719)
(Increase) decrease in accounts receivable	(467,451)	(23,715)	(491,166)	82,498
(Increase) decrease in inventories	(310,455)	-	(310,455)	64,375
(Increase) decrease in prepaids	-	-	-	(535,260)
Increase (decrease) in accounts payable	(502,053)	9,495	(492,558)	(593,504)
Increase (decrease) in accrued payroll and related expenses	(65,023)	729	(64,294)	501,235
Increase (decrease) in compensated absences	143,589	4,128	147,717	23,475
Increase (decrease) in customer deposits payable	(371,034)	-	(371,034)	-
Increase (decrease) in retainage payable	(15,818)	-	(15,818)	-
Increase (decrease) in claims payable	-	-	-	190,603
Total adjustments	2,357,313	101,086	2,458,399	(247,313)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 4,015,449</u>	<u>\$ 189,257</u>	<u>\$ 4,204,706</u>	<u>\$ 190,137</u>
NONCASH CAPITAL ACTIVITIES				
Contributions of capital assets from developers	<u>\$ 3,341,253</u>	<u>\$ -</u>	<u>\$ 3,341,253</u>	<u>\$ -</u>

City of Medford

Notes to the Financial Statements

June 30, 2019

Note 1 – Summary of Significant Accounting Policies

A. Reporting entity

The City of Medford, Oregon (City) operates under an amended charter adopted by the voters in 1976. The City Council (Council), composed of the Mayor and eight council members, comprises the legislative branch of the government. Individual departments are under the direction of the City Manager, who is appointed by the Council. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

Blended component unit – The Medford Urban Renewal Agency (Agency or MURA) provides services almost entirely to the City and is governed by a board that is comprised of the members of the City of Medford City Council. The services MURA provides are the beautification and revitalization of the MURA district which is primarily downtown Medford. Upon completion, all projects constructed become assets of the City of Medford. Primary projects are constructing parking garages and parking lots. Additionally, MURA has completed many streetscape projects which entail improving sidewalks, adding landscaping to the sidewalks and adding benches and pedestrian friendly street lighting. The Agency was formed by the City as a separate legal entity to implement these programs in the revitalization plan of the City. The goal is to eliminate blight and attract aesthetically pleasing, job producing private investments that will improve and stabilize property values. Projects are funded through tax increment financing. The Agency's funds are reported as governmental fund types, one being MURA Capital Projects Fund and the other being MURA Debt Service Fund. Separate financial statements for the Agency may be obtained from the Finance Department of the City of Medford Oregon, which is located at 411 W 8th Street, Medford, OR 97501.

Discretely presented component unit – The Medford Water Commission (Commission) operates the water system serving the constituents of the City and is governed by a Board appointed by the Mayor and approved by the Council. The Commission was formed by the City to maintain and operate the water utility. The Board has the authority to set rates and charges for services provided.

Based upon criteria established by the Governmental Accounting Standards Board (GASB), assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses related to the Commission are included in the component unit column of the City's government-wide financial statements. Unless noted otherwise in this report, accounting policies of the component unit are consistent with those described for the primary government. The Commission is reported as a business-type activity. Separate financial statements for the Commission may be obtained at the Commission's administrative office, which is located at 200 South Ivy Street, Medford, Oregon 97501.

Note 1 – Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the City and its component units. These statements include the financial activities of the overall City. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. *Governmental activities* are financed through charges for services, property taxes, intergovernmental revenues, and other non-exchange transactions. *Business-type activities* are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each activity of its governmental programs, business-type activities and component units. *Direct expenses* are those that are specifically associated with an activity and, therefore, are clearly identifiable to that activity. *Indirect expense allocations* are included as part of program expenses in the Statement of Activities. Eliminations have been made to minimize the double counting of internal activities. *Program revenues* include fees, fines, and charges paid by the recipients of goods or services and grants and contributions that are restricted to meeting operational or capital requirements. Revenues that are not classified as program revenues, including property taxes and interest earnings, are presented as *general revenues*.

Net position is reported as restricted when constraints placed on net position uses are either externally restricted, imposed by creditors (such as through grantors, contributors or laws), or through constitutional provisions or enabling legislation.

The fund financial statements provide information about the City's governmental and proprietary funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as other nonmajor funds. It is the intent of the City to allow the internal service funds to accumulate fund balance/net position in the fund financial statements. This fund balance/net position will be used to either purchase capital assets or to pay for unexpected insurance claims.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the City receives value without giving equal value in exchange, include property taxes, grants, entitlements, and donations. Under the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 1 – Summary of Significant Accounting Policies (continued)

Under terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

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*. The City considers property tax revenue reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. All 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 susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the cash is received by the City.

The government reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is primarily funded by property taxes, franchise fees, and state shared revenues.

The *Gas Tax Fund* is a special revenue fund that accounts for revenue from state gasoline taxes apportioned from the State of Oregon and expenditures as specified under Article IX, section 3, of the Constitution of the State of Oregon.

The *Street SDC Fund* is a special revenue fund that accounts for SDCs to be expended on arterial and collector street improvements & maintenance for street utility fees to be expended on street improvements and maintenance.

The *Street Improvement Fund* accounts for construction and improvement of streets and is financed primarily with funds from the State and County.

The *MURA Debt Service Fund* accounts for the payment of principal and interest on debt of the Medford Urban Renewal Agency. The principal source of revenues is property taxes.

The *Revenue Bond Fund* accounts for the payment of principal and interest on the Revenue Bonds. The resource for those payments come from transfers in from other funds for which the bonds proceeds were used.

Note 1 – Summary of Significant Accounting Policies (continued)

The government reports the following major proprietary fund:

The *Sewer Utility Fund* accounts for the City's sewer utility maintenance, operation, improvements, and expansion of the City's drain and sewer infrastructure. This fund is comprised of several sub-funds, but is considered a single enterprise fund under accounting principles generally accepted in the United States of America.

Additionally, the government reports the following fund types:

Special revenue funds account for proceeds of specific revenue sources that are restricted, committed or assigned to expenditure for specific purposes other than debt service or capital expenditure.

Debt service funds account for financial resources that are restricted, committed, or assigned to expenditures for principal and interest related costs as well as the financial resources being accumulated for future debt service.

Capital projects funds account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays, except for those financed by proprietary funds. Revenues are derived primarily from property taxes and state gas tax apportionments which are designated for the construction of specific projects.

Internal service funds account for administration and associated costs of workers' compensation and other insurance programs. Additionally, the Fleet Maintenance fund accounts for the garage services provided by the City. The costs of the services provided are recovered by the charges to the department and/or outside agency receiving the service.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 1 – Summary of Significant Accounting Policies (continued)

D. Use of estimates

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

E. Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance

1. Cash and cash equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are valued at fair value.

2. Receivables and payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property taxes are levied and become a lien on July 1st. Property taxes are assessed in October and tax payments are due November 15th of the same year. Under the partial payment schedule, the first one-third of taxes are due November 15th of the same year, the second one-third on February 15th, and the remaining one-third on May 15th. A three percent discount is allowed if full payment is made by November 15th and a two percent discount is allowed if two-thirds payment is made by November 15th. Taxes become delinquent if not paid by the due date and interest accrues after each trimester at a rate of one percent per month. Property foreclosure proceedings are initiated four years after the due date.

Property taxes receivable which have been collected and received by the City within 60 days subsequent to year end are considered measurable and available, and are recognized as revenues in the governmental fund financial statements. All other property taxes receivable are offset by deferred revenue because they are not deemed available to finance operations of the current period. Property tax receivables are deemed to be substantially collectable or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is deemed necessary.

Receivables for federal and state grants, and state, county, and local shared revenue, are recorded as revenue in all fund types as earned.

Note 1 – Summary of Significant Accounting Policies (continued)

Assessment liens receivable are recorded as receivables at the time property owners are assessed for property improvements. Assessment lien installments which are expected to be collected in the following year in accordance with the modified accrual basis of accounting are considered measurable and available and are recognized as revenues. All other assessment liens receivable are offset by unearned revenues and, accordingly, have not been recorded as revenue.

Assessments are payable over a period of 10 to 20 years and bear interest at 5% to 10%. Assessment interest revenue is recognized when it becomes measurable and available.

System development charges receivable represent contractor assessments for property improvements which have been financed by the City as allowed under State law. The system development charges are recorded as receivables and recognized as contributions at the time the contractor is assessed for property improvements in the proprietary funds. In the governmental funds, the system development charges are recognized as revenue when determined to be measurable and available, in accordance with the modified accrual basis of accounting.

Receivables of the proprietary fund types are recorded as revenue when earned, including services earned but not billed.

3. Inventories

Inventories in the general fund and in the proprietary fund types are stated at the lower of cost, using the first-in/first-out (FIFO) method, or market. Expenses are recognized as the inventories are used (consumption method)

4. Restricted cash

Certain cash accounts are restricted for court related forfeitures, amounts held in escrow, and payroll related items.

5. Capital assets

Purchased or constructed capital assets are reported in the applicable governmental or business-type activities columns in the entity-wide financial statements. The City defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life of one year or more. Capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the time of donation. Intangible assets with an indefinite useful life are included in nondepreciable assets.

Interest incurred during the construction phase is reflected in the capitalization value of the assets constructed, net of interest earned on the invested proceeds over the same period. During the year ended June 30, 2019, the City and Commission did not capitalize any interest.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 1 – Summary of Significant Accounting Policies (continued)

In the entity-wide and proprietary fund financial statements, disposal of capital assets is recorded by relieving the governmental or business-type activities of the related costs and accumulated depreciation, with the resulting gains or losses being reflected in the Statement of Activities. In the governmental fund financial statements, the proceeds from sales of governmental fund capital assets are recorded as revenues in the appropriate fund.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City, including its component units, are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	25-75
Sewers	20-75
Parking structures	45-50
Improvements	10-50
Road networks	20
Storm drains	20
Equipment	3-20

6. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

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, deferred inflows of resources, 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 City has two types of deferred inflows, one which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, occupancy taxes, franchise fees and rehabilitation loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Additionally, deferred inflows and outflows of resource are reported related to pensions and OPEB.

A detailed description of these accounts related to pensions and OPEB and how they are calculated are discussed in Note 3J.

Note 1 – Summary of Significant Accounting Policies (continued)

7. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Earned but unpaid sick leave does not vest, for the majority of employees, and is therefore not accrued. However, some employees whose sick leave bank exceeds a set amount are permitted to sell back their sick leave in excess of these hours. Management receives a payout for the amount in excess of 520 hours upon termination of employment. No amount has been accrued for these payouts, as management considers the amount to be immaterial. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only as a result of employee resignations and retirements. The liability for compensated absences is typically liquidated in the fund that incurred the expenditure at the time of the occurrence (i.e. vacation being taken or upon retirement). The general fund incurs the largest portion (80%) of the liability. The balance is spread among the other governmental funds.

8. Long-term obligations

In the government-wide financial statement and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

9. Fund balance / net position

In the fund financial statements, the fund balance of governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

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

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

Fund balance is reported as committed when the City Council passes a resolution that places specific constraints on how the resources may be used. The City Council can modify or rescind the resolution at any time through the passage of an additional resolution.

City of Medford

Notes to the Financial Statements

June 30, 2019

Note 1 – Summary of Significant Accounting Policies (continued)

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

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by committed, assigned, and unassigned fund balance.

10. Adoption of new accounting pronouncements and standards

During the fiscal year ended June 30, 2019, the City implemented the following Governmental Accounting Standards Board (GASB) pronouncements:

Statement No. 83, Certain Asset Retirement Obligations - this Statement addresses accounting and financial reporting for certain asset retirement obligations. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and corresponding deferred outflow of resources for asset retirement obligations. The requirements of GASB 83 were effective for fiscal years beginning after June 15, 2018. The adoption of GASB did not have a significant impact to the City.

Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements - this statement is intended to improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. The Notes to Financial Statements have been updated in accordance with this Statement.

Note 2 – Stewardship, Compliance, and Accountability

A. Budgetary information

The City adopts biennial budgets for all funds, and the Agency adopts an annual budget; both are in accordance with Oregon Local Budget Law. The City and the Agency begin their budgeting process by appointing Budget Committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the Budget Committees approving the budgets in late spring. Public notices of the budget hearings are published in the months prior to public hearings in June. The City Council or Board of Directors for the Agency adopts the budgets, authorizes appropriations, and declares the tax levy no later than June 30. State statutes do not require the Commission to prepare and adopt a budget. However, the Commission's Board and management have prepared and adopted an annual budget for operational accountability and control purposes.

Note 2 – Stewardship, Compliance, and Accountability (continued)

The ordinance authorizing appropriations sets the level by which expenditures cannot legally exceed appropriations. The ordinance establishes appropriations at the department division level for all funds except the Agency. The Agency adopts biennial budgets for all funds at the principal object categories – personnel, materials and services, capital outlay, debt service and operating contingency.

The budget document contains more detailed expenditure categories than the authorizing appropriation ordinance. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. Supplemental budgets less than 10% of the fund's original budget may be adopted by the City Council or the Agency's Board of Directors at a regular meeting. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers and approval by the City Council or the Agency's Board of Directors. Original and supplemental budgets may be modified by use of appropriation transfers between levels of control. Such transfers require approval by the City Council or the Board of Directors for the City and the Agency, respectively. The City Council approved various transfer resolutions during the current biennium budget period 2017-2019.

The City and the Agency budget their funds on the modified accrual basis of accounting; for budget purposes, interfund loans are budgeted as other financing sources (uses) in governmental funds; however, on a generally accepted accounting principles basis they are balance sheet-only transactions. The Agency budgets expenditures for land held for development when the related liabilities are incurred, while for generally accepted accounting principles, the expenditures are capitalized and recorded when the property is placed in service. All City appropriations lapse at the end of the biennial period, and all Agency appropriations lapse at the end of the biennial period.

B. Deficit fund balance

Community promotions fund had a deficit balance of \$1,626 as of June 30, 2019.

Note 3 – Detailed Notes on All Funds

A. Cash and investments

The City maintains a cash and investment pool that is available for use by all funds. As of June 30, 2019, the City's cash and investment balances were reported as follows:

	Primary Government	Weighted Average Maturity in Year
Subject to interest rate risk		
U.S. agency securities	\$ 39,445,807	1.720
Corporate bonds	17,586,039	1.250
Not subject to interest rate risk or maturities are less than one month		
Petty cash	1,879	
Deposits with financial institutions	26,319,676	
LGIP	49,021,905	
Total cash and investments	\$ 132,375,306	

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds

Cash and investments are reported as follows

Cash and investments	\$ 132,139,090
Restricted cash and cash equivalents	<u>236,216</u>
Total cash and investments	<u>\$ 132,375,306</u>

Deposits

Custodial credit risk – deposits – Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City maintains its deposits in accordance with ORS 295. Under that statute, all deposits must be covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized with eligible securities in amounts determined by the Office of the State Treasurer. At June 30, 2019, the City's deposits with various financial institutions had a bank balance of \$27,558,092. Of these deposits, \$750,000 was covered by FDIC insurance and \$26,808,092 was collateralized in accordance with ORS 295. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter- end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

Investments

Interest rate risk – As a means of limiting its exposure to losses arising from rising interest rates, the City's investment policy limits investments as follows:

<u>Length of Maturity</u>	<u>Investment Amounts</u>
Under 30 days	10% minimum
Under 1 year	25% minimum
Over 3 years	25% maximum

Credit risk - investments – The City's policy, which adheres to State of Oregon law, is to limit its Corporate and Municipal investments to the following: Issuers must be rated "A-1" (commercial paper and bankers acceptance) or "AA" (bonds and debt obligations for the states of Oregon, California, Idaho, and Washington) or "AAA" (FDIC guaranteed corporate bonds) or better by Standard and Poor's, Moody's Investors Service or any other nationally recognized statistical rating organization at time of purchase. Federal instrumentality securities shall be rated in the highest rating category by a nationally recognized statistical rating organization (NRSRO) and shall be rated not less by any NRSRO that rates the debt.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

At June 30, 2019, the City's investments were rated as follows:

Investment Type	Carrying Value	Moody's Rating	Percent of Total Investments
U.S. agency securities			
Federal Farm Credit Bank	\$ 3,948,741	Aa	6.92%
Federal Home Loan Bank	3,493,857	Aaa	6.13%
U.S. Treasury	18,263,032	Aa	32.02%
Fannie Mae	7,994,019	Aaa	14.02%
Freddie Mac	<u>5,746,158</u>	Aaa	10.08%
Total U.S. agency securities	<u>39,445,807</u>		
Corporate bonds			
Johnson & Johnson	2,503,745	Aaa	4.39%
Toyota Motor Credit	1,995,139	Aa	3.50%
Wells Fargo Bank NA	1,997,999	Aaa	3.50%
Walmart Inc.	1,966,151	Aaa	3.45%
US Bank NA Cincinnati	2,515,796	Aaa	4.41%
JP Morgan Chase Bank NA	2,584,160	Aa	3.50%
Citi Bank	2,022,083	Aa	3.55%
Apple Inc.	<u>2,000,966</u>	Aaa	3.51%
Total corporate bonds	<u>17,586,039</u>		
LGIP	<u>49,021,905</u>	Not rated	46.22%
TOTAL INVESTMENTS	<u><u>\$ 106,053,751</u></u>		<u><u>145.20%</u></u>

The Oregon Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. The LGIP is not rated by a national rating service. Additional information about the OSTF can be obtained at www.oregon.gov/treasury. The weighted-average maturity of LGIP is less than one year. The fair value of the City's position in the pool is the same as the value of the pool shares.

Concentration of credit risk – The City's policy for investing in individual issuers varies depending on the type of investments. Agency securities are restricted to no more than 25% for any one issuer. No more than 10% of the total portfolio of investments may be invested in a single issuer of banker's acceptances. Investments in commercial paper or corporate bonds of any one issuer may not exceed 5% of the investment portfolio. Repurchase agreements may not exceed 10% per issuer. Obligations of the states of Oregon, California, Idaho, and Washington are restricted to no more than 10% for any one issuer.

City of Medford

Notes to the Financial Statements

June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Fair value hierarchy – GASB Statement No. 72, Fair Value Measurement and Application establishes accounting and financial reporting standards for fair value measurements, the level of fair value hierarchy, and valuation techniques. Various inputs are used in determining the fair value of investments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities, that each fund has the ability to access.

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs.

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments) The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The categorization of a value determined for investments is based on the pricing transparency of the investments and is not necessarily an indication of the risks associated with investing in those securities. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City has recorded its investments at fair value, and primarily uses the Market Approach to valuing each security. The City applies fair value updates to its securities on a daily basis. Security pricing is provided by a third-party, and is reported daily to the City by its custodian bank. Assets are categorized by asset type, which is a key component of determining hierarchy levels. Asset types allowable per the City's investment policy generally fall within hierarchy level 1 and 2.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

The City has the following recurring fair value measurement:

Investment Measured at Fair Value	Total as of June 30, 2019	Fair Value Measurement			Cost Measurement Not Measured at Fair Value
		Level One	Level Two	Level Three	
U.S. agency securities	\$ 21,182,775	\$ -	\$ 21,182,775	\$ -	\$ -
Corporate bonds	17,586,039	-	17,586,039	-	-
U.S. treasury	18,263,032	18,263,032	-	-	-
LGIP	49,021,905	-	-	-	49,021,905
TOTAL INVESTMENTS	\$ 106,053,751	\$ 18,263,032	\$ 38,768,814	\$ -	\$ 49,021,905

B. Capital assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
PRIMARY GOVERNMENT				
GOVERNMENTAL ACTIVITIES				
Capital assets, not being depreciated				
Land	\$ 24,238,597	\$ 19,211	\$ -	\$ 24,257,808
Land - rights of way	95,735,657	3,509,992	-	99,245,649
Construction in progress	6,690,897	7,830,493	(6,690,896)	7,830,494
Total capital assets, not being depreciated	126,665,151	11,359,696	(6,690,896)	131,333,951
Capital assets, being depreciated				
Buildings	61,811,994	438,639	-	62,250,633
Improvements	48,287,307	4,085,917	-	52,373,224
Equipment	29,175,098	4,534,889	(358,669)	33,351,318
Infrastructure	233,051,808	2,972,126	-	236,023,934
Total capital assets being depreciated	372,326,207	12,031,571	(358,669)	383,999,109
Less accumulated depreciation for				
Buildings	(13,379,257)	(1,646,226)	-	(15,025,483)
Improvements	(23,502,259)	(2,412,190)	-	(25,914,449)
Equipment	(21,791,858)	(2,207,217)	313,369	(23,685,706)
Infrastructure	(141,357,743)	(8,884,698)	-	(150,242,441)
Total accumulated depreciation	(200,031,117)	(15,150,331)	313,369	(214,868,079)
Total capital assets being depreciated, net	172,295,090	(3,118,760)	(45,300)	169,131,030
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 298,960,241</u>	<u>\$ 8,240,936</u>	<u>\$ (6,736,196)</u>	<u>\$ 300,464,981</u>

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
PRIMARY GOVERNMENT				
BUSINESS-TYPE ACTIVITIES				
Capital assets, not being depreciated				
Land	\$ 1,705,719	\$ -	\$ -	\$ 1,705,719
Construction in progress	<u>3,119,848</u>	<u>2,029,034</u>	<u>(3,128,848)</u>	<u>2,020,034</u>
Total capital assets, not being depreciated	<u>4,825,567</u>	<u>2,029,034</u>	<u>(3,128,848)</u>	<u>3,725,753</u>
Capital assets, being depreciated				
Buildings	7,127,645	113,878	-	7,241,523
Improvements	28,966,349	6,000	-	28,972,349
Equipment	31,361,362	5,015,709	-	36,377,071
Sewers	32,493,101	1,994,615	-	34,487,716
Storm drains	<u>47,848,463</u>	<u>1,071,042</u>	<u>-</u>	<u>48,919,505</u>
Total capital assets being depreciated	<u>147,796,920</u>	<u>8,201,244</u>	<u>-</u>	<u>155,998,164</u>
Less accumulated depreciation for				
Buildings	(3,986,651)	(188,523)	-	(4,175,174)
Improvements	(15,243,027)	(866,505)	-	(16,109,532)
Equipment	(19,492,606)	(1,039,642)	-	(20,532,248)
Sewers	(14,811,272)	(660,745)	-	(15,472,017)
Storm drains	<u>(15,678,706)</u>	<u>(909,097)</u>	<u>-</u>	<u>(16,587,803)</u>
Total accumulated depreciation	<u>(69,212,262)</u>	<u>(3,664,512)</u>	<u>-</u>	<u>(72,876,774)</u>
Total capital assets being depreciated, net	<u>78,584,658</u>	<u>4,536,732</u>	<u>-</u>	<u>83,121,390</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 83,410,225</u>	<u>\$ 6,565,766</u>	<u>\$ (3,128,848)</u>	<u>\$ 86,847,143</u>

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General government	\$ 629,219
Public safety	1,931,563
Highways and streets	7,818,805
Culture and recreation	4,727,760
Internal service	<u>42,984</u>
Total depreciation expense - governmental activities	<u><u>\$ 15,150,331</u></u>
Business-type activities	
Sewer	\$ 3,577,198
Parking services	<u>87,314</u>
Total depreciation expense - business-type activities	<u><u>\$ 3,664,512</u></u>

Medford Water Commission

MEDFORD WATER COMMISSION	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Capital assets, not being depreciated				
Land and rights of way	\$ 4,925,439	\$ 130,936	\$ -	\$ 5,056,375
Construction in progress	<u>2,555,349</u>	<u>1,718,939</u>	<u>(2,555,349)</u>	<u>1,718,939</u>
Total capital assets, not being depreciated	<u>7,480,788</u>	<u>1,849,875</u>	<u>(2,555,349)</u>	<u>6,775,314</u>
Capital assets, being depreciated				
Buildings, supply, and distribution system	172,911,089	9,392,888	(65)	182,303,912
Equipment	<u>7,847,672</u>	<u>697,402</u>	<u>(142,304)</u>	<u>8,402,770</u>
Total capital assets being depreciated	<u>180,758,761</u>	<u>10,090,290</u>	<u>(142,369)</u>	<u>190,706,682</u>
Less accumulated depreciation for				
Buildings, supply, and distribution system	(51,794,673)	(3,152,240)	4,167	(54,942,746)
Equipment	<u>(5,144,443)</u>	<u>(583,493)</u>	<u>136,503</u>	<u>(5,591,433)</u>
Total accumulated depreciation	<u>(56,939,116)</u>	<u>(3,735,733)</u>	<u>140,670</u>	<u>(60,534,179)</u>
Total capital assets being depreciated, net	<u>123,819,645</u>	<u>6,354,557</u>	<u>(1,699)</u>	<u>130,172,503</u>
MEDFORD WATER COMMISSION CAPITAL ASSETS, NET	<u><u>\$ 131,300,433</u></u>	<u><u>\$ 8,204,432</u></u>	<u><u>\$ (2,557,048)</u></u>	<u><u>\$ 136,947,817</u></u>

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

C. Long-term debt

General obligation and full faith and credit bonds – General Obligation bonds are backed by the full faith and credit of the City and are serviced by general property tax revenues. The City's G.O. bonded debt is subject to a debt margin of 3% of real market value per Oregon Revised Statutes 287A.050. Bonds at year end are as follows:

Purpose	Original Amount	Interest Rates	Amount Outstanding
General Obligation bonds			
PERS actuarial bonds, maturing 2028	\$ 29,205,000	4.91 to 6.10%	\$ 23,010,000
Full faith and credit bonds			
2006 sidewalk series, maturing 2021	4,600,000	4.00 to 4.50%	795,000
Series 2011C bonds for MURA, maturing 2025	20,950,000	3.25 to 5.00%	1,315,000
2017 full faith and credit refunding, maturing 2025	10,000,000	2.25%	<u>7,715,695</u>
Total bonds outstanding			<u>\$ 32,835,695</u>

The PERS bonds were issued to enable the City to prepay its unfunded actuarial liability to Oregon Public Employees Retirement System. Interest rates were 4.91% from 2005 to 2010, 5.197% in 2011, 5.25% in 2012, 5.35% in 2013, 5.571% in 2014, 5.671% in 2015, 5.771% in 2016, 5.871% in 2017, 5.941% in 2018, 6.015% from 2019 to 2023, and 6.095% from 2024 to 2028.

The 2006 Sidewalk series bonds were voter approved bonds, issued for construction of new sidewalks. Interest rates were 4.00% from 2007 to 2009, increasing to 4.25% from 2010 to 2015, 4.50% from 2016 to 2017, 4.25% from 2018 to 2019, 4.30% for 2020, and 4.375% for 2021.

The 2011C series bonds were issued to enable the City to loan funds to Medford Urban Renewal. Interest rates were 5.00% from 2013 to 2017, decreasing to 3.00% from 2018 to 2024 and increasing to 3.25% for 2025.

In December 2017, the City issued \$10,000,000 in full faith and credit refunding bonds, with principal due in June 2025. Interest is paid annually at a rate of 2.25%. The proceeds of the bonds were used to extinguish \$10,000,000 of outstanding 2007 limited tax revenue bonds. The City refunded the aforementioned bond to reduce its total debt service payments over the next 9 years by \$560,000 and to obtain an economic gain (the difference between the present values of the debt service payments on the old and new debt) of \$560,000.

In an event of default, the lenders may collect the payments then dues and all other amounts under the loan agreements when they become due.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

The following schedule shows the debt service requirements as of June 30, 2019:

	Governmental Activities	
	Principal	Interest
2020	\$ 4,556,128	\$ 1,643,574
2021	3,532,853	1,462,587
2022	3,433,580	1,304,462
2023	3,763,198	1,146,824
2024	4,111,595	970,662
2025-2029	13,438,341	1,782,859
Total	<u>\$ 32,835,695</u>	<u>\$ 8,310,968</u>

Revenue bonds – Revenue bonds at June 30, 2019 are as follows:

Purpose	Original Amount	Interest Rates	Amount Outstanding
Revenue bonds			
2011B Limited tax revenue refunding bonds, maturing 2022	\$ 3,673,000	3.24%	\$ 1,220,000
2013 Police, fire, and parks limited tax revenue bonds, maturing 2043	38,155,000	3.00 to 5.00%	<u>37,115,000</u>
Total revenue bonds outstanding			<u>\$ 38,335,000</u>

The 2011B series bond was issued on December 15, 2011 to advance refund the remaining amounts due on the 2002 Parks limited tax revenue bonds, maturing 2022. The City advance refunded the aforementioned bond to reduce its total debt service payments over the next 13 years by \$500,000 and to obtain an economic gain (the difference between the present values of the debt service payments on the old and new debt) of \$470,000.

The series 2013 limited tax revenue bonds were issued in December of 2013 and are secured by revenues from a Public Safety Fee the City collects per residential and commercial unit per month as well as a Car Rental Tax which is collected on every car rented at the Rogue Valley International-Medford Airport. The bonds were issued to finance the costs of capital projects for the City including construction of new police headquarters and parking facilities, relocation of fire stations, and construction of 3 additional ball fields and related parking facilities at the U.S. Cellular Community Park located within the City. The 2013 Police, Fire, and Parks limited tax revenue bond has an interest rate that fluctuates from year to year between 3.00% to 5.00% from 2014 to 2043.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

The following schedule shows the debt service requirements for revenue bonds as of June 30, 2019:

	Governmental Activities	
	Principal	Interest
2020	\$ 1,305,000	\$ 1,753,184
2021	1,374,000	1,693,548
2022	1,431,000	1,630,921
2023	1,065,000	1,565,406
2024	1,120,000	1,510,781
2025-2029	6,510,000	6,632,655
2030-2034	8,195,000	4,956,078
2035-2039	7,690,000	3,077,088
2040-2044	9,645,000	1,123,989
Total	<u>\$ 38,335,000</u>	<u>\$ 23,943,650</u>

Changes in long-term liabilities – Long-term liabilities for the year ended June 30, 2019, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds payable					
General obligation/full faith bonds	\$ 37,374,035	\$ -	\$ (4,538,340)	\$ 32,835,695	\$ 4,556,128
Revenue bonds	38,941,000	-	(606,000)	38,335,000	1,305,000
Total bonds payable	76,315,035	-	(5,144,340)	71,170,695	5,861,128
Compensated absences	2,977,800	3,458,146	(2,977,800)	3,458,146	691,629
GOVERNMENTAL ACTIVITIES LONG-TERM LIABILITIES	<u>\$ 79,292,835</u>	<u>\$ 3,458,146</u>	<u>\$ (8,122,140)</u>	<u>\$ 74,628,841</u>	<u>\$ 6,552,757</u>
BUSINESS-TYPE ACTIVITIES					
Compensated absences	\$ 265,495	\$ 413,209	\$ (265,495)	\$ 413,209	\$ 82,642

Each fund has been used to liquidate that fund's compensated absences in prior years.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Bonds payable are reported in the Statement of Net Position for governmental activities as follows:

Bonds payable, ending balance	\$ 71,170,695
Less: current portion	(5,861,128)
Add: unamortized premium	<u>1,605,085</u>
 Bonds payable, due in more than one year	 <u><u>\$ 66,914,652</u></u>

D. Governmental Activities net investment in capital assets

Net investment in capital assets for Governmental Activities as presented in the Statement of Net Position as of June 30, 2019 is determined as follows:

Capital assets, net	\$ 300,464,981
 Less outstanding principal on capital asset related debt	
General obligation bonds, excluding PERS bond	(9,825,695)
Revenue bonds,	(38,335,000)
Add: unamortized premium	<u>(1,605,085)</u>
 Governmental activities net position invested in capital assets, net of related debt	 <u><u>\$ 250,699,201</u></u>

E. Interfund receivables, payables, advances and transfers

Interfund advances – Transfers are budgeted for and made to reimburse the General Fund for administrative charges and to reimburse debt service funds for debt service payments made on behalf of another fund.

INTERFUND RECEIVABLES AND PAYABLES

	<u>Due to Other Funds</u>	<u>Due From Other Funds</u>
General fund	\$ -	\$ 420,331
Nonmajor governmental funds	<u>420,331</u>	<u>-</u>
 Total	 <u><u>\$ 420,331</u></u>	 <u><u>\$ 420,331</u></u>

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Interfund loan activity and balances for the year ended June 30, 2019, was as follows:

	Beginning of Year	Additions	Payments	End of Year	Current Portion
Medford Urban Renewal Due to the City of Medford general fund	\$ 2,890,000	\$ -	\$ (1,575,000)	\$ 1,315,000	\$ 1,315,000

Interfund transfers

Transfers In	Transfers Out								Total Transfers In
	General Fund	Gas Tax Fund	Street SDC Fund	Street Improvement Fund	Nonmajor Governmental Funds	Sewer Utility Fund	Parking Facilities Fund	Internal Service Funds	
General fund	-	\$ 220,407	\$ 38,127	\$ 27,224	\$ 1,293,775	\$ 1,072,653	\$ 24,722	\$ 382,509	\$ 3,059,417
Revenue bond fund	1,661,664	-	-	-	3,808,034	-	-	-	5,469,698
Street improvement fund	-	-	-	-	1,300,000	-	-	-	1,300,000
Nonmajor governmental	4,424,302	-	-	-	70,000	-	-	-	4,494,302
Total transfers out	<u>\$ 6,085,966</u>	<u>\$ 220,407</u>	<u>\$ 38,127</u>	<u>\$ 27,224</u>	<u>\$ 6,471,809</u>	<u>\$ 1,072,653</u>	<u>\$ 24,722</u>	<u>\$ 382,509</u>	<u>\$ 14,323,417</u>

Transfers are budgeted for and made to reimburse the general fund for administrative charges and to reimburse debt service funds for debt service payments made on behalf of another fund.

F. Risk management

The City is exposed to various risks of loss related to general liability, automobile liability, law enforcement liability, public officials liability, and employment practices. Prior to July 1, 2010, the City carried commercial insurance for these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Effective July 1, 2010, the City and MURA became self-insured. Premiums are paid into the Risk Management internal service fund by City departments based on each department's operating budget, claim activity, and vehicle usage. The City carries a supplemental liability policy with a \$10 million limit per occurrence or wrongful act, and a \$500,000 deductible. The annual aggregate limit of the policy is \$10 million. The policy renews July 1 of each year.

	Year Ended June 30,	
	2019	2018
Unpaid claims, beginning of year	\$ 394,067	\$ 455,740
Incurred claims (including IBNR)	1,108,593	39,262
Claim payments	<u>(917,990)</u>	<u>(100,935)</u>
Unpaid claims, end of year	<u>\$ 584,670</u>	<u>\$ 394,067</u>

Note 3 – Detailed Notes on All Funds (continued)

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

G. Deferred compensation plan

The City has a deferred compensation plan (Plan) created in accordance with the Internal Revenue Code Section 457(g). The Plan is administered by independent plan administrators through administrative service agreements. The Plan is available to all full time employees and limited contracted employees of the City. Employees may defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or financial hardship. The Plan's assets are held in a custodial account for the exclusive benefit of participants and beneficiaries, and are not subject to claims of the City's creditors, nor can they be used by the City for any purpose other than the payment of benefits to the Plan participants. Accordingly, these Plan assets and related liability are not recorded on the accompanying Statement of Net Position.

H. Conduit debt

The Hospital Facilities Authority of the City of Medford issued bonds in 2002, 2005, 2010, 2013 (and 2013B), and 2014. The outstanding balance of these bonds as of June 30, 2019 was \$377,180,500. The bonds are to be paid solely from the revenues and assets of The Hospital Facilities Authority of the City of Medford, and are not an obligation of the City.

I. Commitments and contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any unforeseen disallowed claims, including amounts already collected, could become a liability of the General Fund or other applicable funds. Management believes that adjustments, if any, will not be material to the City or its discretely presented component units.

City management is performing site evaluation of various properties for the purpose of determining environmental liability. Management does not anticipate that remediation costs, if any, would be material to the City's financial condition.

The City is a defendant in various lawsuits. Although the outcomes of these lawsuits are not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not be material to the City's financial condition.

City of Medford

Notes to the Financial Statements

June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

J. Pension plans

The City is a participating employer in the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple- employer defined benefit and defined contribution pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Plan benefits

Tier One/Tier Two Retirement Benefit ORS (Chapter 238)

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 (1.67 percent for general service employees, 2.0 percent for police and fire employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death benefits – Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

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

Note 3 – Detailed Notes on All Funds (continued)

Disability benefits – A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability 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.

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

OPSRP Pension Program (OPSRP DB)

Pension benefits – The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- 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.
- Police and fire employees: 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.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death benefits – Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

Disability benefits – A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

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

OPSRP Individual Account Program (OPSRP IAP)

Pension benefits – An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member 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, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death benefits – Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping – OPERS contracts with VOYA Financial to maintain IAP participant records.

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. This 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, 2016 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2017. Employer contributions for the year ended June 30, 2019 were \$4,356,173, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2019 were 18.49 percent for Tier One/Tier Two General Services and 8.94 percent for OPSRP Pension Program General Services, 13.71 percent for OPSRP Pension Program Police and Fire and 6 percent for OPSRP Individual Account Program. The City has elected to make the payments on behalf of its employees for the OPSRP Individual Account Program.

Note 3 – Detailed Notes on All Funds (continued)

Pension assets, liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2019, the City's proportionate share of the net pension liability is \$52,445,472. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016 rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2018, the City's proportion was 0.37914 percent, which was changed from its proportion measured as of June 30, 2017 of 0.39209 percent.

At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,784,038	\$ -
Change in assumptions	12,193,474	-
Net difference between projected and actual earnings on pension plan investments	-	2,328,876
Changes in proportionate share	68,553	1,652,403
Differences between City contributions and proportionate share of contributions	79,953	321,450
Subtotal before post-measurement date contributions	14,126,018	4,302,729
City contributions subsequent to the measurement date	4,356,173	-
Total	\$ 18,482,191	\$ 4,302,729

Deferred outflows of resources related to pensions of \$4,356,173 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Net deferred outflows (inflows) of resources will be recognized in pension expense as follows for the fiscal year ended June 30:

2020	\$ 5,965,673
2021	4,107,329
2022	(909,233)
2023	394,043
2024	265,476
	\$ 9,823,289

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Actuarial assumptions:

The employer contribution rates effective July 1, 2017, were set using the projected unit credit 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 (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) 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 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution 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 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.

The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

Actuarial methods and assumptions used in developing total pension liability

Valuation date	December 31, 2016
Measurement date	June 30, 2018
Experience study report	2015, published September 2016
Actuarial cost method	Entry Age Normal
Actuarial assumptions	
Inflation rate	2.50%
Investment rate of return	7.20%
Projected salary increases	3.50% overall payroll growth; salaries for individuals are assumed to grow at 3.50% plus assumed rates of merit/longevity increases based on service
Mortality	<p>Healthy retirees and beneficiaries RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years.

Note 3 – Detailed Notes on All Funds (continued)

The methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2016 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Discount rate

The discount rate used to measure the total pension liability was 7.2 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those 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 city's proportionate share of the net pension liability to changes in the discount rate

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.2 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.2%)	Discount Rate (7.2%)	1% Increase (8.2%)
Proportionate share of net pension liability (asset)	\$ 87,652,887	\$ 52,445,472	\$ 23,391,836

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

K. Post-employment benefits other than pension

1. City Healthcare Plan

Plan description and benefit provided – The City administers a single-employer defined benefit healthcare plan per the requirements of collective bargaining agreements. The healthcare plan provides for the IAFF and AFSCME bargaining units post-retirement medical, dental, and vision coverage for eligible retirees, their spouses, domestic partners, and dependents on a self-pay basis. Benefit provisions are susceptible to change as they are established through negotiations between the City and representatives of collective bargaining units. Eligible participants may select from one of two deductible levels of the City's health insurance care plan. The level of benefits provided by the plans are the same as those afforded to active employees. Coverage is provided to retirees, spouses, and domestic partners until they become eligible for Medicare, typically age 65, and to eligible dependents until age 26. The City's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. Due to the effect of age, retiree claim costs are generally higher than claim costs for all members as a whole. The difference between retiree claims costs and the amount of retiree healthcare premiums represents the City's implicit employer contribution.

Employees covered by benefit terms

At June 30, 2019, the following employees were covered by the benefit terms:

<u>Category</u>	<u>Count</u>
Active employees	468
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	22
Inactive employees entitled to but not yet receiving benefit payments	0

Contributions

The City has the authority to establish and amend contribution requirements. The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ending June 30, 2019, the City's combined plan contributions were \$127,441.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2018 rolled forward to June 30, 2019.

Note 3 – Detailed Notes on All Funds (continued)

Actuarial assumptions

The OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial assumptions	
Inflation rate	2.50%
Long-term expected rate of return	3.50%
Salary changes	0%–4.40%
Healthcare cost trend rates	5%–7%

Mortality rates are based on the RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs. For active members, mortality rates are a percentage of healthy retiree rates that vary by group. For disables members, mortality rates are a percentage (70% for males and 95% for females) of the RP-2000 Sex-distinct, generational per Scale BB, disabled mortality table.

Discount rate

The discount rate used to measure the total OPEB liability at June 30, 2019 was 3.50 percent which is based on all years discounted at municipal bond rate.

Changes in the net OPEB liability

Total OPEB Liability	<u>2019</u>
Changes for the year:	
Service cost	\$ 244,641
Interest	153,370
Differences between expected & actual experience	17,080
Changes in assumptions	179,951
Benefit payment	<u>(127,441)</u>
Net change in total OPEB liability	467,601
Total OPEB liability - beginning of year	<u>4,201,076</u>
Total OPEB liability - end of year	<u><u>\$ 4,668,677</u></u>

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Sensitivity of proportionate share of the net OPEB liability to changes in the discount rate and health care cost trend rates

The following presents the City's net OPEB liability, as well as what the City's net OPEB liability would be if calculated using a discount rate that is 1-percentage-point lower (2.5%) or 1-percentage-point higher (4.5%) than the current discount rate:

	<u>1% Decrease (2.5%)</u>	<u>Current Discount Rate (3.5%)</u>	<u>1% Increase (4.5%)</u>
Net OPEB liability (asset)	5,122,330	4,668,677	4,253,137

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease 6% Graded Down to 4%</u>	<u>Current Trend Rate 7% Graded Down to 5%</u>	<u>1% Increase 8% Graded Down to 6%</u>
Net OPEB liability (asset)	\$ 4,048,494	\$ 4,668,677	\$ 5,414,454

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2019, the City recognized OPEB expense of \$417,714. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to single employer OPEB plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected & actual experience	\$ 15,373	\$ -
Change in assumptions	<u>161,956</u>	<u>-</u>
	<u>\$ 177,329</u>	<u>\$ -</u>

Note 3 – Detailed Notes on All Funds (continued)

Net deferred outflows (inflows) of resources will be recognized in OPEB expense as follows for the fiscal year ended June 30, 2019:

2020	\$ 19,703
2021	19,703
2022	19,703
2023	19,703
2024	19,703
Thereafter	<u>78,814</u>
	<u>\$ 177,329</u>

2. Oregon Public Employees Retirement System Retiree Health Insurance Account – OPERS administers the Retirement Health Insurance Account (RHIA) cost-sharing multiple-employer defined benefit OPEB plan (the Plan) for units of state government, political subdivisions, community colleges, and school districts, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides OPEB through the Plan.

OPERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (Board) to administer and manage OPERS. All members of the board are appointed by the governor and confirmed by the State Senate. The governor designates the chairperson. One member must be a public employer manager or a local elected official, one member must be a union-represented public employee or retiree, and three members must have experience in business management, pension management, or investing. RHIA was established by ORS 238.420 and is administered and managed by the Board. The Plan was closed to new entrants hired on or after August 29, 2003. OPERS issues a publicly available financial report online at:

<http://www.oregon.gov/pers/EMP/Pages/Actuarial-Financial-Information.aspx>

Benefits Provided

The RHIA provides a monthly premium subsidy available to Medicare entitled (enrolled in Medicare Parts A and B) retirees that are receiving either a PERS service or disability retirement allowance and have had either eight or more years of qualifying service time at retirement or is receiving a PERS disability retirement allowance that is computed as if the retiree had eight or more years of creditable service time.

Contributions

Employer contributions to OPERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements. Employer proportions are determined as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. Ultimate authority for setting and changing the laws governing contributions rest with the Oregon Legislature. Employees are not required to contribute to the OPEB plan. The contribution, as determined by the proportionate share, as of the June 30, 2019 was \$170,305.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Assets, liabilities, deferred outflows of resources and deferred inflows of resources, and expense related to OPEB

At June 30, 2019, the City reported an asset of \$383,748 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date of December 31, 2016. The City's proportionate share as of the June 30, 2018 measurement date was 0.3765%. The proportionate share prior to the June 30, 2017 measurement date was 0.3699%.

For the year ended June 30, 2019, the city recognized OPEB expense of (\$37,730) and deferred outflows of resources and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on investments	\$ -	\$ 21,749
Change in assumptions	-	1,217
Net difference between projected and actual earnings on investments	-	82,735
Changes in proportionate share	-	3,152
Differences between City contributions and proportionate share of contributions	-	-
Total	<u>\$ -</u>	<u>\$ 108,853</u>

Note 3 – Detailed Notes on All Funds (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows for the years ended June 30:

2020	\$ (36,534)
2021	(36,142)
2022	(27,953)
2023	<u>(8,225)</u>
	<u>\$ (108,853)</u>

Actuarial methods and assumptions – The total OPEB liability based on the December 31, 2016 actuarial valuation date and rolled forward to the June 30, 2018 measurement date. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The OPEB schedules presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the actuarial accrued liabilities for benefits.

The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified, were used:

Actuarial assumptions	
Inflation rate	2.50%
Long-term expected rate of return	7.20%
Discount rate	7.20%
Salary changes	3.50%
Healthcare cost trend rates	Not applicable

Discount rate – The discount rate used to measure the total OPEB liability at June 30, 2018 was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at contractually required rates, as actuarially determined. Based on those assumptions, the RHIA 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 OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Medford
Notes to the Financial Statements
June 30, 2019

Note 3 – Detailed Notes on All Funds (continued)

Long term expected rate of return – The long-term expected rate of return was determined by a review of the long-term assumptions developed by Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table showing Milliman’s assumptions for each of the asset classes in which the Plan was invested at the time based on OIC’s long-term target asset allocation can be found in section E.2.

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

The following presents the City’s proportionate share of the net OPEB liability, as well as what the City’s proportionate share of the net OPEB liability would be if calculated using a discount rate that is 1-percentage-point lower (6.2%) or 1-percentage-point higher (8.2%) than the current discount rate:

	<u>1% Decrease (6.2%)</u>	<u>Current Discount Rate (7.2%)</u>	<u>1% Increase (8.2%)</u>
Net OPEB liability (asset)	(244,692)	(383,748)	(569,691)

OPEB plan fiduciary net position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued OPERS financial report.

L. Related party transactions

The Commission paid the City a franchise fee amounting to \$257,748 in fiscal year 2019 and garage charges of \$170,939. The Commission’s water sales to the City were \$281,104 during the year ended June 30, 2019.

Required Supplementary Information

City of Medford
Required Supplementary Information
For the Year Ended June 30, 2019

Schedule of Proportionate Share of Net OPEB Liability (Asset) – Cost-sharing plan (PERS)

Measurement date as of June 30:	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net OPEB liability (asset)	0.376479%	0.027102%	0.029265%
Proportionate share of the net OPEB liability (asset)	\$ (383,748)	\$ (154,394)	\$ 105,761
Covered payroll	\$ 37,630,558	\$ 33,995,721	\$ 32,381,717
Proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-1.02%	-0.45%	0.33%
Plan net position as a percentage of the total OPEB liability	123.99%	108.90%	94.20%

Schedule of OPEB Contributions – Cost-sharing plan (PERS)

Fiscal year ended June 30:	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 170,305	\$ 151,077	\$ 184,180	\$ 173,650
Contributions in relation to the contractually required contribution	<u>170,305</u>	<u>151,077</u>	<u>184,180</u>	<u>173,650</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 39,119,579	\$ 37,630,558	\$ 33,995,721	\$ 32,381,717
Contributions as a percentage of covered payroll	0.44%	0.40%	0.54%	0.54%

City of Medford
Required Supplementary Information
For the Year Ended June 30, 2019

Schedule of Changes in the Employer Net OPEB Liability and Related Ratios – Single-employer plan

Measurement date as of June 30:	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability			
Changes for the year			
Service cost	\$ 244,641	\$ 238,674	\$ 238,674
Interest	153,370	140,932	133,484
Differences between expected and actual experience	17,080	-	-
Changes in assumptions	179,951	-	-
Benefit payment	<u>(127,441)</u>	<u>(171,640)</u>	<u>(147,069)</u>
Net change in total OPEB liability	467,601	207,966	225,089
Total OPEB liability – beginning of year	<u>4,201,076</u>	<u>3,993,110</u>	<u>3,768,021</u>
Total OPEB liability – end of year	<u><u>\$ 4,668,677</u></u>	<u><u>\$ 4,201,076</u></u>	<u><u>\$ 3,993,110</u></u>
Covered payroll	\$ 39,119,579	\$ 37,630,558	\$ 33,995,721
Total OPEB liability as percentage of covered payroll	11.93%	11.16%	11.75%

City of Medford
Required Supplementary Information
For the Year Ended June 30, 2019

Schedule of the Proportionate Share of the Net Pension Liability

Oregon Public Employees Retirement System

Measurement date as of June 30:	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset)	0.392096%	0.392096%	0.399763%	0.411583%	0.360404%
Proportionate share of the net pension liability (asset)	\$ 52,445,472	\$ 48,266,853	\$ 54,804,013	\$ 23,630,896	\$ (9,017,912)
Covered payroll	\$ 37,630,558	\$ 33,995,721	\$ 32,381,717	\$ 30,829,250	\$ 30,829,250
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	139.37%	141.98%	169.24%	76.65%	-29.25%
Plan net position as a percentage of the total pension liability	82.07%	83.12%	80.50%	91.88%	92.00%

Schedule of Pension Contributions

Oregon Public Employees Retirement System

Fiscal year ended June 30:	2019	2018	2017	2016	2015
Contractually required contribution	\$ 4,356,173	\$ 4,287,467	\$ 3,681,437	\$ 3,618,220	\$ 3,421,403
Contributions in relation to the contractually required contribution	4,356,173	4,287,467	3,681,437	3,618,220	3,421,403
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 39,119,579	\$ 37,630,558	\$ 33,995,721	\$ 32,381,717	\$ 30,829,250
Contributions as a percentage of covered payroll	11.14%	11.39%	10.83%	11.17%	11.10%

Notes to Required Supplementary Information

10-year trend information required by GASB Statements 68 and 75 will be presented prospectively.

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
General Fund – 100
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Property taxes	\$ 76,365,000	\$ 76,365,000	\$ 37,477,503	\$ 38,149,840	\$ 75,627,343	\$ 737,657
Franchise taxes	19,443,000	19,443,000	9,077,697	11,654,963	20,732,660	(1,289,660)
Lodging taxes	6,262,050	6,262,050	3,301,685	-	3,301,685	2,960,365
Other taxes	-	-	220,735	405,731	626,466	(626,466)
Licenses, permits, and fees	1,445,000	1,445,000	629,593	622,720	1,252,313	192,687
Intergovernmental	8,282,540	9,523,475	4,855,378	5,644,024	10,499,402	(975,927)
Charges for services	3,483,020	3,612,830	1,557,927	1,983,792	3,541,719	71,111
Fines and penalties	2,800,000	3,690,000	1,443,791	2,091,059	3,534,850	155,150
Investment earnings	808,000	808,000	340,675	502,772	843,447	(35,447)
Other revenue	5,684,900	6,010,210	1,858,922	1,861,180	3,720,102	2,290,108
Grants and contracts	71,700	1,887,640	1,508,970	685,214	2,194,184	(306,544)
Total revenues	124,645,210	129,047,205	62,272,876	63,601,295	125,874,171	3,173,034
EXPENDITURES						
Mayor and council	1,349,400	1,309,400	417,748	451,360	869,108	440,292
Municipal court	2,510,800	3,259,700	1,427,029	1,694,849	3,121,878	137,822
Police	46,518,130	47,407,105	23,406,090	23,344,715	46,750,805	656,300
Fire	28,396,030	29,657,370	14,919,621	14,307,150	29,226,771	430,599
Parks and recreation						
Parks and recreation	11,900,420	12,172,420	6,269,560	5,313,471	11,583,031	589,389
Facilities maintenance	6,869,320	7,036,220	2,894,937	3,506,952	6,401,889	634,331
Community promotions & grants	494,240	1,341,160	931,344	323,654	1,254,998	86,162
Planning	4,189,590	4,234,910	1,724,466	1,984,110	3,708,576	526,334
City managers office	2,613,000	2,613,000	1,242,301	1,044,552	2,286,853	326,147
Technology services	7,177,220	7,052,220	2,479,995	2,542,969	5,022,964	2,029,256
Legal	1,487,000	1,442,000	652,309	686,997	1,339,306	102,694
Human resources	1,511,300	1,608,920	784,364	710,822	1,495,186	113,734
Finance	3,781,920	3,983,020	1,671,082	1,838,025	3,509,107	473,913
Building safety	402,800	402,800	178,014	188,234	366,248	36,552
Contingency	13,727,000	13,672,680	-	-	-	13,672,680
Total expenditures	132,928,170	137,192,925	58,998,860	57,937,860	116,936,720	20,256,205
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(8,282,960)	(8,145,720)	3,274,016	5,663,435	8,937,451	(17,083,171)
OTHER FINANCING SOURCES (USES)						
Transfers in	5,690,360	5,840,580	2,675,845	3,159,417	5,835,262	5,318
Transfers out	(14,639,300)	(14,926,760)	(5,460,815)	(6,185,966)	(11,646,781)	(3,279,979)
Total other financing sources (uses)	(8,948,940)	(9,086,180)	(2,784,970)	(3,026,549)	(5,811,519)	(3,274,661)
NET CHANGE IN FUND BALANCE	(17,231,900)	(17,231,900)	489,046	2,636,886	3,125,932	(20,357,832)
FUND BALANCE, beginning of year	17,411,900	17,411,900	21,813,604	22,302,650	21,813,604	(4,401,704)
FUND BALANCE, end of year	\$ 180,000	\$ 180,000	\$ 22,302,650	\$ 24,939,536	\$ 24,939,536	\$ (24,759,536)

City of Medford
Notes to Required Supplementary Information – Basis of Budgeting
For the Year Ended June 30, 2019

Note 1 – Basis of Budgeting

In the year ended June 30, 2012, an interfund loan of \$20,950,000 was made from the City of Medford's General Fund to the Medford Urban Renewal Agency. This loan is classified as a due from the Medford Urban Renewal in the basic financial statements, but was reported as transfer on the budgetary basis. The subsequent loan payments are recorded as debt payments by Medford Urban Renewal and revenue by the City of Medford's General Fund on the budgetary basis. These payments are recorded as a reduction of the loan receivable/payable in the basic financial statements.

Reconciliation to budgetary basis from modified accrual:

	<u>Fund Balance</u>	<u>Net Change in Fund Balance</u>
Budgetary amount	\$ 24,939,536	\$ 2,636,886
Balance due on interfund loan	1,315,000	-
Principal payments received budgeted in other revenue	<u>-</u>	<u>(1,575,000)</u>
Total	<u><u>\$ 26,254,536</u></u>	<u><u>\$ 1,061,886</u></u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Gas Tax Fund – 530
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Fuel	\$ 9,298,000	\$ 9,298,000	\$ 5,104,891	\$ 5,865,207	\$ 10,970,098	\$ (1,672,098)
Charges for services	280,000	280,000	90,120	242,083	332,203	(52,203)
Investment earnings	202,000	202,000	222,649	335,305	557,954	(355,954)
Grants and contracts	1,265,000	1,265,000	225,369	1,246	226,615	1,038,385
Total revenues	11,045,000	11,045,000	5,643,029	6,443,841	12,086,870	(1,041,870)
EXPENDITURES						
Highways and streets	4,736,740	4,806,740	2,374,116	2,201,132	4,575,248	231,492
Capital outlay	8,968,900	8,968,900	1,447,348	1,297,939	2,745,287	6,223,613
Contingency	1,120,000	1,050,000	-	-	-	1,050,000
Total expenditures	14,825,640	14,825,640	3,821,464	3,499,071	7,320,535	7,505,105
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(3,780,640)	(3,780,640)	1,821,565	2,944,770	4,766,335	(8,546,975)
OTHER FINANCING SOURCES (USES)						
Transfers out	(431,300)	(431,300)	(210,733)	(220,407)	(431,140)	(160)
Total other financing sources (uses)	(431,300)	(431,300)	(210,733)	(220,407)	(431,140)	(160)
NET CHANGE IN FUND BALANCE	(4,211,940)	(4,211,940)	1,610,832	2,724,363	4,335,195	(8,547,135)
FUND BALANCE, beginning of year	15,606,900	15,606,900	16,007,510	17,618,342	16,007,510	(400,610)
FUND BALANCE, end of year	\$ 11,394,960	\$ 11,394,960	\$ 17,618,342	\$ 20,342,705	\$ 20,342,705	\$ (8,947,745)

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Street SDC Fund – 520
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ 180,000	\$ 180,000	\$ 158,344	\$ 228,644	\$ 386,988	\$ (206,988)
Contributions and donations	7,071,000	7,071,000	1,637,227	1,815,137	3,452,364	3,618,636
Other revenue	10,000,000	10,000,000	-	-	-	10,000,000
Grants and contracts	3,000,000	3,000,000	35,344	60,670	96,014	2,903,986
Total revenues	20,251,000	20,251,000	1,830,915	2,104,451	3,935,366	16,315,634
EXPENDITURES						
Highways and streets	757,100	757,100	515,313	673,199	1,188,512	(431,412)
Capital outlay	21,871,000	21,871,000	1,063,335	1,486,518	2,549,853	19,321,147
Contingency	2,730,000	2,730,000	-	-	-	2,730,000
Total expenditures	25,358,100	25,358,100	1,578,648	2,159,717	3,738,365	21,619,735
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(5,107,100)	(5,107,100)	252,267	(55,266)	197,001	(5,304,101)
OTHER FINANCING SOURCES (USES)						
Transfers out	(781,000)	(781,000)	(36,324)	(38,127)	(74,451)	(706,549)
Total other financing sources (uses)	(781,000)	(781,000)	(36,324)	(38,127)	(74,451)	(706,549)
NET CHANGE IN FUND BALANCE	(5,888,100)	(5,888,100)	215,943	(93,393)	122,550	(6,010,650)
FUND BALANCE, beginning of year	11,736,700	11,736,700	12,612,785	12,828,728	12,612,785	(876,085)
FUND BALANCE, end of year	\$ 5,848,600	\$ 5,848,600	\$ 12,828,728	\$ 12,735,335	\$ 12,735,335	\$ (6,886,735)

Other Supplementary Information

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Street Improvement Fund – 550
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Interest	\$ 78,000	\$ 78,000	\$ 59,160	\$ 96,190	\$ 155,350	\$ (77,350)
Other revenue	56,000	56,000	14,417	158,379	172,796	(116,796)
Grants and contracts	500,000	500,000	205,743	-	205,743	294,257
Total revenues	634,000	634,000	279,320	254,569	533,889	100,111
EXPENDITURES						
Street Development	854,000	854,000	271,753	109,534	381,287	472,713
Contingency	90,000	1,390,000	-	-	-	1,390,000
Total expenditures	944,000	2,244,000	271,753	109,534	381,287	1,862,713
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(310,000)	(1,610,000)	7,567	145,035	152,602	(1,762,602)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	1,300,000	-	1,300,000	1,300,000	-
Transfers out	(53,400)	(53,400)	(26,064)	(27,224)	(53,288)	(112)
Total other financing sources (uses)	(53,400)	1,246,600	(26,064)	1,272,776	1,246,712	(112)
NET CHANGE IN FUND BALANCE	(363,400)	(363,400)	(18,497)	1,417,811	1,399,314	(1,762,714)
FUND BALANCE, beginning of year	3,029,600	3,029,600	2,867,575	2,849,078	2,867,575	162,025
FUND BALANCE, end of year	\$ 2,666,200	\$ 2,666,200	\$ 2,849,078	\$ 4,266,889	\$ 4,266,889	\$ (1,600,689)

Combining and Individual Fund Statements and Schedules

City of Medford
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
ASSETS				
Cash and cash equivalents	\$ 18,085,867	\$ 262,979	\$ 4,623,628	\$ 22,972,474
Receivables				
Accounts	2,293,750	-	331,940	2,625,690
Taxes	-	31,397	-	31,397
Restricted cash and cash equivalents	32,843	-	-	32,843
TOTAL ASSETS	<u>\$ 20,412,460</u>	<u>\$ 294,376</u>	<u>\$ 4,955,568</u>	<u>\$ 25,662,404</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,012,669	\$ -	\$ 244,478	\$ 2,257,147
Payroll and related accruals	179,500	-	18,836	198,336
Retainage payable	118,258	-	-	118,258
Customer deposits	236,332	-	-	236,332
Unearned revenue	838,384	-	-	838,384
Advances from other funds	420,331	-	-	420,331
Total liabilities	<u>3,805,474</u>	<u>-</u>	<u>263,314</u>	<u>4,068,788</u>
Deferred inflows of resources				
Unavailable revenue – property taxes	-	20,866	-	20,866
Fund Balances				
Restricted				
Public safety	1,360,945	-	671,989	2,032,934
Highways and streets	5,658,004	-	637,804	6,295,808
Culture and recreation	2,226,603	-	3,277,049	5,503,652
Community development	4,963,945	-	105,412	5,069,357
Debt service	-	273,510	-	273,510
Committed for				
Public safety	458,033	-	-	458,033
Culture and recreation	1,941,082	-	-	1,941,082
Unrestricted	(1,626)	-	-	(1,626)
Total fund balances	<u>16,606,986</u>	<u>273,510</u>	<u>4,692,254</u>	<u>21,572,750</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 20,412,460</u>	<u>\$ 294,376</u>	<u>\$ 4,955,568</u>	<u>\$ 25,662,404</u>

City of Medford
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
REVENUES				
Taxes				
Property	\$ -	\$ 441,655	\$ -	\$ 441,655
Franchise and lodging	1,067,684	-	2,369,623	3,437,307
Charges for services	35,615	-	-	35,615
Intergovernmental	548,310	-	-	548,310
Licenses, permits, and fees	14,822,745	-	-	14,822,745
Investment earnings	322,464	10,140	223,032	555,636
Grants and contributions	2,314,485	-	324,441	2,638,926
Other revenue	743,369	-	296,842	1,040,211
	<u>19,854,672</u>	<u>451,795</u>	<u>3,213,938</u>	<u>23,520,405</u>
EXPENDITURES				
Current				
Public safety	1,570,315	-	-	1,570,315
Highways and streets	5,333,292	-	-	5,333,292
Culture and recreation	182,024	-	317,702	499,726
Community development	3,994,863	-	358,566	4,353,429
Debt service				
Principal	-	1,755,000	-	1,755,000
Interest	-	1,529,465	-	1,529,465
Capital outlay	5,841,032	-	1,644,199	7,485,231
	<u>16,921,526</u>	<u>3,284,465</u>	<u>2,320,467</u>	<u>22,526,458</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>2,933,146</u>	<u>(2,832,670)</u>	<u>893,471</u>	<u>993,947</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	357,147	2,857,195	1,279,960	4,494,302
Transfers out	(5,062,678)	-	(1,409,131)	(6,471,809)
	<u>(4,705,531)</u>	<u>2,857,195</u>	<u>(129,171)</u>	<u>(1,977,507)</u>
NET CHANGE IN FUND BALANCE	(1,772,385)	24,525	764,300	(983,560)
FUND BALANCE, beginning of year	<u>18,379,371</u>	<u>248,985</u>	<u>3,927,954</u>	<u>22,556,310</u>
FUND BALANCE, end of year	<u>\$ 16,606,986</u>	<u>\$ 273,510</u>	<u>\$ 4,692,254</u>	<u>\$ 21,572,750</u>

City of Medford
Nonmajor Special Revenue Funds
June 30, 2019

The Special Revenue Funds account for revenues derived from specific tax or other earmarked revenue sources, including federal and state grant awards, which are restricted to finance particular functions or activities. Funds included in this fund category are:

Fire Public Safety Utility Fund – Accounts for specified resources to be expended on additional or expanded fire operations.

Park Dedication Fund – Accounts for specified revenues from system development funds, hotel/motel and car rental taxes to be expended on park recreation improvements and maintenance.

Cemetery Fund – Accounts for the principal balance of the cemetery trust and for special projects at the cemetery.

Building Safety Fund – Accounts for monies received as licenses and permits for the purpose of building inspections.

Police Department Fund – Accounts for specified resources to be expended on police operations.

State Forfeitures Fund – Accounts for the receipt of state forfeiture funds to be expended on local law enforcement.

Federal Forfeitures Fund – Accounts for the receipt of federal forfeiture funds to be expended on local law enforcement.

Community Promotions Fund – Accounts for transient lodging tax to be expended on projects that promote the community.

Community Development Block Grant Fund – Accounts for federal community block grant funds to be expended on various revitalization projects.

Veteran's Park Fund – Accounts for the betterment of Veterans Memorial in Medford's Veteran's Park.

Community Park Reserve Fund – Accounts for the betterment of community parks in the City of Medford.

Bear Creek Reconstruction Fund – Accounts for amounts, held in a fiduciary capacity, dedicated to erect playground facilities within Bear Creek Park.

Bear Creek Maintenance Fund – Accounts for amounts, held in a fiduciary capacity, dedicated to repair and maintain Bear Creek Park.

Parks Utility Fund – Accounts for operation, maintenance and construction of parks facilities and beautification for right of way strip maintenance.

Street Utility Fund – Accounts for street utility fees to be expended on street improvements and maintenance.

Construction Excise Tax Fund – Accounts for revenues collected from the imposition of a construction excise tax.

**City of Medford
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2019**

	Fire Public Safety Utility Fund - 300	Park Dedication Fund - 620	Cemetery Fund - 633	Building Safety Fund - 400	Police Department Fund - 200	State Forfeitures Fund - 202	Federal Forfeitures Fund - 201	Community Promotions Fund - 730
ASSETS								
Cash and cash equivalents	\$ 97,383	\$ 2,296,399	\$ 1,114	\$ 5,195,260	\$ 46,301	\$ 1,380,104	\$ 992,805	\$ 64,800
Receivables	177,421	280,399	-	-	176,239	-	545	147,652
Restricted cash and cash equivalents	-	-	32,843	-	-	-	-	-
TOTAL ASSETS	\$ 274,804	\$ 2,576,798	\$ 33,957	\$ 5,195,260	\$ 222,540	\$ 1,380,104	\$ 993,350	\$ 212,452
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ 55,534	\$ 2,024	\$ 222,973	\$ 200	\$ 896,586	\$ 112,213	\$ 214,078
Retainage payable	-	23,124	-	-	-	3,710	-	-
Customer deposits	-	-	-	16,387	-	-	-	-
Unearned revenue	-	279,008	-	-	-	-	-	-
Payroll and related accruals	18,818	527	-	52,085	20,293	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	18,818	358,193	2,024	291,445	20,493	900,296	112,213	214,078
Fund Balances								
Restricted								
Public safety	-	-	-	-	-	479,808	881,137	-
Highways and streets	-	-	-	-	-	-	-	-
Culture and recreation	-	2,218,605	-	-	-	-	-	-
Community development	-	-	-	4,903,815	-	-	-	-
Committed for								
Public safety	255,986	-	-	-	202,047	-	-	-
Culture and recreation	-	-	31,933	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(1,626)
Total fund balances	255,986	2,218,605	31,933	4,903,815	202,047	479,808	881,137	(1,626)
TOTAL LIABILITIES AND FUND BALANCES	\$ 274,804	\$ 2,576,798	\$ 33,957	\$ 5,195,260	\$ 222,540	\$ 1,380,104	\$ 993,350	\$ 212,452

City of Medford
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2019

	Development Block Grant Fund - 731	Veteran's Park Fund - 634	Community Park Reserve Fund - 670	Bear Creek Reconstruction Fund - 632	Bear Creek Maintenance Fund - 631	Parks Utility Fund - 600	Street Utility Fund - 500	Construction Excise Tax Fund - 120	Total
ASSETS									
Cash and cash equivalents	\$ -	\$ 7,998	\$ 106,245	\$ -	\$ -	\$ 1,671,947	\$ 6,017,179	\$ 208,332	\$ 18,085,867
Receivables	547,879	-	-	-	-	136,753	826,862	-	2,293,750
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	32,843
TOTAL ASSETS	\$ 547,879	\$ 7,998	\$ 106,245	\$ -	\$ -	\$ 1,808,700	\$ 6,844,041	\$ 208,332	\$ 20,412,460
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable	\$ 67,418	\$ -	\$ -	\$ -	\$ -	\$ 5,005	\$ 427,644	\$ 8,994	\$ 2,012,669
Retainage payable	-	-	-	-	-	-	91,424	-	118,258
Customer deposits	-	-	-	-	-	-	219,945	-	236,332
Unearned revenue	-	-	-	-	-	-	559,376	-	838,384
Payroll and related accruals	-	-	-	-	-	791	86,986	-	179,500
Due to other funds	420,331	-	-	-	-	-	-	-	420,331
Total liabilities	487,749	-	-	-	-	5,796	1,385,375	8,994	3,805,474
Fund Balances									
Restricted									
Public safety	-	-	-	-	-	-	-	-	1,360,945
Highways and streets	-	-	-	-	-	-	5,458,666	199,338	5,658,004
Culture and recreation	-	7,998	-	-	-	-	-	-	2,226,603
Community development	60,130	-	-	-	-	-	-	-	4,963,945
Committed for									
Public safety	-	-	-	-	-	-	-	-	458,033
Culture and recreation	-	-	106,245	-	-	1,802,904	-	-	1,941,082
Unassigned	-	-	-	-	-	-	-	-	(1,626)
Total fund balances	60,130	7,998	106,245	-	-	1,802,904	5,458,666	199,338	16,606,986
TOTAL LIABILITIES AND FUND BALANCES	\$ 547,879	\$ 7,998	\$ 106,245	\$ -	\$ -	\$ 1,808,700	\$ 6,844,041	\$ 208,332	\$ 20,412,460

City of Medford
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2019

	Fire Public Safety Utility Fund - 300	Park Dedication Fund - 620	Cemetery Fund - 633	Building Safety Fund - 400	Police Department Fund - 200	State Forfeitures Fund - 202	Federal Forfeitures Fund - 201	Community Promotions Fund - 730
REVENUES								
Taxes - Franchise and lodging	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,067,684
Charges for services	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	48,310	-	-	-	-
Licenses, permits, and fees	1,950,605	-	-	2,040,514	1,553,345	-	-	-
Investment earnings	(7,126)	51,050	108	82,910	827	15,816	17,926	-
Grants and contributions	-	994,661	-	-	-	21,714	-	-
Other revenue	6,129	1,439	3,075	-	-	229,877	161,722	-
Total revenues	1,949,608	1,047,150	3,183	2,171,734	1,554,172	267,407	179,648	1,067,684
EXPENDITURES								
Current								
Public safety	585,518	-	-	-	632,064	242,444	110,289	-
Highways and streets	-	-	-	-	-	-	-	-
Culture and recreation	-	-	11,524	-	-	-	-	-
Community development	-	-	-	1,502,561	-	-	-	1,209,749
Capital outlay	19,829	1,958,144	-	-	11,900	157,832	374,815	-
Total expenditures	605,347	1,958,144	11,524	1,502,561	643,964	400,276	485,104	1,209,749
EXCESS REVENUES OVER (UNDER) EXPENDITURES								
	1,344,261	(910,994)	(8,341)	669,173	910,208	(132,869)	(305,456)	(142,065)
OTHER FINANCING SOURCES (USES)								
Transfers in	234,860	-	-	-	-	-	-	-
Transfers out	(528,094)	(446,354)	-	(335,937)	(1,116,852)	-	-	-
Total other financing sources (uses)	(293,234)	(446,354)	-	(335,937)	(1,116,852)	-	-	-
NET CHANGE IN FUND BALANCE	1,051,027	(1,357,348)	(8,341)	333,236	(206,644)	(132,869)	(305,456)	(142,065)
FUND BALANCE, beginning of year	(795,041)	3,575,953	40,274	4,570,579	408,691	612,677	1,186,593	140,439
FUND BALANCE, end of year	\$ 255,986	\$ 2,218,605	\$ 31,933	\$ 4,903,815	\$ 202,047	\$ 479,808	\$ 881,137	\$ (1,626)

City of Medford

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended June 30, 2019**

	Community Development Block Grant Fund - 731	Veteran's Park Fund - 634	Community Park Reserve Fund - 670	Bear Creek Reconstruction Fund - 632	Bear Creek Maintenance Fund - 631	Parks Utility Fund - 600	Street Utility Fund - 500	Construction Excise Tax Fund - 120	Total
REVENUES									
Taxes - Franchise and lodging	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,067,684
Charges for services	-	-	35,615	-	-	-	-	-	35,615
Intergovernmental	-	-	-	-	-	-	500,000	-	548,310
Licenses, permits, and fees	-	-	-	-	-	1,383,832	7,894,449	-	14,822,745
Investment earnings	-	135	1,525	72	202	20,171	137,580	1,268	322,464
Grants and contributions	1,298,110	-	-	-	-	-	-	-	2,314,485
Other revenue	-	-	-	-	-	-	143,057	198,070	743,369
Total revenues	1,298,110	135	37,140	72	202	1,404,003	8,675,086	199,338	19,854,672
EXPENDITURES									
Current									
Public safety	-	-	-	-	-	-	-	-	1,570,315
Highways and streets	-	-	-	-	-	-	5,333,292	-	5,333,292
Culture and recreation	-	-	-	-	-	170,500	-	-	182,024
Community development	1,282,553	-	-	-	-	-	-	-	3,994,863
Capital outlay	-	-	-	-	-	-	3,318,512	-	5,841,032
Total expenditures	1,282,553	-	-	-	-	170,500	8,651,804	-	16,921,526
EXCESS REVENUES OVER (UNDER) EXPENDITURES	15,557	135	37,140	72	202	1,233,503	23,282	199,338	2,933,146
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	122,287	-	357,147
Transfers out	-	-	-	(13,006)	(36,598)	(503,240)	(2,082,597)	-	(5,062,678)
Total other financing sources (uses)	-	-	-	(13,006)	(36,598)	(503,240)	(1,960,310)	-	(4,705,531)
NET CHANGE IN FUND BALANCE	15,557	135	37,140	(12,934)	(36,396)	730,263	(1,937,028)	199,338	(1,772,385)
FUND BALANCE, beginning of year	44,573	7,863	69,105	12,934	36,396	1,072,641	7,395,694	-	18,379,371
FUND BALANCE, end of year	\$ 60,130	\$ 7,998	\$ 106,245	\$ -	\$ -	\$ 1,802,904	\$ 5,458,666	\$ 199,338	\$ 16,606,986

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Fire Public Safety Utility Fund – 300
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Licenses, permits, and fees	\$ 3,562,300	\$ 3,562,300	\$ 1,724,765	\$ 1,950,605	\$ 3,675,370	\$ (113,070)
Investment earnings	116,000	116,000	16,013	(7,126)	8,887	107,113
Other revenue	-	13,930	7,800	6,129	13,929	1
Total revenues	<u>3,678,300</u>	<u>3,692,230</u>	<u>1,748,578</u>	<u>1,949,608</u>	<u>3,698,186</u>	<u>(5,956)</u>
EXPENDITURES						
Fire	1,274,600	1,509,460	550,646	585,518	1,136,164	373,296
Capital outlay	4,505,000	4,518,930	4,371,372	19,829	4,391,201	127,729
Total expenditures	<u>5,779,600</u>	<u>6,028,390</u>	<u>4,922,018</u>	<u>605,347</u>	<u>5,527,365</u>	<u>501,025</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(2,101,300)</u>	<u>(2,336,160)</u>	<u>(3,173,440)</u>	<u>1,344,261</u>	<u>(1,829,179)</u>	<u>(506,981)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	234,860	-	234,860	234,860	-
Transfers out	(1,050,100)	(1,050,100)	(511,836)	(528,094)	(1,039,930)	(10,170)
Total other financing sources (uses)	<u>(1,050,100)</u>	<u>(815,240)</u>	<u>(511,836)</u>	<u>(293,234)</u>	<u>(805,070)</u>	<u>(10,170)</u>
NET CHANGE IN FUND BALANCE	<u>(3,151,400)</u>	<u>(3,151,400)</u>	<u>(3,685,276)</u>	<u>1,051,027</u>	<u>(2,634,249)</u>	<u>(517,151)</u>
FUND BALANCE, beginning of year	<u>3,151,400</u>	<u>3,151,400</u>	<u>2,890,235</u>	<u>(795,041)</u>	<u>2,890,235</u>	<u>261,165</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (795,041)</u>	<u>\$ 255,986</u>	<u>\$ 255,986</u>	<u>\$ (255,986)</u>

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Park Dedication Fund – 620
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ 50,000	\$ 50,000	\$ 59,771	\$ 51,050	\$ 110,821	\$ (60,821)
Contributions and donations	1,811,000	1,811,000	820,324	994,661	1,814,985	(3,985)
Other revenue	-	-	-	1,439	1,439	(1,439)
Total revenues	<u>1,861,000</u>	<u>1,861,000</u>	<u>880,095</u>	<u>1,047,150</u>	<u>1,927,245</u>	<u>(66,245)</u>
EXPENDITURES						
Capital outlay	3,397,800	4,287,800	910,097	1,958,144	2,868,241	1,419,559
Contingency	420,000	420,000	-	-	-	420,000
Total expenditures	<u>3,817,800</u>	<u>4,707,800</u>	<u>910,097</u>	<u>1,958,144</u>	<u>2,868,241</u>	<u>1,839,559</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(1,956,800)</u>	<u>(2,846,800)</u>	<u>(30,002)</u>	<u>(910,994)</u>	<u>(940,996)</u>	<u>(1,905,804)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(888,000)	(1,888,000)	(1,441,505)	(446,354)	(1,887,859)	(141)
Total other financing sources (uses)	<u>(888,000)</u>	<u>(1,888,000)</u>	<u>(1,441,505)</u>	<u>(446,354)</u>	<u>(1,887,859)</u>	<u>(141)</u>
NET CHANGE IN FUND BALANCE	(2,844,800)	(4,734,800)	(1,471,507)	(1,357,348)	(2,828,855)	(1,905,945)
FUND BALANCE, beginning of year	<u>3,157,460</u>	<u>5,047,460</u>	<u>5,047,460</u>	<u>3,575,953</u>	<u>5,047,460</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 312,660</u>	<u>\$ 312,660</u>	<u>\$ 3,575,953</u>	<u>\$ 2,218,605</u>	<u>\$ 2,218,605</u>	<u>\$ (1,905,945)</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Cemetery Fund – 633
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ -	\$ 148	\$ 108	\$ 256	\$ (256)
Other revenue	6,400	17,800	14,065	3,075	17,140	660
Total revenues	6,400	17,800	14,213	3,183	17,396	404
EXPENDITURES						
Parks and recreation						
Culture and recreation	11,730	23,130	6,706	11,524	18,230	4,900
Total expenditures	11,730	23,130	6,706	11,524	18,230	4,900
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(5,330)	(5,330)	7,507	(8,341)	(834)	(4,496)
NET CHANGE IN FUND BALANCE	(5,330)	(5,330)	7,507	(8,341)	(834)	(4,496)
FUND BALANCE, beginning of year	48,600	48,600	32,767	40,274	32,767	15,833
FUND BALANCE, end of year	<u>\$ 43,270</u>	<u>\$ 43,270</u>	<u>\$ 40,274</u>	<u>\$ 31,933</u>	<u>\$ 31,933</u>	<u>\$ 11,337</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Building Safety Fund – 400
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Licenses, permits, and fees	\$ 3,930,000	\$ 3,930,000	\$ 1,990,614	\$ 2,040,514	\$ 4,031,128	\$ (101,128)
Intergovernmental	40,000	40,000	43,257	48,310	91,567	(51,567)
Investment earnings	54,000	54,000	56,412	82,910	139,322	(85,322)
Total revenues	4,024,000	4,024,000	2,090,283	2,171,734	4,262,017	(238,017)
EXPENDITURES						
Community development	3,082,290	3,084,690	1,482,771	1,502,561	2,985,332	99,358
Capital outlay	-	22,880	22,876	-	22,876	4
Contingency	360,000	360,000	-	-	-	360,000
Total expenditures	3,442,290	3,467,570	1,505,647	1,502,561	3,008,208	459,362
EXCESS REVENUES OVER (UNDER) EXPENDITURES	581,710	556,430	584,636	669,173	1,253,809	(697,379)
OTHER FINANCING SOURCES (USES)						
Transfers out	(657,700)	(657,700)	(321,614)	(335,937)	(657,551)	(149)
Total other financing sources (uses)	(657,700)	(657,700)	(321,614)	(335,937)	(657,551)	(149)
NET CHANGE IN FUND BALANCE	(75,990)	(101,270)	263,022	333,236	596,258	(697,528)
FUND BALANCE, beginning of year	4,108,000	4,133,380	4,307,557	4,570,579	4,307,557	(174,177)
FUND BALANCE, end of year	\$ 4,032,010	\$ 4,032,110	\$ 4,570,579	\$ 4,903,815	\$ 4,903,815	\$ (871,705)

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Police Department – 200
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Licenses, permits, and fees	\$ 3,562,300	\$ 3,562,300	\$ 1,724,878	\$ 1,553,345	\$ 3,278,223	\$ 284,077
Investment earnings	12,000	12,000	1,137	827	1,964	10,036
Total revenues	<u>3,574,300</u>	<u>3,574,300</u>	<u>1,726,015</u>	<u>1,554,172</u>	<u>3,280,187</u>	<u>294,113</u>
EXPENDITURES						
Public Safety	1,368,600	1,368,600	655,896	632,064	1,287,960	80,640
Capital outlay	24,000	24,000	11,710	11,900	23,610	390
Contingency	170,000	170,000	-	-	-	170,000
Total expenditures	<u>1,562,600</u>	<u>1,562,600</u>	<u>667,606</u>	<u>643,964</u>	<u>1,311,570</u>	<u>251,030</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>2,011,700</u>	<u>2,011,700</u>	<u>1,058,409</u>	<u>910,208</u>	<u>1,968,617</u>	<u>43,083</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(2,225,800)	(2,225,800)	(1,098,466)	(1,116,852)	(2,215,318)	(10,482)
Total other financing sources (uses)	<u>(2,225,800)</u>	<u>(2,225,800)</u>	<u>(1,098,466)</u>	<u>(1,116,852)</u>	<u>(2,215,318)</u>	<u>(10,482)</u>
NET CHANGE IN FUND BALANCE	<u>(214,100)</u>	<u>(214,100)</u>	<u>(40,057)</u>	<u>(206,644)</u>	<u>(246,701)</u>	<u>32,601</u>
FUND BALANCE, beginning of year	<u>327,500</u>	<u>327,500</u>	<u>448,748</u>	<u>408,691</u>	<u>448,748</u>	<u>(121,248)</u>
FUND BALANCE, end of year	<u>\$ 113,400</u>	<u>\$ 113,400</u>	<u>\$ 408,691</u>	<u>\$ 202,047</u>	<u>\$ 202,047</u>	<u>\$ (88,647)</u>

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
State Forfeitures Fund – 202
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ 4,000	\$ 4,000	\$ 7,014	\$ 15,816	\$ 22,830	\$ (18,830)
Other revenue	40,000	415,500	289,768	229,877	519,645	(104,145)
Grants and contracts	-	-	39,354	21,714	61,068	(61,068)
Total revenues	<u>44,000</u>	<u>419,500</u>	<u>336,136</u>	<u>267,407</u>	<u>603,543</u>	<u>(184,043)</u>
EXPENDITURES						
Police	5,000	245,000	(185)	242,444	242,259	2,741
Capital outlay	40,000	175,500	20,000	157,832	177,832	(2,332)
Contingency	10,000	10,000	-	-	-	10,000
Total expenditures	<u>55,000</u>	<u>430,500</u>	<u>19,815</u>	<u>400,276</u>	<u>420,091</u>	<u>10,409</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(11,000)</u>	<u>(11,000)</u>	<u>316,321</u>	<u>(132,869)</u>	<u>183,452</u>	<u>(194,452)</u>
NET CHANGE IN FUND BALANCE	(11,000)	(11,000)	316,321	(132,869)	183,452	(194,452)
FUND BALANCE, beginning of year	<u>252,800</u>	<u>252,800</u>	<u>296,356</u>	<u>612,677</u>	<u>296,356</u>	<u>(43,556)</u>
FUND BALANCE, end of year	<u>\$ 241,800</u>	<u>\$ 241,800</u>	<u>\$ 612,677</u>	<u>\$ 479,808</u>	<u>\$ 479,808</u>	<u>\$ (238,008)</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Federal Forfeitures Fund – 201
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ 18,000	\$ 18,000	\$ 14,229	\$ 17,926	\$ 32,155	\$ (14,155)
Other revenue	-	214,000	186,192	161,722	347,914	(133,914)
Total revenues	18,000	232,000	200,421	179,648	380,069	(148,069)
EXPENDITURES						
Public safety	381,000	559,000	150,000	110,289	260,289	298,711
Capital outlay	170,300	170,300	56,272	374,815	431,087	(260,787)
Contingency	50,000	86,000	-	-	-	86,000
Total expenditures	601,300	815,300	206,272	485,104	691,376	123,924
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(583,300)	(583,300)	(5,851)	(305,456)	(311,307)	(271,993)
NET CHANGE IN FUND BALANCE	(583,300)	(583,300)	(5,851)	(305,456)	(311,307)	(271,993)
FUND BALANCE, beginning of year	1,270,800	1,270,800	1,192,444	1,186,593	1,192,444	78,356
FUND BALANCE, end of year	\$ 687,500	\$ 687,500	\$ 1,186,593	\$ 881,137	\$ 881,137	\$ (193,637)

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Community Promotions Fund – 730
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Lodging taxes	\$ 2,213,000	\$ 2,213,000	\$ 1,100,561	\$ 1,067,684	\$ 2,168,245	\$ 44,755
Total revenues	2,213,000	2,213,000	1,100,561	1,067,684	2,168,245	44,755
EXPENDITURES						
Community promotion	2,213,000	2,213,000	960,122	1,209,749	2,169,871	43,129
Total expenditures	2,213,000	2,213,000	960,122	1,209,749	2,169,871	43,129
EXCESS REVENUES OVER (UNDER) EXPENDITURES	-	-	140,439	(142,065)	(1,626)	1,626
NET CHANGE IN FUND BALANCE	-	-	140,439	(142,065)	(1,626)	1,626
FUND BALANCE, beginning of year	-	-	-	140,439	-	-
FUND BALANCE, end of year	\$ -	\$ -	\$ 140,439	\$ (1,626)	\$ (1,626)	\$ 1,626

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Community Development Block Grant Fund – 731
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Grants and contracts	\$ 2,088,400	\$ 2,452,100	\$ 964,441	\$ 1,298,110	\$ 2,262,551	\$ 189,549
Total revenues	2,088,400	2,452,100	964,441	1,298,110	2,262,551	189,549
EXPENDITURES						
Community development	1,945,400	2,309,100	855,496	1,282,553	2,138,049	171,051
Capital outlay	143,000	143,000	120,344	-	120,344	22,656
Total expenditures	2,088,400	2,452,100	975,840	1,282,553	2,258,393	193,707
EXCESS REVENUES OVER (UNDER) EXPENDITURES	-	-	(11,399)	15,557	4,158	(4,158)
NET CHANGE IN FUND BALANCE	-	-	(11,399)	15,557	4,158	(4,158)
FUND BALANCE, beginning of year	-	-	55,972	44,573	55,972	(55,972)
FUND BALANCE, end of year	\$ -	\$ -	\$ 44,573	\$ 60,130	\$ 60,130	\$ (60,130)

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Veteran’s Park Fund – 634
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ -	\$ 99	\$ 135	\$ 234	\$ (234)
Total revenues	-	-	99	135	234	(234)
EXPENDITURES						
Park maintenance	1,000	1,000	-	-	-	1,000
Total expenditures	1,000	1,000	-	-	-	1,000
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(1,000)	(1,000)	99	135	234	(1,234)
NET CHANGE IN FUND BALANCE	(1,000)	(1,000)	99	135	234	(1,234)
FUND BALANCE, beginning of year	7,700	7,700	7,764	7,863	7,764	(64)
FUND BALANCE, end of year	<u>\$ 6,700</u>	<u>\$ 6,700</u>	<u>\$ 7,863</u>	<u>\$ 7,998</u>	<u>\$ 7,998</u>	<u>\$ (1,298)</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Community Park Reserve Fund – 670
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 30,000	\$ 30,000	\$ 22,352	\$ 35,615	\$ 57,967	\$ (27,967)
Investment earnings	2,000	2,000	1,272	1,525	2,797	(797)
Total revenues	32,000	32,000	23,624	37,140	60,764	(28,764)
EXPENDITURES						
Capital outlay	92,400	92,400	77,484	-	77,484	14,916
Contingency	7,000	7,000	-	-	-	7,000
Total expenditures	99,400	99,400	77,484	-	77,484	21,916
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(67,400)	(67,400)	(53,860)	37,140	(16,720)	(50,680)
NET CHANGE IN FUND BALANCE	(67,400)	(67,400)	(53,860)	37,140	(16,720)	(50,680)
FUND BALANCE, beginning of year	67,400	67,400	122,965	69,105	122,965	(55,565)
FUND BALANCE, end of year	\$ -	\$ -	\$ 69,105	\$ 106,245	\$ 106,245	\$ (106,245)

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Bear Creek Reconstruction Fund – 632
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ 1,000	\$ 163	\$ 72	\$ 235	\$ 765
Total revenues	-	1,000	163	72	235	765
OTHER FINANCING SOURCES (USES)						
Transfers out	-	(13,800)	-	(13,006)	(13,006)	(794)
Total other financing sources (uses)	-	(13,800)	-	(13,006)	(13,006)	(794)
NET CHANGE IN FUND BALANCE	-	(12,800)	163	(12,934)	(12,771)	(29)
FUND BALANCE, beginning of year	12,800	12,800	12,771	12,934	12,771	29
FUND BALANCE, end of year	<u>\$ 12,800</u>	<u>\$ -</u>	<u>\$ 12,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Bear Creek Maintenance Fund – 631
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ 3,000	\$ 458	\$ 202	\$ 660	\$ 2,340
Total revenues	-	3,000	458	202	660	2,340
EXPENDITURES						
Park maintenance	2,000	-	-	-	-	-
Total expenditures	2,000	-	-	-	-	-
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(2,000)	3,000	458	202	660	2,340
OTHER FINANCING SOURCES (USES)						
Transfers out	-	(38,800)	-	(36,598)	(36,598)	(2,202)
Total other financing sources (uses)	-	(38,800)	-	(36,598)	(36,598)	(2,202)
NET CHANGE IN FUND BALANCE	(2,000)	(35,800)	458	(36,396)	(35,938)	138
FUND BALANCE, beginning of year	35,800	35,800	35,938	36,396	35,938	(138)
FUND BALANCE, end of year	\$ 33,800	\$ -	\$ 36,396	\$ -	\$ -	\$ -

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Parks Utility Fund – 600
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Licenses, permits, and fees	\$ 2,280,000	\$ 2,280,000	\$ 1,361,570	\$ 1,383,832	\$ 2,745,402	\$ (465,402)
Investment earnings	14,000	14,000	6,251	20,171	26,422	(12,422)
Total revenues	2,294,000	2,294,000	1,367,821	1,404,003	2,771,824	(477,824)
EXPENDITURES						
Park maintenance	367,500	367,500	190,652	170,500	361,152	6,348
Contingency	51,000	51,000	-	-	-	51,000
Total expenditures	418,500	418,500	190,652	170,500	361,152	57,348
EXCESS REVENUES OVER (UNDER) EXPENDITURES	1,875,500	1,875,500	1,177,169	1,233,503	2,410,672	(535,172)
OTHER FINANCING SOURCES (USES)						
Transfers out	(1,010,300)	(1,010,300)	(506,749)	(503,240)	(1,009,989)	(311)
Total other financing sources (uses)	(1,010,300)	(1,010,300)	(506,749)	(503,240)	(1,009,989)	(311)
NET CHANGE IN FUND BALANCE	865,200	865,200	670,420	730,263	1,400,683	(535,483)
FUND BALANCE, beginning of year	274,400	274,400	402,221	1,072,641	402,221	(127,821)
FUND BALANCE, end of year	\$ 1,139,600	\$ 1,139,600	\$ 1,072,641	\$ 1,802,904	\$ 1,802,904	\$ (663,304)

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Street Utility Fund – 500
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Licenses, permits, and fees	\$ 14,978,000	\$ 14,978,000	\$ 7,672,818	\$ 7,894,449	\$ 15,567,267	\$ (589,267)
Intergovernmental	-	500,000	24,227	500,000	524,227	(24,227)
Charges for services	10,000	10,000	18,093	-	18,093	(8,093)
Investment earnings	114,000	114,000	113,837	137,580	251,417	(137,417)
Other revenue	75,000	75,000	74,245	143,057	217,302	(142,302)
Total revenues	15,177,000	15,677,000	7,903,220	8,675,086	16,578,306	(901,306)
EXPENDITURES						
Highways and streets	11,140,980	11,665,980	4,377,242	5,333,292	9,710,534	1,955,446
Capital outlay	6,039,900	6,039,900	2,334,321	3,318,512	5,652,833	387,067
Contingency	1,390,000	65,000	-	-	-	65,000
Total expenditures	18,570,880	17,770,880	6,711,563	8,651,804	15,363,367	2,407,513
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(3,393,880)	(2,093,880)	1,191,657	23,282	1,214,939	(3,308,819)
OTHER FINANCING SOURCES (USES)						
Transfers in	330,000	330,000	40,000	122,287	162,287	167,713
Transfers out	(1,531,900)	(2,831,900)	(749,192)	(2,082,597)	(2,831,789)	(111)
Total other financing sources (uses)	(1,201,900)	(2,501,900)	(709,192)	(1,960,310)	(2,669,502)	167,602
NET CHANGE IN FUND BALANCE	(4,595,780)	(4,595,780)	482,465	(1,937,028)	(1,454,563)	(3,141,217)
FUND BALANCE, beginning of year	7,496,500	7,496,500	6,913,229	7,395,694	6,913,229	583,271
FUND BALANCE, end of year	\$ 2,900,720	\$ 2,900,720	\$ 7,395,694	\$ 5,458,666	\$ 5,458,666	\$ (2,557,946)

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Construction Excise Tax Fund – 120
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ -	\$ -	\$ 1,268	\$ 1,268	\$ (1,268)
Other revenue	-	-	-	198,070	198,070	(198,070)
Total revenues	-	-	-	199,338	199,338	(199,338)
NET CHANGE IN FUND BALANCE	-	-	-	199,338	199,338	(199,338)
FUND BALANCE, beginning of year	-	-	-	-	-	-
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 199,338</u>	<u>\$ 199,338</u>	<u>\$ (199,338)</u>

City of Medford
Nonmajor Debt Service Fund
June 30, 2019

General Debt Service Fund – Accounts for payment of principal and interest on the Parks, Public Safety bonds and the City bonds loaned to MURA. The resource for those payments comes from transfers in from other funds for which the bond proceeds were used.

**City of Medford
Combining Balance Sheet
Nonmajor Debt Service Fund
June 30, 2019**

	General Debt Service Fund - 160	Total
ASSETS		
Cash and cash equivalents	\$ 262,979	\$ 262,979
Receivables		
Accounts	31,397	31,397
TOTAL ASSETS	\$ 294,376	\$ 294,376
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Advances from other funds	\$ -	\$ -
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	20,866	20,866
Fund Balances		
Restricted - Debt service	273,510	273,510
Unrestricted	-	-
Total fund balances	273,510	273,510
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 294,376	\$ 294,376

City of Medford
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2019

	General Debt Service Fund - 160	Total
REVENUES		
Property taxes	\$ 441,655	\$ 441,655
Investment earnings	10,140	10,140
Total revenues	<u>451,795</u>	<u>451,795</u>
EXPENDITURES		
Debt Service	<u>3,284,465</u>	<u>3,284,465</u>
Total expenditures	<u>3,284,465</u>	<u>3,284,465</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(2,832,670)</u>	<u>(2,832,670)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	<u>2,857,195</u>	<u>2,857,195</u>
Total other financing sources (uses)	<u>2,857,195</u>	<u>2,857,195</u>
NET CHANGE IN FUND BALANCE	24,525	24,525
FUND BALANCE, beginning of year	<u>248,985</u>	<u>248,985</u>
FUND BALANCE, end of year	<u>\$ 273,510</u>	<u>\$ 273,510</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
General Debt Service Fund – 160
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Property taxes	\$ 847,000	\$ 847,000	\$ 422,091	\$ 441,655	\$ 863,746	\$ (16,746)
Investment earnings	12,000	12,000	6,005	10,140	16,145	(4,145)
Total revenues	859,000	859,000	428,096	451,795	879,891	(20,891)
EXPENDITURES						
Debt service	7,130,200	7,130,200	3,139,062	3,284,465	6,423,527	706,673
Total expenditures	7,130,200	7,130,200	3,139,062	3,284,465	6,423,527	706,673
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(6,271,200)	(6,271,200)	(2,710,966)	(2,832,670)	(5,543,636)	(727,564)
OTHER FINANCING SOURCES (USES)						
Transfers in	6,284,100	6,284,100	2,718,443	2,857,195	5,575,638	708,462
Total other financing sources (uses)	6,284,100	6,284,100	2,718,443	2,857,195	5,575,638	708,462
NET CHANGE IN FUND BALANCE	12,900	12,900	7,477	24,525	32,002	(19,102)
FUND BALANCE, beginning of year	157,900	157,900	241,508	248,985	241,508	(83,608)
FUND BALANCE, end of year	\$ 170,800	\$ 170,800	\$ 248,985	\$ 273,510	\$ 273,510	\$ (102,710)

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Major Fund – MURA Debt Service Fund – 902
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Property taxes	\$ 1,995,850	\$ 4,460,850	\$ 1,090,975	\$ 3,664,851	\$ 4,755,826	\$ (294,976)
Interest	-	-	1,222	2,061	3,283	(3,283)
Total revenues	1,995,850	4,460,850	1,092,197	3,666,912	4,759,109	(298,259)
EXPENDITURES						
Debt service	4,588,850	4,618,700	1,642,000	1,661,700	3,303,700	1,315,000
Total expenditures	4,588,850	4,618,700	1,642,000	1,661,700	3,303,700	1,315,000
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(2,593,000)	(157,850)	(549,803)	2,005,212	1,455,409	(1,613,259)
OTHER FINANCING SOURCES (USES)						
Loan proceeds	-	1,315,000	-	-	-	1,315,000
Transfers out	-	(3,750,150)	-	-	-	(3,750,150)
Total other financing sources (uses)	-	(2,435,150)	-	-	-	(2,435,150)
NET CHANGE IN FUND BALANCE	(2,593,000)	(2,593,000)	(549,803)	2,005,212	1,455,409	(4,048,409)
FUND BALANCE, beginning of year	2,593,000	2,593,000	3,000,835	2,451,032	3,000,835	(407,835)
FUND BALANCE, end of year	\$ -	\$ -	\$ 2,451,032	4,456,244	\$ 4,456,244	\$ (4,456,244)
RECONCILIATION TO MODIFIED ACCRUAL BASIS						
Balance due to general fund on interfund advance				(1,315,000)		
TOTAL NET POSITION, end of year				\$ 3,141,244		

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Major Fund - Revenue Bond Fund – 161
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Interest	\$ 2,000	\$ 2,000	\$ 431	\$ 58	\$ 489	\$ 1,511
Total revenues	2,000	2,000	431	58	489	1,511
EXPENDITURES						
Debt service	13,162,500	14,719,500	17,004,948	5,469,700	22,474,648	(7,755,148)
Total expenditures	13,162,500	14,719,500	17,004,948	5,469,700	22,474,648	(7,755,148)
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(13,160,500)	(14,717,500)	(17,004,517)	(5,469,642)	(22,474,159)	7,756,659
OTHER FINANCING SOURCES (USES)						
Issuance of refunding bonds	-	-	10,000,000	-	10,000,000	(10,000,000)
Transfers in	13,162,900	14,719,900	7,004,899	5,469,698	12,474,597	2,245,303
Total other financing sources (uses)	13,162,900	14,719,900	17,004,899	5,469,698	22,474,597	(7,754,697)
NET CHANGE IN FUND BALANCE	2,400	2,400	382	56	438	1,962
FUND BALANCE, beginning of year	130,100	130,100	-	382	-	130,100
FUND BALANCE, end of year	\$ 132,500	\$ 132,500	\$ 382	\$ 438	\$ 438	\$ 132,062

City of Medford
Nonmajor Capital Projects Funds
June 30, 2019

The Capital Projects Funds account for revenue derived primarily from the State and Jackson County which are designated for the construction of specific projects. Funds included in this category are:

Greenway Construction Fund – Accounts for construction of Bear Creek Greenway.

Special Sidewalk Fund – Accounts for the expenditure of the proceeds of the Sidewalk Bonds.

Fire Apparatus Reserve Fund – This fund accounts for the replacement of Fire Department Apparatus.

Aquatic Facilities Reserve – This fund accounts for the development of an aquatic facilities park.

Park Southeast Area SDC Fund – Accounts for SDCs collected in the SE Area to be expended on park and recreation improvements & new construction

Park Improvement Fund – Accounts for specified resources to be expended on park and recreation improvements & new construction

MURA Capital Projects Fund – Accounts for the expenditure of resources for the Medford Urban Renewal Agency.

City of Medford
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2019

	Greenway Construction Fund - 650	Special Sidewalk Fund - 531	Fire Apparatus Reserve - 370	Aquatic Facilities Reserve - 671	Park Southeast Area SDC Fund - 621	Park Improvement Fund - 630	MURA Capital Projects Fund - 901	Total
ASSETS								
Cash and cash equivalents	\$ 1,939	\$ 637,804	\$ 671,989	\$ 430,827	\$ 341,148	\$ 2,260,749	\$ 279,172	\$ 4,623,628
Receivables								
Accounts	-	-	-	-	-	331,940	-	331,940
Total assets	<u>\$ 1,939</u>	<u>\$ 637,804</u>	<u>\$ 671,989</u>	<u>\$ 430,827</u>	<u>\$ 341,148</u>	<u>\$ 2,592,689</u>	<u>\$ 279,172</u>	<u>\$ 4,955,568</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 29,307	\$ 50,171	\$ 165,000	\$ 244,478
Payroll and related accruals	-	-	-	-	-	10,076	8,760	18,836
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,307</u>	<u>60,247</u>	<u>173,760</u>	<u>263,314</u>
Fund balances								
Restricted for								
Highways and streets	-	637,804	-	-	-	-	-	637,804
Culture and recreation	1,939	-	-	430,827	311,841	2,532,442	-	3,277,049
Community development	-	-	-	-	-	-	105,412	105,412
Public safety	-	-	671,989	-	-	-	-	671,989
Total fund balances	<u>1,939</u>	<u>637,804</u>	<u>671,989</u>	<u>430,827</u>	<u>311,841</u>	<u>2,532,442</u>	<u>105,412</u>	<u>4,692,254</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,939</u>	<u>\$ 637,804</u>	<u>\$ 671,989</u>	<u>\$ 430,827</u>	<u>\$ 341,148</u>	<u>\$ 2,592,689</u>	<u>\$ 279,172</u>	<u>\$ 4,955,568</u>

City of Medford
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
June 30, 2019

	Greenway Construction Fund - 650	Special Sidewalk Fund - 531	Fire Apparatus Reserve - 370	Aquatic Facilities Reserve - 671	Park Southeast Area SDC Fund - 621	Park Improvement Fund - 630	MURA Capital Projects Fund - 901	Total
REVENUES								
Car rental taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,530,736	\$ -	\$ 1,530,736
Lodging tax	-	-	-	-	-	838,887	-	838,887
Investment earnings	33	10,804	5,692	7,298	4,832	43,054	151,319	223,032
Grants and contributions	-	-	-	-	-	324,441	-	324,441
Other revenue	-	-	-	-	294,379	-	2,463	296,842
Total revenues	33	10,804	5,692	7,298	299,211	2,737,118	153,782	3,213,938
EXPENDITURES								
Current								
Culture and recreation	-	-	-	-	-	317,702	-	317,702
Community development	-	-	-	-	-	-	358,566	358,566
Capital outlay	-	-	441,225	-	260,911	942,063	-	1,644,199
Total expenditures	-	-	441,225	-	260,911	1,259,765	358,566	2,320,467
EXCESS REVENUES OVER (UNDER) EXPENDITURES								
	33	10,804	(435,533)	7,298	38,300	1,477,353	(204,784)	893,471
OTHER FINANCING SOURCES								
Transfers in	-	-	1,000,000	-	-	279,960	-	1,279,960
Transfers out	-	-	-	-	-	(1,409,131)	-	(1,409,131)
Total other financing sources	-	-	1,000,000	-	-	(1,129,171)	-	(129,171)
NET CHANGE IN FUND BALANCE	33	10,804	564,467	7,298	38,300	348,182	(204,784)	764,300
FUND BALANCE, beginning of year	1,906	627,000	107,522	423,529	273,541	2,184,260	310,196	3,927,954
FUND BALANCE, end of year	\$ 1,939	\$ 637,804	\$ 671,989	\$ 430,827	\$ 311,841	\$ 2,532,442	\$ 105,412	\$ 4,692,254

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Greenway Construction Fund – 650
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ -	\$ 24	\$ 33	\$ 57	\$ (57)
Total revenues	-	-	24	33	57	(57)
NET CHANGE IN FUND BALANCE	-	-	24	33	57	(57)
FUND BALANCE, beginning of year	1,900	1,900	1,882	1,906	1,882	18
FUND BALANCE, end of year	<u>\$ 1,900</u>	<u>\$ 1,900</u>	<u>\$ 1,906</u>	<u>\$ 1,939</u>	<u>\$ 1,939</u>	<u>\$ (39)</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Special Sidewalk Fund – 531
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ 3,500	\$ 3,500	\$ 7,889	\$ 10,804	\$ 18,693	\$ (15,193)
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>7,889</u>	<u>10,804</u>	<u>18,693</u>	<u>(15,193)</u>
EXPENDITURES						
Highways and streets	-	-	796	-	796	(796)
Capital outlay	623,100	623,100	43	-	43	623,057
Total expenditures	<u>623,100</u>	<u>623,100</u>	<u>839</u>	<u>-</u>	<u>839</u>	<u>622,261</u>
NET CHANGE IN FUND BALANCE	(619,600)	(619,600)	7,050	10,804	17,854	(637,454)
FUND BALANCE, beginning of year	<u>619,600</u>	<u>619,600</u>	<u>619,950</u>	<u>627,000</u>	<u>619,950</u>	<u>(350)</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 627,000</u>	<u>\$ 637,804</u>	<u>\$ 637,804</u>	<u>\$ (637,804)</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Fire Apparatus Reserve – 370
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ -	\$ 1,351	\$ 5,692	\$ 7,043	\$ (7,043)
Total revenues	-	-	1,351	5,692	7,043	(7,043)
EXPENDITURES						
Capital outlay	460,000	460,000	-	441,225	441,225	18,775
Contingency	60,000	60,000	-	-	-	60,000
Total expenditures	520,000	520,000	-	441,225	441,225	78,775
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(520,000)	(520,000)	1,351	(435,533)	(434,182)	(85,818)
OTHER FINANCING SOURCES (USES)						
Transfers in	1,000,000	1,000,000	-	1,000,000	1,000,000	-
Total other financing sources (uses)	1,000,000	1,000,000	-	1,000,000	1,000,000	-
NET CHANGE IN FUND BALANCE	480,000	480,000	1,351	564,467	565,818	(85,818)
FUND BALANCE, beginning of year	106,600	106,600	106,171	107,522	106,171	429
FUND BALANCE, end of year	\$ 586,600	\$ 586,600	\$ 107,522	\$ 671,989	\$ 671,989	\$ (85,389)

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Aquatic Facilities Reserve – 671
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ -	\$ 4,469	\$ 7,298	\$ 11,767	\$ (11,767)
OTHER FINANCING SOURCES (USES)						
Transfers in	68,000	68,000	68,000	-	68,000	-
NET CHANGE IN FUND BALANCE	68,000	68,000	72,469	7,298	79,767	(11,767)
FUND BALANCE, beginning of year	349,700	349,700	351,060	423,529	351,060	(1,360)
	<u>\$ 417,700</u>	<u>\$ 417,700</u>	<u>\$ 423,529</u>	<u>\$ 430,827</u>	<u>\$ 430,827</u>	<u>\$ (13,127)</u>

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Park Southeast Area SDC Fund – 621
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ 8,000	\$ 8,000	\$ 2,238	\$ 4,832	\$ 7,070	\$ 930
Other revenue	488,000	603,500	236,713	294,379	531,092	72,408
Total revenues	496,000	611,500	238,951	299,211	538,162	73,338
EXPENDITURES						
Capital outlay	767,000	882,500	328,262	260,911	589,173	293,327
Contingency	96,000	96,000	-	-	-	96,000
Total expenditures	863,000	978,500	328,262	260,911	589,173	389,327
NET CHANGE IN FUND BALANCE	(367,000)	(367,000)	(89,311)	38,300	(51,011)	(315,989)
FUND BALANCE, beginning of year	367,000	367,000	362,852	273,541	362,852	4,148
FUND BALANCE, end of year	\$ -	\$ -	\$ 273,541	\$ 311,841	\$ 311,841	\$ (311,841)

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Parks Improvement Fund – 630
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Car rental tax	\$ 1,800,000	\$ 1,800,000	\$ 1,538,835	\$ 1,530,736	\$ 3,069,571	\$ (1,269,571)
Lodging tax	-	-	-	838,887	838,887	(838,887)
Investment earnings	50,000	50,000	36,715	43,054	79,769	(29,769)
Grants and contracts	20,000	1,214,567	-	324,441	324,441	890,126
Total revenues	1,870,000	3,064,567	1,575,550	2,737,118	4,312,668	(1,248,101)
EXPENDITURES						
Parks and recreation	430,400	430,400	329,341	317,702	647,043	(216,643)
Capital outlay	1,993,100	3,903,907	921,692	942,063	1,863,755	2,040,152
Contingency	250,000	198,000	-	-	-	198,000
Total expenditures	2,673,500	4,532,307	1,251,033	1,259,765	2,510,798	2,021,509
EXCESS REVENUES OVER (UNDER)						
EXPENDITURES	(803,500)	(1,467,740)	324,517	1,477,353	1,801,870	(3,269,610)
OTHER FINANCING SOURCES (USES)						
Transfers in	2,213,000	2,265,600	1,100,561	279,960	1,380,521	885,079
Transfers out	(2,884,200)	(3,441,200)	(2,032,498)	(1,409,131)	(3,441,629)	429
Total other financing sources (uses)	(671,200)	(1,175,600)	(931,937)	(1,129,171)	(2,061,108)	885,508
NET CHANGE IN FUND BALANCE						
	(1,474,700)	(2,643,340)	(607,420)	348,182	(259,238)	(2,384,102)
FUND BALANCE, beginning of year						
	1,623,040	2,791,680	2,791,680	2,184,260	2,791,680	-
FUND BALANCE, end of year						
	\$ 148,340	\$ 148,340	\$ 2,184,260	\$ 2,532,442	\$ 2,532,442	\$ (2,384,102)

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
MURA Capital Projects Fund – 901
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Investment earnings	\$ 10,000	\$ 58,000	\$ 66,713	\$ 151,319	\$ 218,032	\$ (160,032)
Other revenue	-	-	-	2,463	2,463	(2,463)
Total revenues	10,000	58,000	66,713	153,782	220,495	(162,495)
EXPENDITURES						
Community development	286,000	4,084,150	47,281	358,566	405,847	3,678,303
Total expenditures	286,000	4,084,150	47,281	358,566	405,847	3,678,303
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(276,000)	(4,026,150)	19,432	(204,784)	(185,352)	(3,840,798)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	3,750,150	-	-	-	3,750,150
NET CHANGE IN FUND BALANCE	(276,000)	(276,000)	19,432	(204,784)	(185,352)	(90,648)
FUND BALANCE, beginning of year	276,000	276,000	290,764	310,196	290,764	(14,764)
FUND BALANCE, end of year	\$ -	\$ -	\$ 310,196	\$ 105,412	\$ 105,412	\$ (105,412)

City of Medford
Enterprise Fund
June 30, 2019

The Sewer Utility Fund accounts for the City's sewer utility maintenance, operation, improvements, and expansion of the City's drain and sewer infrastructure. This fund is comprised of several sub-funds, but is considered a single enterprise fund under accounting principles generally accepted in the United States of America.

Storm Drain System Development Charge Fund – Accounts for service development charges that are used to expand and/or improve storm drain infrastructures.

Storm Drain Utility Fund – Accounts for storm drain utility operations, improvements and maintenance.

Sewage Treatment Fund – Accounts for Regional Waste Water Treatment Plant operation and maintenance.

Sewer Collection System Development Charge Fund – Accounts for service development charges used to maintain the sewer collection infrastructure.

Sanitary Sewer Maintenance Fund – Accounts for sanitary sewer user fees to be expended on the sewer operation and maintenance.

Sewage Treatment System Development Charge Fund – Accounts for service development charges for improvements and expansion of capacity of Regional Waste Water Treatment Plant.

The Parking Facilities Fund – Accounts for the maintenance, operation, improvements, and expansion of the City's off-street parking facilities.

City of Medford
Combining Balance Sheet
Enterprise Fund – Sewer Utility Fund
June 30, 2019

	Storm Drain SDC Fund - 522	Storm Drain Utility Fund - 501	Sewage Treatment Fund - 503	Sewer Collection System SDC Fund - 521	Sanitary Sewer Maintenance Fund - 502	Sewage Treatment SDC Fund - 523	Total
ASSETS							
Current assets							
Cash and cash equivalents	\$ 2,136,948	\$ 16,151,090	\$ 2,684,412	\$ 1,497,238	\$ 4,299,482	\$ 6,770,231	\$ 33,539,401
Receivables	23,329	581,036	499,040	-	419,799	171,000	1,694,204
Inventory	-	-	336,440	-	-	-	336,440
Total current assets	2,160,277	16,732,126	3,519,892	1,497,238	4,719,281	6,941,231	35,570,045
Noncurrent assets							
Capital assets							
Land and construction in progress	-	535,153	966,338	-	828,147	-	2,329,638
Capital assets, net of accumulated depreciation	-	33,443,681	29,654,871	-	18,783,235	-	81,881,787
OPEB asset	-	-	44,635	-	-	-	44,635
Total noncurrent assets	-	33,978,834	30,665,844	-	19,611,382	-	84,256,060
Total assets	2,160,277	50,710,960	34,185,736	1,497,238	24,330,663	6,941,231	119,826,105
DEFERRED OUTFLOWS OF RESOURCES							
OPEB related items	-	-	20,626	-	-	-	20,626
Pension related items	-	-	1,901,098	-	-	-	1,901,098
Total deferred outflows of resources	-	-	1,921,724	-	-	-	1,921,724
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 2,160,277	\$ 50,710,960	\$ 36,107,460	\$ 1,497,238	\$ 24,330,663	\$ 6,941,231	\$ 121,747,829
LIABILITIES							
Current liabilities							
Accounts payable	\$ -	\$ 112,265	\$ 254,014	\$ -	\$ 198,503	\$ 47,237	\$ 612,019
Payroll and related accruals	4,830	63,097	87,002	-	65,606	-	220,535
Retainage payable	-	10,004	400	-	40,777	-	51,181
Deposits and other liabilities	25,198	-	-	-	-	103,745	128,943
Compensated absences, due within one year	1,414	22,046	36,881	-	21,476	-	81,817
Total current liabilities	31,442	207,412	378,297	-	326,362	150,982	1,094,495
Noncurrent liabilities							
Compensated absences, due in more than one year	5,656	88,184	147,523	-	85,904	-	327,267
OPEB liability	-	-	543,029	-	-	-	543,029
Net pension liability	-	-	5,394,600	-	-	-	5,394,600
Total noncurrent liabilities	5,656	88,184	6,085,152	-	85,904	-	6,264,896
Total liabilities	37,098	295,596	6,463,449	-	412,266	150,982	7,359,391
DEFERRED INFLOWS OF RESOURCES							
OPEB related items	-	-	12,661	-	-	-	12,661
Pension related items	-	-	442,584	-	-	-	442,584
Total deferred inflow of resources	-	-	455,245	-	-	-	455,245
NET POSITION							
Net investment in capital assets	-	33,978,834	30,621,209	-	19,611,382	-	84,211,425
Restricted for future development	2,123,179	-	-	1,497,238	-	6,790,249	10,410,666
Unrestricted	-	16,436,530	(1,432,443)	-	4,307,015	-	19,311,102
Total net position	2,123,179	50,415,364	29,188,766	1,497,238	23,918,397	6,790,249	113,933,193
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 2,160,277	\$ 50,710,960	\$ 36,107,460	\$ 1,497,238	\$ 24,330,663	\$ 6,941,231	\$ 121,747,829

**City of Medford
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Net Position
Enterprise Fund – Sewer Utility Fund
For the Year Ended June 30, 2019**

	Storm Drain SDC Fund - 522	Storm Drain Utility Fund - 501	Sewage Treatment Fund - 503	Sewer Collection System SDC Fund - 521	Sanitary Sewer Maintenance Fund - 502	Sewage Treatment SDC Fund - 523	Total
OPERATING REVENUES							
Charges for services	\$ -	\$ 6,635,681	\$ 6,358,857	\$ -	\$ 5,204,915	\$ -	\$ 18,199,453
Miscellaneous income	-	11,001	23,492	-	11,427	-	45,920
Total operating revenues	-	6,646,682	6,382,349	-	5,216,342	-	18,245,373
OPERATING EXPENSES							
Salaries and fringe benefits	121,282	2,442,568	3,244,108	150	2,068,114	-	7,876,222
Operating supplies	-	597,089	504,031	-	355,499	-	1,456,619
Professional services	-	263,402	801,044	-	582,290	-	1,646,736
Repairs and maintenance	-	362,684	20,682	-	307,542	-	690,908
Premiums and claims	1,500	23,000	46,000	500	27,000	-	98,000
Utilities	-	4,522	305,123	-	12,159	-	321,804
General, administrative, and engineering	60	114,330	679,666	-	125,694	-	919,750
Depreciation	-	1,169,576	1,637,937	-	769,685	-	3,577,198
Total operating expenses	122,842	4,977,171	7,238,591	650	4,247,983	-	16,587,237
TOTAL OPERATING INCOME (LOSS)	(122,842)	1,669,511	(856,242)	(650)	968,359	-	1,658,136
NONOPERATING REVENUE (EXPENSE)							
Investment earnings	36,241	272,872	48,634	23,699	84,763	121,067	587,276
Total nonoperating revenue (expense)	36,241	272,872	48,634	23,699	84,763	121,067	587,276
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS							
	(86,601)	1,942,383	(807,608)	23,049	1,053,122	121,067	2,245,412
CONTRIBUTIONS AND TRANSFERS							
Contributions	311,756	1,038,635	-	202,552	428,602	1,359,708	3,341,253
Transfers in	-	141,054	2,650,309	-	-	-	2,791,363
Transfers out	(153,787)	(347,207)	(346,939)	(435)	(350,079)	(2,665,569)	(3,864,016)
Total contributions and transfers	157,969	832,482	2,303,370	202,117	78,523	(1,305,861)	2,268,600
CHANGE IN NET POSITION	71,368	2,774,865	1,495,762	225,166	1,131,645	(1,184,794)	4,514,012
NET POSITION, beginning of year	2,051,811	47,640,499	27,693,004	1,272,072	22,786,752	7,975,043	109,419,181
FUND BALANCE, end of year	\$ 2,123,179	\$ 50,415,364	\$ 29,188,766	\$ 1,497,238	\$ 23,918,397	\$ 6,790,249	\$ 113,933,193

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Storm Drain SDC Fund – 522
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Contributions	\$ 676,000	\$ 676,000	\$ 165,266	\$ 311,756	\$ 477,022	\$ 198,978
Investment earnings	10,000	10,000	29,990	36,241	66,231	(56,231)
Total revenues	<u>686,000</u>	<u>686,000</u>	<u>195,256</u>	<u>347,997</u>	<u>543,253</u>	<u>142,747</u>
EXPENDITURES						
Storm drain system development	1,051,420	1,051,420	497,435	256,826	754,261	297,159
Contingency	100,000	100,000	-	-	-	100,000
Total expenditures	<u>1,151,420</u>	<u>1,151,420</u>	<u>497,435</u>	<u>256,826</u>	<u>754,261</u>	<u>397,159</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(465,420)</u>	<u>(465,420)</u>	<u>(302,179)</u>	<u>91,171</u>	<u>(211,008)</u>	<u>(254,412)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(25,000)	(25,000)	(12,182)	(12,733)	(24,915)	(85)
Total other financing sources (uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>(12,182)</u>	<u>(12,733)</u>	<u>(24,915)</u>	<u>(85)</u>
NET CHANGE IN FUND BALANCE	(490,420)	(490,420)	(314,361)	78,438	(235,923)	(254,497)
FUND BALANCE, beginning of year	<u>1,611,400</u>	<u>1,611,400</u>	<u>2,366,172</u>	<u>2,051,811</u>	<u>2,366,172</u>	<u>(754,772)</u>
FUND BALANCE, end of year	<u>\$ 1,120,980</u>	<u>\$ 1,120,980</u>	<u>\$ 2,051,811</u>	2,130,249	<u>\$ 2,130,249</u>	<u>\$ (1,009,269)</u>
RECONCILIATION TO GAAP BASIS						
Compensated absences				(7,070)		
TOTAL NET POSITION, end of year				<u>\$ 2,123,179</u>		

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Storm Drain Utility Fund – 501
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 12,739,000	\$ 12,739,000	\$ 6,502,906	\$ 6,635,681	\$ 13,138,587	\$ (399,587)
Investment earnings	172,000	172,000	192,206	272,872	465,078	(293,078)
Other revenue	-	-	12,519	11,001	23,520	(23,520)
Total revenues	<u>12,911,000</u>	<u>12,911,000</u>	<u>6,707,631</u>	<u>6,919,554</u>	<u>13,627,185</u>	<u>(716,185)</u>
EXPENDITURES						
Storm drain system development	15,268,650	15,293,650	4,754,352	4,709,445	9,463,797	5,829,853
Contingency	960,000	935,000	-	-	-	935,000
Total expenditures	<u>16,228,650</u>	<u>16,228,650</u>	<u>4,754,352</u>	<u>4,709,445</u>	<u>9,463,797</u>	<u>6,764,853</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(3,317,650)</u>	<u>(3,317,650)</u>	<u>1,953,279</u>	<u>2,210,109</u>	<u>4,163,388</u>	<u>(7,481,038)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>(679,600)</u>	<u>(679,600)</u>	<u>(332,280)</u>	<u>(347,207)</u>	<u>(679,487)</u>	<u>(113)</u>
Total other financing sources (uses)	<u>(679,600)</u>	<u>(679,600)</u>	<u>(332,280)</u>	<u>(347,207)</u>	<u>(679,487)</u>	<u>(113)</u>
NET CHANGE IN FUND BALANCE	<u>(3,997,250)</u>	<u>(3,997,250)</u>	<u>1,620,999</u>	<u>1,862,902</u>	<u>3,483,901</u>	<u>(7,481,151)</u>
FUND BALANCE, beginning of year	<u>12,487,500</u>	<u>12,487,500</u>	<u>13,062,860</u>	<u>14,683,859</u>	<u>13,062,860</u>	<u>(575,360)</u>
FUND BALANCE, end of year	<u>\$ 8,490,250</u>	<u>\$ 8,490,250</u>	<u>\$ 14,683,859</u>	<u>16,546,761</u>	<u>\$ 16,546,761</u>	<u>\$ (8,056,511)</u>
RECONCILIATION TO GAAP BASIS						
Capital assets, net				33,978,834		
Compensated absences				<u>(110,231)</u>		
TOTAL NET POSITION, end of year				<u>\$ 50,415,364</u>		

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Sewage Treatment Fund – 503
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 11,937,000	\$ 11,937,000	\$ 5,871,503	\$ 6,358,857	\$ 12,230,360	\$ (293,360)
Investment earnings	84,000	84,000	29,791	48,634	78,425	5,575
Other revenue	10,000	10,000	18,851	23,492	42,343	(32,343)
Total revenues	<u>12,031,000</u>	<u>12,031,000</u>	<u>5,920,145</u>	<u>6,430,983</u>	<u>12,351,128</u>	<u>(320,128)</u>
EXPENDITURES						
Sewage treatment maintenance	12,267,500	12,267,500	4,518,098	6,291,481	10,809,579	1,457,921
Contingency	1,250,000	1,250,000	-	-	-	1,250,000
Total expenditures	<u>13,517,500</u>	<u>13,517,500</u>	<u>4,518,098</u>	<u>6,291,481</u>	<u>10,809,579</u>	<u>2,707,921</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(1,486,500)</u>	<u>(1,486,500)</u>	<u>1,402,047</u>	<u>139,502</u>	<u>1,541,549</u>	<u>(3,028,049)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(678,800)	(678,800)	(331,627)	(346,939)	(678,566)	(234)
Total other financing sources (uses)	<u>(678,800)</u>	<u>(678,800)</u>	<u>(331,627)</u>	<u>(346,939)</u>	<u>(678,566)</u>	<u>(234)</u>
NET CHANGE IN FUND BALANCE	<u>(2,165,300)</u>	<u>(2,165,300)</u>	<u>1,070,420</u>	<u>(207,437)</u>	<u>862,983</u>	<u>(3,028,283)</u>
FUND BALANCE, beginning of year	<u>2,592,700</u>	<u>2,592,700</u>	<u>1,979,053</u>	<u>3,049,473</u>	<u>1,979,053</u>	<u>613,647</u>
FUND BALANCE, end of year	<u>\$ 427,400</u>	<u>\$ 427,400</u>	<u>3,049,473</u>	<u>2,842,036</u>	<u>\$ 2,842,036</u>	<u>\$ (2,414,636)</u>
RECONCILIATION TO GAAP BASIS (FUND BALANCE TO NET POSITION)						
Inventory				336,440		
Capital assets, net				30,621,209		
Compensated absences				(184,404)		
Net OPEB liability / asset				(498,394)		
Net pension liability				(5,394,600)		
Deferred outflow of resources				1,921,724		
Deferred inflow of resources				(455,245)		
TOTAL NET POSITION, end of year				<u>\$ 29,188,766</u>		

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Sewer Collection System SDC Fund – 521
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Contributions	\$ 600,000	\$ 600,000	\$ 219,327	\$ 202,552	\$ 421,879	\$ 178,121
Investment earnings	46,000	46,000	14,470	23,699	38,169	7,831
Total revenues	<u>646,000</u>	<u>646,000</u>	<u>233,797</u>	<u>226,251</u>	<u>460,048</u>	<u>185,952</u>
EXPENDITURES						
Sewer collection system development	1,196,500	1,196,500	1,267	650	1,917	1,194,583
Contingency	150,000	150,000	-	-	-	150,000
Total expenditures	<u>1,346,500</u>	<u>1,346,500</u>	<u>1,267</u>	<u>650</u>	<u>1,917</u>	<u>1,344,583</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(700,500)</u>	<u>(700,500)</u>	<u>232,530</u>	<u>225,601</u>	<u>458,131</u>	<u>(1,158,631)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(1,000)	(1,000)	(414)	(435)	(849)	(151)
Total other financing sources (uses)	<u>(1,000)</u>	<u>(1,000)</u>	<u>(414)</u>	<u>(435)</u>	<u>(849)</u>	<u>(151)</u>
NET CHANGE IN FUND BALANCE	(701,500)	(701,500)	232,116	225,166	457,282	(1,158,782)
FUND BALANCE, beginning of year	<u>1,010,200</u>	<u>1,010,200</u>	<u>1,039,956</u>	<u>1,272,072</u>	<u>1,039,956</u>	<u>(29,756)</u>
FUND BALANCE, end of year	<u>\$ 308,700</u>	<u>\$ 308,700</u>	<u>\$ 1,272,072</u>	<u>\$ 1,497,238</u>	<u>\$ 1,497,238</u>	<u>\$ (1,188,538)</u>

City of Medford

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Sanitary Sewer Maintenance Fund – 502
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 8,776,000	\$ 8,776,000	\$ 4,673,399	\$ 5,204,915	\$ 9,878,314	\$ (1,102,314)
Investment earnings	66,000	66,000	68,096	84,763	152,859	(86,859)
Other revenue	20,000	20,000	6,632	11,427	18,059	1,941
Total revenues	<u>8,862,000</u>	<u>8,862,000</u>	<u>4,748,127</u>	<u>5,301,105</u>	<u>10,049,232</u>	<u>(1,187,232)</u>
EXPENDITURES						
Sewer system maintenance and construction	10,832,770	10,857,770	4,232,534	4,629,939	8,862,473	1,995,297
Contingency	950,000	925,000	-	-	-	925,000
Total expenditures	<u>11,782,770</u>	<u>11,782,770</u>	<u>4,232,534</u>	<u>4,629,939</u>	<u>8,862,473</u>	<u>2,920,297</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(2,920,770)</u>	<u>(2,920,770)</u>	<u>515,593</u>	<u>671,166</u>	<u>1,186,759</u>	<u>(4,107,529)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(685,300)	(685,300)	(335,032)	(350,079)	(685,111)	(189)
Total other financing sources (uses)	<u>(685,300)</u>	<u>(685,300)</u>	<u>(335,032)</u>	<u>(350,079)</u>	<u>(685,111)</u>	<u>(189)</u>
NET CHANGE IN FUND BALANCE	<u>(3,606,070)</u>	<u>(3,606,070)</u>	<u>180,561</u>	<u>321,087</u>	<u>501,648</u>	<u>(4,107,718)</u>
FUND BALANCE, beginning of year	<u>4,215,000</u>	<u>4,215,000</u>	<u>3,912,747</u>	<u>4,093,308</u>	<u>3,912,747</u>	<u>302,253</u>
FUND BALANCE, end of year	<u>\$ 608,930</u>	<u>\$ 608,930</u>	<u>4,093,308</u>	<u>4,414,395</u>	<u>\$ 4,414,395</u>	<u>\$ (3,805,465)</u>
RECONCILIATION TO GAAP BASIS						
Capital assets, net				19,611,382		
Compensated absences				<u>(107,380)</u>		
TOTAL NET POSITION, end of year				<u>\$ 23,918,397</u>		

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Sewage Treatment SDC Fund – 523
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Contributions	\$ 2,036,000	\$ 2,036,000	\$ 1,146,775	\$ 1,359,708	\$ 2,506,483	\$ (470,483)
Investment earnings	112,000	112,000	97,798	121,067	218,865	(106,865)
Total revenues	<u>2,148,000</u>	<u>2,148,000</u>	<u>1,244,573</u>	<u>1,480,775</u>	<u>2,725,348</u>	<u>(577,348)</u>
EXPENDITURES						
Sewage treatment SDC	3,860,000	3,860,000	601,932	2,650,309	3,252,241	607,759
Contingency	480,000	480,000	-	-	-	480,000
Total expenditures	<u>4,340,000</u>	<u>4,340,000</u>	<u>601,932</u>	<u>2,650,309</u>	<u>3,252,241</u>	<u>1,087,759</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(2,192,000)</u>	<u>(2,192,000)</u>	<u>642,641</u>	<u>(1,169,534)</u>	<u>(526,893)</u>	<u>(1,665,107)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(29,900)	(29,900)	(14,589)	(15,260)	(29,849)	(51)
Total other financing sources (uses)	<u>(29,900)</u>	<u>(29,900)</u>	<u>(14,589)</u>	<u>(15,260)</u>	<u>(29,849)</u>	<u>(51)</u>
NET CHANGE IN FUND BALANCE	<u>(2,221,900)</u>	<u>(2,221,900)</u>	<u>628,052</u>	<u>(1,184,794)</u>	<u>(556,742)</u>	<u>(1,665,158)</u>
FUND BALANCE, beginning of year	<u>6,203,900</u>	<u>6,203,900</u>	<u>7,346,991</u>	<u>7,975,043</u>	<u>7,346,991</u>	<u>(1,143,091)</u>
FUND BALANCE, end of year	<u>\$ 3,982,000</u>	<u>\$ 3,982,000</u>	<u>\$ 7,975,043</u>	<u>\$ 6,790,249</u>	<u>\$ 6,790,249</u>	<u>\$ (2,808,249)</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Parking Facilities Fund – 701
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 1,156,600	\$ 1,211,600	\$ 760,500	\$ 738,817	\$ 1,499,317	\$ (287,717)
Investment earnings	7,000	7,000	11,756	19,915	31,671	(24,671)
Total revenues	<u>1,163,600</u>	<u>1,218,600</u>	<u>772,256</u>	<u>758,732</u>	<u>1,530,988</u>	<u>(312,388)</u>
EXPENDITURES						
Parking facilities maintenance and construction	1,233,000	1,288,000	526,109	536,073	1,062,182	225,818
Contingency	147,000	147,000	-	-	-	147,000
Total expenditures	<u>1,380,000</u>	<u>1,435,000</u>	<u>526,109</u>	<u>536,073</u>	<u>1,062,182</u>	<u>372,818</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(216,400)</u>	<u>(216,400)</u>	<u>246,147</u>	<u>222,659</u>	<u>468,806</u>	<u>(685,206)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>(48,500)</u>	<u>(48,500)</u>	<u>(23,651)</u>	<u>(24,722)</u>	<u>(48,373)</u>	<u>(127)</u>
Total other financing sources (uses)	<u>(48,500)</u>	<u>(48,500)</u>	<u>(23,651)</u>	<u>(24,722)</u>	<u>(48,373)</u>	<u>(127)</u>
NET CHANGE IN FUND BALANCE	<u>(264,900)</u>	<u>(264,900)</u>	<u>222,496</u>	<u>197,937</u>	<u>420,433</u>	<u>(685,333)</u>
FUND BALANCE, beginning of year	<u>655,400</u>	<u>655,400</u>	<u>860,579</u>	<u>1,083,075</u>	<u>860,579</u>	<u>(205,179)</u>
FUND BALANCE, end of year	<u>\$ 390,500</u>	<u>\$ 390,500</u>	<u>\$ 1,083,075</u>	<u>1,281,012</u>	<u>\$ 1,281,012</u>	<u>\$ (890,512)</u>
RECONCILIATION TO GAAP BASIS						
Capital assets, net				2,635,718		
Net OPEB liability				(9,948)		
Net pension liability				(77,554)		
Deferred outflow of resources				27,742		
Deferred inflow of resources				(6,615)		
Compensated absences				<u>(4,125)</u>		
TOTAL NET POSITION, end of year				<u>\$ 3,846,230</u>		

City of Medford
Internal Service Funds
June 30, 2019

The Internal Service Funds account for services and activities provided by the City for other units within and outside the City. Funds included in this category are:

Risk Management Fund - Accounts for administration and associated cost of workers' compensation insurance and other insurance programs provided by the City.

Fleet Maintenance Fund - Accounts for fleet maintenance services provided by the City.

City of Medford
Combining Balance Sheet
Internal Service Funds
June 30, 2019

	Risk Management Fund - 700	Fleet Maintenance Fund - 540	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 3,472,312	\$ 479,313	\$ 3,951,625
Receivables	307	50,239	50,546
Prepaid expense	535,260	-	535,260
Inventories	-	741,266	741,266
Total current assets	<u>4,007,879</u>	<u>1,270,818</u>	<u>5,278,697</u>
Noncurrent assets			
Restricted cash and cash equivalents	126,794	-	126,794
Capital assets, net of accumulated depreciation	-	245,390	245,390
OPEB asset	1,112	4,232	5,344
Total noncurrent assets	<u>127,906</u>	<u>249,622</u>	<u>377,528</u>
Total assets	<u>4,135,785</u>	<u>1,520,440</u>	<u>5,656,225</u>
DEFERRED OUTFLOW OF RESOURCES			
OPEB related items	514	1,955	2,469
Pension related items	34,240	129,725	163,965
Total deferred outflow of resources	<u>34,754</u>	<u>131,680</u>	<u>166,434</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 4,170,539</u></u>	<u><u>\$ 1,652,120</u></u>	<u><u>\$ 5,822,659</u></u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 15,545	\$ 85,219	\$ 100,764
Payroll and related accruals	814,269	23,353	837,622
Compensated absences, due within one year	3,520	6,623	10,143
Claims payable	584,670	-	584,670
Total current liabilities	<u>1,418,004</u>	<u>115,195</u>	<u>1,533,199</u>
Noncurrent liabilities			
Compensated absences, due in more than one year	14,081	26,493	40,574
OPEB liability	13,528	51,482	65,010
Net pension liability	97,162	368,110	465,272
Total noncurrent liabilities	<u>124,771</u>	<u>446,085</u>	<u>570,856</u>
Total liabilities	<u>1,542,775</u>	<u>561,280</u>	<u>2,104,055</u>
DEFERRED INFLOWS OF RESOURCES			
OPEB related items	315	1,200	1,515
Pension related items	7,972	30,200	38,172
Total deferred inflow of resources	<u>8,287</u>	<u>31,400</u>	<u>39,687</u>
NET POSITION			
Net investment in capital assets	-	245,390	245,390
Restricted for employee section 125 plan	126,794	-	126,794
Unrestricted	2,492,683	814,050	3,306,733
Total net position	<u>2,619,477</u>	<u>1,059,440</u>	<u>3,678,917</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u><u>\$ 4,170,539</u></u>	<u><u>\$ 1,652,120</u></u>	<u><u>\$ 5,822,659</u></u>

City of Medford
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2019

	Risk Management Fund - 700	Fleet Maintenance Fund - 540	Total
OPERATING REVENUES			
Charges for services	\$ 1,882,262	\$ 1,545,122	\$ 3,427,384
Total operating revenue	<u>1,882,262</u>	<u>1,545,122</u>	<u>3,427,384</u>
OPERATING EXPENSES			
Salaries and fringe benefits	249,209	710,861	960,070
Operating supplies	404,318	848,439	1,252,757
Professional services	-	20,661	20,661
Repairs and maintenance	-	7,768	7,768
Premiums and claims	591,556	13,000	604,556
Utilities	-	1,085	1,085
General, administrative, and engineering	86,722	13,331	100,053
Depreciation	-	42,984	42,984
Total operating expense	<u>1,331,805</u>	<u>1,658,129</u>	<u>2,989,934</u>
OPERATING INCOME (LOSS)	<u>550,457</u>	<u>(113,007)</u>	<u>437,450</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	<u>57,843</u>	<u>7,821</u>	<u>65,664</u>
Total nonoperating revenues (expenses)	<u>57,843</u>	<u>7,821</u>	<u>65,664</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>608,300</u>	<u>(105,186)</u>	<u>503,114</u>
CONTRIBUTIONS AND TRANSFERS			
Transfers out	<u>(305,720)</u>	<u>(76,789)</u>	<u>(382,509)</u>
Total contributions and transfers	<u>(305,720)</u>	<u>(76,789)</u>	<u>(382,509)</u>
NET CHANGE IN NET POSITION	302,580	(181,975)	120,605
NET POSITION, beginning of year	<u>2,316,897</u>	<u>1,241,415</u>	<u>3,558,312</u>
NET POSITION, end of year	<u>\$ 2,619,477</u>	<u>\$ 1,059,440</u>	<u>\$ 3,678,917</u>

City of Medford
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2019

	Risk Management Fund - 700	Fleet Maintenance Fund - 540	Total
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers	\$ -	\$ 160,533	\$ 160,533
Receipt from interfund services provided	1,882,262	1,467,087	3,349,349
Payments to suppliers	(1,457,051)	(774,157)	(2,231,208)
Payments to employees	(220,182)	(868,355)	(1,088,537)
Net cash provided (used) by operating activities	<u>205,029</u>	<u>(14,892)</u>	<u>190,137</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to other funds	(305,720)	(76,789)	(382,509)
Net cash provided (used) by noncapital financing activities	<u>(305,720)</u>	<u>(76,789)</u>	<u>(382,509)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	(6,450)	(6,450)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	57,843	7,821	65,664
Net cash provided (used) by investing activities	<u>57,843</u>	<u>7,821</u>	<u>65,664</u>
INCREASE (DECREASE) IN CASH	(42,848)	(90,310)	(133,158)
CASH, beginning of year	3,641,954	569,623	4,211,577
CASH, end of year	<u>\$ 3,599,106</u>	<u>\$ 479,313</u>	<u>\$ 4,078,419</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 550,457	\$ (113,007)	\$ 437,450
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation expense	-	42,984	42,984
Pension and OPEB expense	(7,689)	(16,030)	(23,719)
(Increase) decrease in accounts receivable	-	82,498	82,498
(Increase) decrease in prepaid expense	(535,260)	-	(535,260)
(Increase) decrease in inventory	-	64,375	64,375
Increase (decrease) in accounts payable	(565,058)	(28,446)	(593,504)
Increase (decrease) in compensated absences	5,557	17,918	23,475
Increase (decrease) in accrued payroll and related expenses	566,419	(65,184)	501,235
Increase (decrease) in claims payable	190,603	-	190,603
Total adjustments	<u>(345,428)</u>	<u>98,115</u>	<u>(247,313)</u>
NET CASH PROVIDED (USED) BY OPERATING	<u>\$ 205,029</u>	<u>\$ (14,892)</u>	<u>\$ 190,137</u>

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Risk Management Fund – 700
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 3,414,400	\$ 3,714,400	\$ 1,909,262	\$ 1,882,262	\$ 3,791,524	\$ (77,124)
Investment earnings	56,000	56,000	38,875	57,843	96,718	(40,718)
Total revenues	<u>3,470,400</u>	<u>3,770,400</u>	<u>1,948,137</u>	<u>1,940,105</u>	<u>3,888,242</u>	<u>(117,842)</u>
EXPENDITURES						
Risk management	3,229,480	3,431,860	2,214,664	1,143,334	3,357,998	73,862
Contingency	1,500,000	1,500,000	-	-	-	1,500,000
Total expenditures	<u>4,729,480</u>	<u>4,931,860</u>	<u>2,214,664</u>	<u>1,143,334</u>	<u>3,357,998</u>	<u>1,573,862</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(1,259,080)</u>	<u>(1,161,460)</u>	<u>(266,527)</u>	<u>796,771</u>	<u>530,244</u>	<u>(1,691,704)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(296,960)	(394,580)	(88,794)	(305,720)	(394,514)	(66)
Total other financing sources (uses)	<u>(296,960)</u>	<u>(394,580)</u>	<u>(88,794)</u>	<u>(305,720)</u>	<u>(394,514)</u>	<u>(66)</u>
NET CHANGE IN FUND BALANCE	(1,556,040)	(1,556,040)	(355,321)	491,051	135,730	(1,691,770)
FUND BALANCE, beginning of year	<u>2,729,900</u>	<u>2,729,900</u>	<u>3,169,129</u>	<u>2,813,808</u>	<u>3,169,129</u>	<u>(439,229)</u>
FUND BALANCE, end of year	<u>\$ 1,173,860</u>	<u>\$ 1,173,860</u>	<u>\$ 2,813,808</u>	3,304,859	<u>\$ 3,304,859</u>	<u>\$ (2,130,999)</u>
RECONCILIATION TO GAAP BASIS						
Claims payable				(584,670)		
Net OPEB liability / asset				(12,416)		
Net pension liability				(97,162)		
Deferred outflow of resources				34,754		
Deferred inflow of resources				(8,287)		
Compensated absences				(17,601)		
TOTAL NET POSITION, end of year				<u>\$ 2,619,477</u>		

City of Medford
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Budgetary Basis)
Fleet Maintenance Fund – 540
For the Year Ended June 30, 2019

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
REVENUES						
Charges for services	\$ 2,449,000	\$ 2,841,500	\$ 1,629,041	\$ 1,545,122	\$ 3,174,163	\$ (332,663)
Intergovernmental	-	392,000	-	-	-	392,000
Investment earnings	16,000	24,000	16,014	7,821	23,835	165
Total revenues	<u>2,465,000</u>	<u>3,257,500</u>	<u>1,645,055</u>	<u>1,552,943</u>	<u>3,197,998</u>	<u>59,502</u>
EXPENDITURES						
Fleet maintenance and operations	2,546,100	3,338,600	1,715,447	1,619,707	3,335,154	3,446
Contingency	310,000	310,000	-	-	-	310,000
Total expenditures	<u>2,856,100</u>	<u>3,648,600</u>	<u>1,715,447</u>	<u>1,619,707</u>	<u>3,335,154</u>	<u>313,446</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(391,100)	(391,100)	(70,392)	(66,764)	(137,156)	(253,944)
OTHER FINANCING SOURCES (USES)						
Transfers out	(150,300)	(150,300)	(73,383)	(76,789)	(150,172)	(128)
NET CHANGE IN FUND BALANCE	(541,400)	(541,400)	(143,775)	(143,553)	(287,328)	(254,072)
FUND BALANCE, beginning of year	<u>726,400</u>	<u>726,400</u>	<u>1,449,574</u>	<u>1,305,799</u>	<u>1,449,574</u>	<u>(723,174)</u>
FUND BALANCE, end of year	<u>\$ 185,000</u>	<u>\$ 185,000</u>	<u>\$ 1,305,799</u>	1,162,246	<u>\$ 1,162,246</u>	<u>\$ (977,246)</u>
RECONCILIATION TO GAAP BASIS						
Capital assets, net				245,390		
Net OPEB liability / asset				(47,250)		
Net pension liability				(368,110)		
Deferred outflow of resources				131,680		
Compensated absences				(33,116)		
Deferred inflow of resources				(31,400)		
TOTAL NET POSITION, end of year				<u>\$ 1,059,440</u>		

Other Financial Schedules

**City of Medford
Budget and Actual
Schedule of Expenditures by Division
For the Year Ended June 30, 2019**

	Biennium Budget		First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget
	Original	Final				
EXPENDITURES						
Mayor and council	\$ 1,349,400	\$ 1,309,400	\$ 417,750	\$ 451,359	\$ 869,109	\$ 440,291
City manager	3,368,900	3,423,900	1,552,997	1,367,520	2,920,517	503,383
City Attorney	1,487,000	1,442,000	652,309	686,997	1,339,306	102,694
Human Resources	4,693,400	4,993,400	2,979,538	1,834,662	4,814,200	179,200
Finance	24,074,620	25,832,720	11,815,092	10,592,187	22,407,279	3,425,441
Municipal Court	2,510,800	3,259,700	1,427,029	1,694,851	3,121,880	137,820
Technology services	7,672,520	7,547,520	2,674,644	2,733,766	5,408,410	2,139,110
Planning	4,189,590	4,234,910	1,724,466	1,984,112	3,708,578	526,332
Facilities	7,346,420	7,513,320	3,110,350	3,720,058	6,830,408	682,912
Police	48,507,030	50,021,505	24,299,783	24,875,818	49,175,601	845,904
Fire	34,635,630	36,145,760	19,841,638	15,355,916	35,197,554	948,206
Building safety	3,421,930	3,447,210	1,666,553	1,673,278	3,339,831	107,379
Public works	32,653,850	33,516,350	14,111,595	14,974,007	29,085,602	4,430,748
Regional water reclamation	16,109,400	16,336,400	5,117,384	8,937,231	14,054,615	2,281,785
Engineering & development	49,128,150	49,628,150	7,723,525	8,550,621	16,274,146	33,354,004
Utility billing services	3,881,500	3,956,500	1,731,420	1,830,684	3,562,104	394,396
Parks & recreation	18,963,350	22,161,057	9,033,791	8,970,351	18,004,142	4,156,915
Community promotion & grants	4,652,640	5,863,260	2,730,662	2,815,956	5,546,618	316,642
Contingency	26,378,000	25,863,680	-	-	-	25,863,680
Total expenditures	<u>295,024,130</u>	<u>306,496,742</u>	<u>112,610,526</u>	<u>113,049,374</u>	<u>225,659,900</u>	<u>80,836,842</u>
OTHER FINANCING SOURCES						
Interfund transfers and loans	<u>28,748,360</u>	<u>32,043,040</u>	<u>12,395,796</u>	<u>12,843,533</u>	<u>25,239,329</u>	<u>19,647,244</u>
Total other financing sources	<u>28,748,360</u>	<u>32,043,040</u>	<u>12,395,796</u>	<u>12,843,533</u>	<u>25,239,329</u>	<u>19,647,244</u>
TOTAL APPROPRIATIONS	<u>\$ 323,772,490</u>	<u>\$ 338,539,782</u>	<u>\$ 125,006,322</u>	<u>\$125,892,907</u>	<u>\$250,899,229</u>	<u>\$ 100,484,086</u>

City of Medford, Oregon
Introduction to the Statistical Section
(Unaudited)

This section provides financial statement users with additional historic perspective, context, and detail to assist in using the information in the financial statements, note disclosures, and required supplemental information to understand and assess the city's economic condition.

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Financial Trends

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

Schedule 1 – net position by component	119
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Schedule 3 – fund balances	122
Schedule 4 – changes in fund balances	123–124

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its own source revenue, such as property taxes.

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Schedule 6 – property tax rates - direct and overlapping governments	126
Schedule 7 – principal property taxpayers	127
Schedule 8 – property tax levies and collections	128

Debt Capacity

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

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Schedule 11 – direct and overlapping governmental activities debt	131
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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make the comparisons over time and with other governments.

Schedule 14 – demographic and economic statistics	134
Schedule 15 – largest employers	135

City of Medford, Oregon
Introduction to the Statistical Section
(Unaudited)

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Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it provides.

Schedule 16 – number of full time (FT) employees and FT equivalent at end of each fiscal year	136
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Schedule 18 – capital asset statistics by function	139

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

City of Medford, Oregon
Schedule 1 – Net Position by Component
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
Accrual Basis of Accounting
June 30, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 214,648,301	\$ 225,070,486	\$ 214,017,088	\$ 230,304,448	\$ 233,292,847	\$ 230,039,491	\$ 265,499,121	\$ 235,720,103	\$ 245,269,283	\$ 250,699,201
Restricted										
Public safety	-	1,710,116	304,287	599,884	1,122,668	1,368,286	1,401,309	1,488,800	1,906,792	2,032,934
Employee section 125 plan	41,139	-	-	-	-	100,793	-	-	-	-
Highways and streets	17,995,987	18,355,893	12,367,765	16,696,007	18,475,789	22,705,617	15,079,266	16,100,310	41,318,842	43,640,737
Culture and recreation	1,741,936	1,847,405	1,308,384	2,004,134	8,119,399	4,948,229	6,746,706	8,575,469	6,479,986	5,503,652
Community development	3,703,587	3,766,736	1,688,873	11,981,400	6,208,364	3,046,548	3,701,166	4,654,293	5,065,787	5,069,357
Debt service	4,146,973	3,778,977	3,188,173	149,022	192,619	232,034	273,483	241,508	249,367	3,415,192
Unrestricted	19,541,765	14,466,647	38,250,316	23,166,428	18,345,502	5,592,837	(29,259,072)	(429,335)	(30,023,621)	(30,522,902)
Total governmental activities	261,819,688	268,996,260	271,124,886	284,901,323	285,757,188	268,033,835	263,441,979	266,351,148	270,266,436	279,838,171
Business-type activities										
Net investment in capital assets	73,620,645	76,190,298	80,445,022	82,369,791	82,026,363	82,234,047	82,627,772	81,772,691	83,314,311	86,847,143
Restricted										
Future system development	13,040,845	11,544,184	7,154,013	6,023,646	6,811,138	7,498,708	9,326,458	10,753,119	11,298,926	10,410,666
Unrestricted	8,912,358	8,994,238	10,571,254	12,055,882	14,626,227	13,637,545	14,613,099	16,566,948	18,568,810	20,521,614
Total business-type activities	95,573,848	96,728,720	98,170,289	100,449,319	103,463,728	103,370,300	106,567,329	109,092,758	113,182,047	117,779,423
Total activities	\$ 357,393,536	\$ 365,724,980	\$ 369,295,175	\$ 385,350,642	\$ 389,220,916	\$ 371,404,135	\$ 370,009,308	\$ 375,443,906	\$ 383,448,483	\$ 397,617,594
Primary Government										
Net investment in capital assets	\$ 288,268,946	\$ 301,260,784	\$ 294,462,110	\$ 312,674,239	\$ 315,319,210	\$ 312,273,538	\$ 348,126,893	\$ 317,492,794	\$ 328,583,594	\$ 337,546,344
Restricted										
Future system development	13,040,845	11,544,184	7,154,013	6,023,646	6,811,138	7,498,708	9,326,458	10,753,119	11,298,926	10,410,666
Public safety	-	1,710,116	304,287	599,884	1,122,668	1,368,286	1,401,309	1,488,800	1,906,792	2,032,934
Employee section 125 plan	41,139	-	-	-	-	100,793	-	-	-	-
Highways and streets	17,995,987	18,355,893	12,367,765	16,696,007	18,475,789	22,705,617	15,079,266	16,100,310	41,318,842	43,640,737
Culture and recreation	1,741,936	1,847,405	1,308,384	2,004,134	8,119,399	4,948,229	6,746,706	8,575,469	6,479,986	5,503,652
Community development	3,703,587	3,766,736	1,688,873	11,981,400	6,208,364	3,046,548	3,701,166	4,654,293	5,065,787	5,069,357
Debt service	4,146,973	3,778,977	3,188,173	149,022	192,619	232,034	273,483	241,508	249,367	3,415,192
Unrestricted	28,454,123	23,460,885	48,821,570	35,222,310	32,971,729	19,230,382	(14,645,973)	16,137,613	(11,454,811)	(10,001,288)
Total primary government	\$ 357,393,536	\$ 365,724,980	\$ 369,295,175	\$ 385,350,642	\$ 389,220,916	\$ 371,404,135	\$ 370,009,308	\$ 375,443,906	\$ 383,448,483	\$ 397,617,594

City of Medford, Oregon
Schedule 2 – Changes in Net Position
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
Accrual Basis of Accounting
June 30, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
EXPENSES										
Governmental activities										
General government	\$ 9,099,299	\$ 7,943,745	\$ 8,930,685	\$ 8,641,807	\$ 9,147,201	\$ 7,228,471	\$ 9,172,301	\$ 10,144,563	\$ 11,109,819	\$ 9,490,305
Public safety	29,113,251	33,360,267	33,766,228	30,763,148	34,509,062	30,837,168	44,619,287	41,444,039	43,996,831	45,008,775
Highways and streets	13,994,665	14,115,089	14,330,802	15,769,938	15,847,096	10,934,221	16,731,000	14,076,169	15,166,454	17,713,304
Culture and recreation	7,095,384	7,573,132	8,373,605	8,324,613	8,589,430	10,682,389	11,741,062	9,830,669	13,165,281	11,965,388
Community development	5,712,703	6,044,328	6,103,180	7,230,916	6,161,258	5,923,238	7,926,878	7,829,634	5,206,836	7,933,411
Interest on long-term debt	3,864,286	3,294,488	3,697,765	4,449,492	4,444,205	5,934,341	5,010,100	4,846,700	4,216,335	3,487,880
Total governmental activities expenses	68,879,588	72,331,049	75,202,265	75,179,914	78,698,252	71,539,828	95,200,628	88,171,774	92,861,556	95,599,063
Business-type activities										
Sewer services	10,179,351	12,485,964	10,433,372	10,661,977	11,184,462	12,013,563	15,734,500	15,279,007	14,633,336	16,587,237
Parking services	411,681	332,673	379,767	384,563	388,584	454,410	563,198	609,176	615,381	650,646
Total business-type activities expenses	10,591,032	12,818,637	10,813,139	11,046,540	11,573,046	12,467,973	16,297,698	15,888,183	15,248,717	17,237,883
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 79,470,620	\$ 85,149,686	\$ 86,015,404	\$ 86,226,454	\$ 90,271,298	\$ 84,007,801	\$ 111,498,326	\$ 104,059,957	\$ 108,110,273	\$ 112,836,946
PROGRAM REVENUES										
Governmental activities										
Charges for services										
General government	\$ 5,758,207	\$ 4,921,821	\$ 3,617,405	\$ 5,127,014	\$ 5,761,672	\$ 4,557,513	\$ 9,729,778	\$ 3,538,171	\$ 2,536,443	\$ 2,892,728
Public safety	2,585,990	2,799,003	2,229,342	1,337,617	3,523,187	3,830,132	4,972,018	6,531,071	5,377,194	5,831,015
Highways and streets	6,505,957	7,241,299	8,132,177	7,907,387	9,468,041	13,453,383	8,919,838	7,472,821	7,892,045	8,671,653
Culture and recreation	2,645,391	3,123,140	2,354,531	1,337,631	2,851,023	3,266,037	3,465,813	2,166,861	1,598,283	1,680,673
Community development	963,721	1,716,297	630,913	1,921,074	1,847,670	850,765	977,437	993,442	2,033,871	2,250,546
Operating grants and contributions										
General government	1,436,003	54,660	4,180,320	4,586,629	4,429,715	2,845,401	4,866,568	4,568,469	6,364,348	6,653,679
Public safety	7,075	1,028,922	1,800,297	246,825	-	474,873	265,504	16,326	39,354	21,714
Highways and streets	5,225,536	3,751,548	5,249,324	4,255,860	4,342,965	1,762,886	37,468	5,308,119	5,595,574	6,427,123
Culture and recreation	88,340	18,000	3,225	1,279,406	-	-	-	1,388,629	834,389	999,175
Community development	576,694	1,890,849	505,809	8,983	-	729,640	500,854	509,726	964,441	1,298,110
Capital grants and contributions										
Highways and streets	3,142,514	7,914,014	3,080,688	12,654,060	2,115,707	1,788,691	5,129,041	2,542,567	5,481,747	8,097,759
Culture and recreation	-	1,835,134	544,778	1,448,730	1,177,600	1,035,203	1,372,090	1,572,584	540,000	-
Community development	-	-	-	379,047	-	-	-	-	-	-
Total governmental activities program revenue	28,935,428	36,294,687	32,328,809	42,490,263	35,517,580	34,594,524	40,236,409	36,608,786	39,257,689	44,824,175
Business type activities										
Sewer services										
Charges for services	10,237,379	10,740,971	11,599,953	12,507,099	13,405,162	12,961,499	14,421,187	15,652,898	17,085,810	18,245,373
Operating grants and contributions	2,797	228,961	7,320	18,278	4,624	19,899	-	-	-	-
Capital grants and contributions	1,561,257	1,110,753	802,288	1,004,292	1,272,724	1,107,321	3,464,088	2,732,852	2,484,548	3,341,253
Parking services										
Charges for services	487,696	272,916	425,426	499,970	517,155	598,685	663,726	714,739	760,500	738,817
Total business type activities program revenue	12,289,129	12,353,601	12,834,987	14,029,639	15,199,665	14,687,404	18,549,001	19,100,489	20,330,858	22,325,443
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 41,224,557	\$ 48,648,288	\$ 45,163,796	\$ 56,519,902	\$ 50,717,245	\$ 49,281,928	\$ 58,785,410	\$ 55,709,275	\$ 59,588,547	\$ 67,149,618

City of Medford, Oregon
Schedule 2 – Changes in Net Position
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
Accrual Basis of Accounting
June 30, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
NET (EXPENSE)/REVENUE										
Governmental activities	\$ (39,944,160)	\$ (36,036,362)	\$ (42,873,456)	\$ (32,689,651)	\$ (43,180,672)	\$ (36,945,304)	\$ (54,964,219)	\$ (51,562,988)	\$ (53,603,867)	\$ (50,774,888)
Business type activities	1,698,097	(465,036)	2,021,848	2,983,099	3,626,619	2,219,431	2,251,303	3,212,306	5,082,141	5,087,560
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	<u>\$ (38,246,063)</u>	<u>\$ (36,501,398)</u>	<u>\$ (40,851,608)</u>	<u>\$ (29,706,552)</u>	<u>\$ (39,554,053)</u>	<u>\$ (34,725,873)</u>	<u>\$ (52,712,916)</u>	<u>\$ (48,350,682)</u>	<u>\$ (48,521,726)</u>	<u>\$ (45,687,328)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Property taxes	\$ 33,669,718	\$ 34,837,199	\$ 34,777,008	\$ 34,374,090	\$ 36,009,226	\$ 38,410,779	\$ 39,659,600	\$ 41,421,349	\$ 39,245,039	\$ 42,030,584
Other taxes	13,188,961	8,840,324	9,354,732	9,458,020	9,847,977	10,374,157	10,684,603	11,041,994	15,239,513	15,498,001
Unrestricted investment earnings	625,355	343,150	565,817	474,987	675,501	643,510	743,326	844,262	1,184,690	1,720,663
Gain (loss) on disposal of capital assets	41,350	(46,097)	103,858	10,889	(190,062)	-	46,227	197,066	-	-
Transfers	693,198	696,058	778,140	831,714	722,390	895,300	(761,393)	967,486	1,049,775	1,097,375
Total governmental activities	<u>48,218,582</u>	<u>44,670,634</u>	<u>45,579,555</u>	<u>45,149,700</u>	<u>47,065,032</u>	<u>50,323,746</u>	<u>50,372,363</u>	<u>54,472,157</u>	<u>56,719,017</u>	<u>60,346,623</u>
Business type activities										
Investment earnings	237,114	130,587	173,844	127,646	110,179	133,831	184,498	280,609	444,107	607,191
Gain (loss) on disposal of capital assets	-	-	24,129	-	-	-	-	-	-	-
Loss on abandonment of capital expenditures	-	-	-	-	-	-	-	-	-	-
Transfers	(693,198)	(696,058)	(778,140)	(831,714)	(722,390)	(895,300)	761,393	(967,486)	(1,049,775)	(1,097,375)
Total business type activities	<u>(456,084)</u>	<u>(565,471)</u>	<u>(580,167)</u>	<u>(704,068)</u>	<u>(612,211)</u>	<u>(761,469)</u>	<u>945,891</u>	<u>(686,877)</u>	<u>(605,668)</u>	<u>(490,184)</u>
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	<u>\$ 47,762,498</u>	<u>\$ 44,105,163</u>	<u>\$ 44,999,388</u>	<u>\$ 44,445,632</u>	<u>\$ 46,452,821</u>	<u>\$ 49,562,277</u>	<u>\$ 51,318,254</u>	<u>\$ 53,785,280</u>	<u>\$ 56,113,349</u>	<u>\$ 59,856,439</u>
CHANGES IN NET ASSETS										
Governmental activities	\$ 8,274,422	\$ 8,634,272	\$ 2,706,099	\$ 12,460,049	\$ 3,884,360	\$ 13,378,442	\$ (4,591,856)	\$ 2,909,169	\$ 3,115,150	\$ 9,571,735
Business type activities	1,242,013	(1,030,507)	1,441,681	2,279,031	3,014,408	1,457,962	3,197,194	2,525,429	4,476,473	4,597,376
TOTAL PRIMARY GOVERNMENT CHANGES IN NET POSITION	<u>\$ 9,516,435</u>	<u>\$ 7,603,765</u>	<u>\$ 4,147,780</u>	<u>\$ 14,739,080</u>	<u>\$ 6,898,768</u>	<u>\$ 14,836,404</u>	<u>\$ (1,394,662)</u>	<u>\$ 5,434,598</u>	<u>\$ 7,591,623</u>	<u>\$ 14,169,111</u>

Note

The City began to report accrual information when it implemented GASB statement 34 in fiscal year 2003.

Beginning in 2010, the City began reporting a new functional category of community development that had previously been reported under the general government line item.

City of Medford, Oregon
Schedule 3 – Fund Balances, Governmental Funds
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
Modified Accrual Basis of Accounting
June 30, 2019

	2010 ¹	2011	2012 ²	2013 ²	2014 ²	2015 ²	2016 ²	2017 ²	2018 ²	2019 ²
GENERAL FUND										
Nondisposable										
Inventory	\$ -	\$ 56,353	\$ 66,104	\$ 57,553	\$ 53,840	\$ 43,194	\$ 44,418	\$ 44,103	\$ 40,549	\$ 43,480
Advances to other funds	-	-	20,950,000	19,700,000	18,355,000	16,985,000	15,575,000	4,400,000	3,651,519	1,735,331
Unassigned	19,022,954	17,820,875	18,107,099	17,240,916	18,097,582	1,739,021	538,182	252,888	(68,283)	2,516,829
Assigned										
Future Budget	-	-	-	-	-	16,615,670	16,615,670	17,411,900	17,411,900	17,630,300
Committed for PERS debt	-	1,457,607	2,035,080	2,617,712	3,028,488	3,441,896	3,767,201	4,104,713	4,156,965	4,328,596
TOTAL GENERAL FUND	\$ 19,022,954	\$ 19,334,835	\$ 41,158,283	\$ 39,616,181	\$ 39,534,910	\$ 38,824,781	\$ 36,540,471	\$ 26,213,604	\$ 25,192,650	\$ 26,254,536
ALL OTHER GOVERNMENT FUNDS										
Reserved										
Public safety	\$ 17,995,987									
Culture and recreation	1,741,936									
Community development	3,903,587									
Debt service	4,146,970									
Capital outlay	-									
Unreserved, reported in										
Special revenue funds	3,606,787									
Capital projects funds	-									
Restricted for										
Public safety		\$ 108,594	\$ 304,287	\$ 599,884	\$ 1,122,668	\$ 1,368,286	\$ 1,401,309	\$ 1,488,800	\$ 1,906,792	\$ 2,032,934
Highways and streets		9,867,064	12,367,765	16,696,007	18,475,790	22,705,617	14,839,822	16,100,310	41,318,842	43,640,737
Culture and recreation		1,504,922	1,308,384	2,044,134	8,119,399	4,948,229	6,746,706	8,575,469	6,479,986	5,503,652
Community development		3,766,736	1,688,873	11,981,400	6,208,364	3,046,548	3,684,406	4,654,293	5,065,787	5,069,357
Debt service		3,778,977	3,188,173	149,022	192,619	232,034	273,483	241,508	249,367	3,415,192
Committed for										
Public safety		1,601,522	1,578,026	1,778,011	34,456,786	30,138,696	12,216,832	3,445,154	408,691	458,033
Highways and streets		8,487,026	7,568,251	4,378,330	5,399,629	6,249,318	19,942,838	22,920,738	-	-
Culture and recreation		344,286	431,636	494,435	528,012	523,437	507,026	593,891	1,218,416	1,941,082
Unassigned		17,820,875	(4,868,989)	(16,550,028)	(12,837,550)	(12,691,861)	(7,159,903)	(1,399,165)	(1,234,009)	(1,626)
TOTAL ALL OTHER GOVERNMENT FUNDS	\$ 31,395,267	\$ 47,280,002	\$ 23,566,406	\$ 21,571,196	\$ 61,665,717	\$ 56,520,304	\$ 52,452,519	\$ 56,620,998	\$ 55,413,872	\$ 62,059,361

Note

The City began to report accrual information when it implemented GASB statement 34 in fiscal year 2003.

¹ 2010 and later - community development was reported separately

² The 2011C series bonds were issued to enable the City to loan funds to the Medford Urban Renewal Agency. This appears as a negative unassigned balance due to the interfund loan. The balance due as of 6/30/16 was \$15,575,000.

City of Medford, Oregon
Schedule 4 – Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
June 30, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES										
Taxes										
Property	\$ 33,550,863	\$ 34,558,484	\$ 34,817,095	\$ 34,685,616	\$ 36,499,226	\$ 38,140,648	\$ 40,094,803	\$ 41,430,063	\$ 38,990,569	\$ 42,256,346
Franchise	7,417,721	7,667,517	8,103,753	8,135,229	8,383,706	8,716,866	8,772,600	9,108,862	9,077,697	15,092,270
Lodging ¹	2,273,219	2,373,254	2,501,953	2,645,582	2,928,540	3,314,578	3,824,002	3,866,262	3,301,685	-
State gas tax	3,201,504	3,751,548	4,089,443	4,122,907	4,328,786	4,409,077	4,591,902	4,674,310	5,104,891	5,865,207
Car rental tax ²	296,517	313,011	338,587	408,345	702,932	1,085,049	1,165,994	1,203,386	2,860,131	405,731
Special assessments	2,122	11,533	88,037	33,955	6,534	4,094	-	-	-	-
System development charges	1,516,968	1,322,155	3,625,466	2,589,940	3,293,306	2,824,164	5,323,344	-	-	-
Charges for services	8,168,600	2,102,585	1,549,305	1,567,208	1,744,325	1,773,929	1,894,652	1,736,139	1,688,492	2,261,490
Fines and penalties	1,332,950	1,395,800	1,187,906	1,448,684	1,348,188	1,294,691	1,246,507	1,236,599	1,443,791	2,091,059
Intergovernmental	5,038,659	4,105,206	4,257,320	4,003,532	3,740,102	7,408,139	4,337,855	4,329,680	4,917,164	6,192,334
Licenses and permits	3,107,511	11,074,896	11,467,015	12,145,376	13,525,857	14,392,673	15,230,779	14,930,016	15,104,238	15,445,465
Investment earnings	604,692	330,493	479,874	493,331	675,501	643,510	737,260	906,818	1,184,689	1,720,666
Grants and contributions	7,342,141	9,092,639	3,390,654	1,865,169	2,583,446	2,578,882	2,752,293	5,640,343	5,436,772	5,201,193
Miscellaneous	227,260	271,744	769,386	1,949,911	2,870,925	1,072,814	1,438,394	2,083,145	1,177,820	1,484,770
TOTAL REVENUES	74,080,728	78,370,865	76,665,794	76,094,785	82,631,374	87,659,114	91,410,385	91,145,623	90,287,939	98,016,531
EXPENDITURES										
General government	7,287,388	7,943,745	8,061,216	7,761,943	7,098,188	7,836,743	7,518,464	8,355,723	9,261,282	8,996,264
Public safety	28,599,595	30,497,243	30,880,952	31,418,003	32,927,779	34,957,250	37,505,671	36,179,527	38,906,296	38,764,997
Highways and streets	6,876,039	6,756,904	7,397,912	8,104,918	7,867,330	7,972,227	8,631,470	7,706,527	7,538,424	8,317,157
Culture and recreation	4,874,990	5,116,189	5,780,817	5,806,654	6,062,980	6,346,620	8,139,941	7,311,031	8,218,423	8,284,234
Community development	4,350,674	4,386,927	3,976,038	5,687,988	4,695,190	4,706,126	4,589,668	4,158,153	5,071,927	6,337,476
Capital outlay	9,384,274	16,897,242	14,879,091	12,744,837	15,846,426	18,583,618	23,457,818	15,903,642	14,455,610	12,248,047
Debt service										
Principal	6,085,693	6,202,289	14,673,892	4,120,801	4,430,000	8,134,000	3,958,000	13,965,000	13,853,983	5,144,340
Interest	3,811,248	3,562,294	3,353,562	4,551,366	4,201,307	6,078,671	5,274,848	5,020,692	6,422,027	3,696,525
TOTAL EXPENDITURES	71,269,901	81,362,833	89,003,480	80,196,510	83,129,200	94,615,255	99,075,880	98,600,295	103,727,972	91,789,040

City of Medford, Oregon
Schedule 4 – Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
June 30, 2019

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,810,827	\$ (2,991,968)	\$ (12,337,686)	\$ (4,101,725)	\$ (497,826)	\$ (6,956,141)	\$ (7,665,495)	\$ (7,454,672)	\$ (13,440,033)	\$ 6,227,491
OTHER FINANCING SOURCES (USES)										
Transfers in	8,567,765	8,311,152	9,587,321	16,283,175	11,302,403	10,453,945	12,025,891	24,825,388	13,607,748	14,323,417
Transfers out	(7,770,336)	(7,536,654)	(8,813,263)	(15,787,335)	(10,748,880)	(9,535,002)	(10,925,291)	(23,735,447)	(12,395,796)	(12,843,533)
Issuance of debt (bonds)	-	3,000,000	-	27,649,094	-	39,592,143	-	-	10,000,000	-
Land purchase contract	-	-	375,175	-	-	-	-	-	-	-
Sale of capital assets	57,360	38,163	418,476	123,482	10,889	-	-	206,342	-	-
TOTAL OTHER FINANCING SOURCES (USES)	854,789	3,812,661	1,567,709	28,268,416	564,412	40,511,086	1,100,600	1,296,283	11,211,952	1,479,884
NET CHANGE IN FUND BALANCES	\$ 3,665,616	\$ 820,693	\$ (10,769,977)	\$ 24,166,691	\$ 66,586	\$ 33,554,945	\$ (6,564,895)	\$ (6,158,389)	\$ (2,228,081)	\$ 7,707,375
DEBT SERVICE AS % OF NONCAPITAL EXPENDITURES ³	18.97%	17.48%	30.89%	15.43%	13.77%	22.04%	15.15%	30.13%	29.52%	12.18%

Note

¹ Transient lodging tax is 9%

² The car rental tax was implemented in August 2005. As of 11/1/13, the tax went from 5% to 12.5% per council bill 2013-137 in order to repay bonds sold to finish phase 4 of the sports park

³ The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is the reconciling item for capital outlay in the reconciliation between the government wide statement of activities and the statement of revenues, expenditures, and changes in fund balance

City of Medford, Oregon
Schedule 5 – Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
June 30, 2019

Fiscal Year Ending June 30,	Real Property		Personal Property		Other		Less	Total Taxable Assessed Value	Total Direct Tax Rate	(M5) Estimated Actual Value (RMV)	Tax District Totals RMV	Taxable Assessed Value as a Percentage of Estimated Actual Value
	Real Property	Real Manufactured Structures	Personal Manufactured Structures	Personal Properties	Utilities	Nonprofit	UR Excess					
2010	\$ 5,338,273,270	\$ -	\$ 32,809,408	\$ 229,451,500	\$ 165,013,840	\$ 9,424,020	\$ (186,107,901)	\$ 5,588,864,137	5.20	\$ 9,681,297,553	\$ 9,738,243,291	57.73%
2011	5,476,716,488	-	27,158,724	225,461,750	178,745,740	9,706,730	(188,787,717)	5,729,004,715	5.21	8,518,457,598	8,579,118,921	67.25%
2012	5,499,014,979	-	28,031,361	214,245,370	182,769,465	9,997,920	(186,164,393)	5,747,894,702	5.21	7,641,323,994	7,690,447,934	75.22%
2013	5,449,584,198	-	24,723,801	209,164,620	190,096,600	10,297,840	(187,851,764)	5,696,014,995	5.21	7,151,504,446	7,192,243,450	79.65%
2014	5,648,610,371	-	23,765,676	215,788,310	186,000,500	10,413,330	(206,805,088)	5,877,773,099	5.19	6,999,431,817	7,039,970,253	83.98%
2015	5,976,625,494	-	24,754,412	222,653,360	220,821,781	10,621,750	(227,154,169)	6,228,322,628	5.18	7,805,391,223	7,818,942,393	79.80%
2016	6,230,285,131	-	24,174,838	221,839,250	242,941,600	10,782,000	(242,241,543)	6,487,781,276	5.18	8,290,018,484	8,303,563,654	78.26%
2017	6,459,722,797	-	23,948,147	235,777,110	261,869,100	10,841,090	(250,117,121)	6,742,041,123	5.16	8,722,636,821	8,735,915,991	77.29%
2018	6,748,356,649	-	24,880,218	255,906,880	289,227,916	11,217,720	(71,950,000)	7,257,639,383	5.30	9,496,133,536	10,591,489,262	76.43%
2019	7,064,693,734	-	26,877,332	271,762,460	332,279,700	11,554,240	(279,844,456)	7,427,323,010	5.16	10,587,280,947	11,186,093,800	70.15%

Data Source: Jackson County Assessor

Note

Real market value is assigned to every property in the county by the assessor. Up until several years ago all properties were physically reappraised once every six years. Now properties within a market area are physically reappraised when statistical indicators suggest that the values within that group are out of alignment with the market. There is no longer a pre-established cycle for reappraisal. However, properties that are changed or have new construction in an assessment year are reappraised to reflect the change.

All sales of real estate that occur in Jackson County are collected and the sales price is compared to the Assessor's real market value for property. These sales are grouped by like kinds of properties and these groupings are broken down into market areas. The value of properties may be adjusted to reflect these market trends without a physical reappraisal (trending).

Taxable personal property includes machinery, furniture, etc. held for use in a business.

Estimated actual value (RMV) is less the UR Excess

City of Medford, Oregon
Schedule 6 – Property Tax Rates – Direct and Overlapping Governments
Last Ten Fiscal Years – Unaudited
June 30, 2019

Fiscal Year Ending June 30,	City of Medford				Overlapping Rates										Total Direct & Overlapping Rates
	General Fund	Special Revenue Funds	Debt Service Fund	Total Direct Rate	Jackson County	Education Service District	Medford School District	Library District	Transportation District	Rogue Community College	4H Agric. Extension	Vector Control	Jackson County Soil Water	Urban Renewal District	
2010	5.12	-	0.07	5.20	2.29	0.34	6.31	-	0.16	0.69	-	0.04	0.05	0.85	15.93
2011	5.13	-	0.09	5.21	2.25	0.34	6.30	-	0.17	0.62	-	0.04	0.05	0.84	15.82
2012	5.13	-	0.08	5.21	2.14	0.34	5.08	-	0.17	0.60	-	0.04	0.05	0.65	14.28
2013	5.13	-	0.08	5.21	2.13	0.34	6.16	-	0.17	0.61	-	0.04	0.05	0.84	15.55
2014	5.11	-	0.08	5.19	2.12	0.34	6.20	-	0.17	0.61	-	0.04	0.05	0.91	15.62
2015	5.11	-	0.07	5.18	2.16	0.34	6.10	0.50	0.17	0.60	-	0.04	0.05	0.92	16.07
2016	5.10	-	0.07	5.18	2.10	0.34	5.92	0.50	0.17	0.60	0.04	0.04	0.05	0.95	15.89
2017	5.11	-	0.06	5.16	2.10	0.34	5.92	0.50	0.30	0.65	0.04	0.04	0.05	0.94	16.04
2018	5.24	-	0.06	5.30	2.14	0.36	5.93	0.51	0.31	0.66	0.04	0.04	0.05	0.14	15.48
2019	5.10	-	0.06	5.16	2.06	0.34	5.67	0.50	0.30	0.63	0.04	0.04	0.05	0.51	15.30

Data source: Jackson County

Note

The 2016-17 taxable assessed value to compute the tax rate code area of 4901 is \$5,935,491,668 which is 88.02% of the total assessed value of the City (table 1a of Jackson County). The above tax rates are representative of the City of Medford's tax rate codes: 4901, 4950, 0407, and 0635.

Beginning in FY 1997-1998, tax rates were adjusted under Oregon ballot measure 50. The tax rates under measure 50 are applied against a reduced level of assessed value.

The City's basic property tax rate may be increased only by a majority vote of the city's residents. Rates for debt service are set based on each year's requirements.

Overlapping rates are those of local and county governments that apply to property owner within the City. Not all overlapping rates apply to all City property owners.

City of Medford, Oregon
Schedule 7 – Principal Property Tax Payers
Current Year and Nine Years Ago – Amounts in Dollars
June 30, 2019

Taxpayer	Type of Business	2019 Top 10 All Roll Taxpayers for City of Medford				2010 Top Tax Payers		
		2019 Current Taxes Imposed	2018-19 Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	6/30/2010 Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Rogue Valley Manor	Retirement Housing	\$ 1,568,624	\$ 105,643,710	1	1.42%	\$ 66,376,920	1	1.23%
Charter Communications	Television	1,234,468	80,680,500	2	1.09%	26,976,900	8	0.50%
Avista Corp DBA Washington	Gas Utility	921,319	60,565,200	3	0.82%	24,854,900	9	0.46%
Brixton Rogue LLC	Shopping Mall	837,554	54,939,070	4	0.74%			
Kogap Enterprises	Commercial Contractor	693,197	45,562,133	5	0.61%	32,804,520	4	0.61%
Pacificorp (PP&L)	Electric Utility	656,640	43,133,000	6	0.58%	31,160,000	5	0.58%
Lithia Real Estate Inc.	Automobile Dealership	636,828	41,665,400	7	0.56%	28,794,710	6	0.53%
Centurylink Property Tax	Internet Utility	580,186	38,099,000	8	0.51%			
Wal-Mart Real Estate Business	Shopping Center	540,598	35,331,590	9	0.48%			
AT&T Inc.	Telephone Utility	469,756	30,850,700	10	0.42%			
Charles Point 2015 LLC	Apartments	425,600	28,150,550		0.38%			
Deluca Ronald L Trustee Et Al	Housing	359,091	23,468,940		0.32%			
Rogue Federal Credit Union	Banking	345,124	22,573,490		0.30%			
Countryside Partners I LLC ET A	Housing	323,053	22,090,120		0.30%			
LBG Medford LLC	Housing	303,352	19,912,090		0.27%			
MWSH McAndrews Medford LLC	Housing	278,684	18,213,810		0.25%			
Total		\$ 10,174,074	\$ 670,879,303		9.03%	\$ 210,967,950		3.90%

Data source: Jackson County Assessor's Office

Note

The 2018-19 taxable assessed valuation for the City of Medford is \$ 7,427,323,010
The taxable assessed valuation for the year ended 6/30/2010 was \$ 5,588,864,137
This schedule includes the ten largest tax payers of the City of Medford, unless fewer are required to reach 50% of the revenue base.

City of Medford, Oregon
Schedule 8 – Property Tax Levies and Collections
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
June 30, 2019

Fiscal Year Ending June 30,	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Tax Collections	Total Collections as Percent of Current Levy	Outstanding Taxes	Outstanding Taxes as Percent of Current Levy
		Amount	Percentage of the Levy					
2010	34,874,113	32,691,353	93.7%	1,303,906	33,995,259	97.480%	2,224,171	6.4%
2011	35,347,185	33,063,713	93.5%	1,210,632	34,274,345	96.965%	2,840,074	8.0%
2012	35,866,964	34,469,488	96.1%	1,388,313	35,857,801	99.974%	2,779,475	7.7%
2013	35,504,544	33,129,361	93.3%	1,463,825	34,593,186	97.433%	2,755,186	7.8%
2014	37,142,598	34,898,432	94.0%	1,398,966	36,297,398	97.724%	2,506,525	6.7%
2015	39,335,111	37,246,678	94.7%	893,970	38,140,648	96.963%	2,510,933	6.4%
2016	41,120,671	39,171,211	95.3%	923,592	40,094,803	97.505%	2,646,653	6.4%
2017	42,561,713	40,357,090	94.8%	1,072,973	41,430,063	97.341%	2,728,936	6.4%
2018 ¹	39,886,508	37,579,703	94.2%	922,596	38,502,299	96.530%	3,183,033	8.0%
2019	43,684,665	39,786,269	91.1%	2,792,617	42,578,886	97.469%	2,742,143	6.3%

Data source: Jackson County Assessor's Office

Note

Amounts are for both the City of Medford and Medford Urban Renewal Agency (MURA).

¹ The combined City and MURA tax levy was reduced in FY 2017-2018 due to a reduction in MURA levies.

City of Medford, Oregon
Schedule 9 – Ratios of Outstanding Debt by Type
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
June 30, 2019

Fiscal Year Ending June 30,	Governmental Activities					Business Type Activities			Total Primary Government	Per Capita ¹	Percentage Per Capita ¹	Percentage of Personal Income
	General Obligation Bonds	GO Supported Revenue Bonds	Capital Leases	Medford Urban Renewal Agency (MURA) Bonds	Contract/Loan (MURA) ²	Sewer Bonds	General Obligation Bonds	Capital Leases				
2010	\$ 36,835,000	\$ 21,350,000	-	\$ 14,721,000	\$ 305,894	\$ -	\$ -	\$ -	\$ 73,211,894	976	0.10%	1.04%
2011	36,185,000	19,365,000	-	11,214,000	245,693	-	-	-	67,009,693	887	0.11%	0.96%
2012	31,935,000	41,883,000	-	4,966,000	184,801	-	-	-	78,968,801	1,050	0.10%	1.11%
2013	50,985,000	19,056,000	-	4,807,000	-	-	-	-	74,848,000	986	0.10%	1.00%
2014	48,845,000	55,265,000	-	4,463,000	-	-	-	-	108,573,000	1,416	0.07%	1.41%
2015	46,520,000	53,919,000	-	-	-	-	-	-	100,439,000	2,669	0.08%	1.27%
2016	43,980,000	52,501,000	-	-	-	-	-	-	96,481,000	2,305	0.08%	1.06%
2017	31,485,000	51,031,000	-	-	-	-	-	-	82,516,000	1,860	0.10%	0.86%
2018	37,374,035	38,941,000	-	-	-	-	-	-	76,315,035	1,720	0.11%	0.75%
2019	33,268,738	39,507,042	-	-	-	-	-	-	72,775,780	1,562	0.11%	0.71%

Data sources: City Finance Department and Medford Urban Renewal Agency

Note

Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Includes general obligation revenue bonds, gas tax revenue bonds, Bancroft bonds, and urban renewal bonds.
Interest not included.

¹ See the demographic and economic schedule 14 for population and personal income data

² The state loan to MURA was paid in full on 8/1/12

City of Medford, Oregon
Schedule 10 – Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
As of June 30, 2019

<u>Fiscal Year Ending June 30,</u>	<u>General Obligation Bonds</u>	<u>GO Supported Revenue Bonds</u>	<u>Medford Urban Renewal Agency (MURA) Bonds</u>	<u>Total Bonds</u>	<u>Less Amounts Available in Debt Service Fund³</u>	<u>Net General Bonded Debt Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property²</u>	<u>Per Capita¹</u>
2010	36,835,000	21,350,000	14,721,000	72,906,000	4,146,970	68,759,030	1.23%	917.93
2011	36,185,000	19,365,000	11,214,000	66,764,000	3,689,980	63,074,020	1.10%	841.21
2012	31,935,000	41,883,000	4,966,000	78,784,000	3,188,173	75,595,827	1.32%	1,000.67
2013	50,985,000	19,056,000	4,807,000	74,848,000	3,298,995	71,549,005	1.26%	951.70
2014	48,845,000	55,265,000	4,463,000	108,573,000	5,735,102	102,837,898	1.75%	1,354.56
2015	46,520,000	53,919,000	-	100,439,000	4,525,174	95,913,826	1.54%	1,251.32
2016	43,980,000	52,501,000	-	96,481,000	8,688,581	87,792,419	1.35%	1,130.54
2017	31,485,000	51,031,000	-	82,516,000	3,242,415	79,273,585	1.18%	996.02
2018	37,374,035	38,941,000	-	76,315,035	2,700,402	73,614,633	1.01%	915.89
2019	33,268,738	39,507,042	-	72,775,780	3,415,192	69,360,588	0.93%	851.42

Note

Details regarding the City's outstanding debt can be found in the financial statements.

¹ Population data can be found in the demographic and economic schedule 14

² Details regarding the City's estimated actual taxable value of property can be found in schedule 5

³ This column reflects amounts available both in the City and Medford Urban Renewal Agency

City of Medford, Oregon
Schedule 11 – Direct and Overlapping Governmental Activities Debt
Paid by Property Taxes
Amounts in Dollars
As of June 30, 2019

<u>GOVERNMENTAL UNIT</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Net Overlapping Debt</u>
DEBT REPAYED WITH PROPERTY TAXES			
Jackson County	\$ 2,943,473	34.89%	\$ 1,026,836
Jackson County Housing Authority	5,247,552	34.89%	430,899
JC School District #4 (Phoenix-Talent)	81,042,046	32.84%	26,612,263
JC School District #549C (Medford)	160,035,000	74.81%	119,727,785
JC School District #6 (Central Point)	7,938,835	1.31%	104,142
Rogue Community College	33,500,000	25.69%	4,657,234
Rogue Community College (Jackson Cty Bond)	11,660,000	34.89%	4,067,614
Rogue Valley Transit District	<u>514,181</u>	46.31%	<u>238,102</u>
Subtotal overlapping debt	\$ 302,881,087		\$ 156,864,875
CITY DIRECT DEBT			
City gross property tax backed direct debt	<u>72,775,780</u>		<u>45,625,695</u>
	<u>\$ 375,656,867</u>		<u>\$ 202,490,570</u>

Sources: Oregon State Treasury, Debt Management Information System

Note

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Medford.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values.

The Oregon State Treasury, acting on behalf of the Municipal Debt Advisory Commission maintains debt information to assist municipalities in debt related matters. The overlapping debt is based on information obtained from sources believed to be reliable, however, per Oregon State Treasury Debt Management Information System, its accuracy cannot be guaranteed.

"Gross Property-tax backed debt" includes all general obligation (GO) bonds and full faith & credit bonds. "Net property tax backed debt" is gross property tax backed debt less self-supporting unlimited tax GO and less self-supporting full faith & credit debt. The following obligations are NOT included in property-tax backed calculations: appropriation credits, conduit revenue bonds, dedicated niche obligations, revenue bonds, obligations issued for less than 13 months (e.g. bond anticipation notes, tax anticipation notes, lease purchase agreements, loans, lines of credit or other non-publicly offered financial obligations).

City of Medford, Oregon
Schedule 12 – Legal Debt Margin Information
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
June 30, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 292,147,299	\$ 257,373,568	\$ 230,713,438	\$ 215,767,304	\$ 211,199,108	\$ 234,568,272	\$ 249,107,090	\$ 261,679,105	\$ 284,884,006	\$ 317,618,428
Total net debt applicable to limit	28,698,030	34,902,020	44,729,667	24,001,005	25,834,379	41,994,826	35,291,420	28,242,657	25,749,598	29,858,652
Legal debt margin	263,449,269	222,471,548	185,983,771	191,766,299	185,364,728	192,573,446	213,815,670	233,439,448	259,134,408	287,759,776
Total net debt applicable to the limit as a percentage of debt limit	10.89%	15.69%	24.05%	12.52%	13.94%	21.81%	16.51%	12.10%	9.94%	10.38%
LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2019										
Real market value		\$ 10,587,280,947								
Add back: exempt real property		-								
Total real market value (M5)		10,587,280,947								
Debt limit (3% of total RMV value)		317,618,428								
Amount of debt applicable to debt limit										
Total bonded debt		72,775,780								
Deductions										
Assets in debt service funds available for payment of principal		268,842								
Special assessment bonds (MURA)		3,141,244								
Revenue bonds		39,507,042								
Urban development bonds		-								
Total deductions		42,917,128								
Total net debt applicable to limit		29,858,652								
LEGAL DEBT MARGIN		\$ 287,759,776								
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT		10.38%								

Sources: Jackson County Assessor's Office; audited financial statements; Oregon Revised Statutes (ORS) 287.004; and City of Medford Finance Department

Note 1

ORS 287.004 provides a debt limit of 3% of the true cash value of all taxable property within the municipality's boundaries. According to ORS 287.004, the 3% limitation does not apply to bonds issued for water, sanitary or storm sewers, sewage disposal plants, hospitals, power or lighting purposes, nor to bonds issued pursuant to applications to pay assessments for improvements or installments for benefited property owners.

Under ORS 287.001(1) "bonds" means general obligation bonds

Note 2

Total bonded debt includes Medford Urban Renewal Agency (as of 6/30/17 MURA had no bonded debt)

City of Medford, Oregon
Schedule 13 – Pledged Revenue Coverage
Last Ten Fiscal Years – Unaudited – Amounts in Dollars
June 30, 2019

Fiscal Year Ending June 30,	Parks Revenue Bonds					Coverage Actual Debt Service
	Gross Revenues ¹	Operating Expenses	Net Revenue Available for Debt Service	Total Parks Bonds Paid During Year		
				Principal	Interest	
2010	2,828,662	178,369	2,650,292	930,000	911,480	1.44
2011	2,889,686	195,467	2,694,219	965,000	873,667	1.47
2012 ³	2,901,938	500,107	2,401,831	4,528,000	926,641	0.44
2013 ⁴	4,068,145	185,455	3,882,689	1,076,000	746,619	2.13
2014 ⁵	4,045,678	317,608	3,728,070	1,124,000	705,905	2.04
2015	4,315,628	360,458	3,955,170	1,346,000	961,398	1.71
2016	5,036,069	359,278	4,676,791	1,213,000	619,245	2.55
2017	3,973,220	385,286	3,587,933	1,470,000	838,406	1.55
2018 ⁷	4,043,931	520,065	3,523,866	13,165,965	473,738	0.26
2019	5,468,230	184,793	5,283,437	1,591,000	2,217,035	1.39

Source: City of Medford Finance Department

Note

Details regarding the City's outstanding debt can be found in the financial statements.

¹ Parks revenue comes from a portion of the transient lodging tax (25%) and car rental tax and a parks utility fee

² Gross revenues do not include bond proceeds of \$18,965,000

³ Gross revenues were higher in FYE09 due to receipt of grants for Santo Center and the sports park

⁴ The 2002 parks bond was defeased in FY11/12 and \$3,673,000 was reissued

⁵ SDC revenue was up from prior year due to increased building. We also received a \$400,000 grant

⁶ The gross revenues do not include bond proceeds of \$6,384,942.82

⁷ The parks limited series 2007 bond was paid off in FY 2018

City of Medford, Oregon
Schedule 14 – Demographic and Economic Statistics
Last Ten Fiscal Years – Unaudited
June 30, 2019

SIGNIFICANT DATES/FORMS OF GOVERNMENT

Date of incorporation, as a town 1885
 Date of incorporation, as a city 1901
 Form of government council City manager

Fiscal Year Ending June 30,	Population ¹	School Enrollment ²	Number of Schools ²	Unemployment Rate ⁴	Labor Force ⁶	Personal Income (Thousands of Dollars) ³	Per Capita Personal Income (Dollars) ³	Commercial Construction ⁵		Residential Construction ⁵	
								Number of Units	Value (in Thousands)	Number of Units	Value (in Thousands)
2010	74,907	12,201	21	11.9	37,105	6,911	34,506	263	23,444	115	21,702
2011	74,980	12,583	23	11.7	37,851	7,073	34,314	348	56,595	98	17,257
2012	75,545	11,181	17	11.1	102,500	6,951	34,168	438	100,539	100	21,096
2013	75,180	12,681	19	9.8	97,500	7,087	34,602	668	130,699	209	45,103
2014	75,920	12,705	19	8.0	95,500	7,490	36,289	650	249,864	267	70,937
2015	76,650	13,628	14	7.1	95,900	7,687	36,861	680	266,182	246	59,738
2016	77,655	13,836	24	6.3	97,648	7,914	37,637	638	199,162	249	59,079
2017	79,590	14,081	24	4.6	82,180	9,062	41,852	594	151,776	341	78,627
2018	80,375	14,271	24	4.8	98,993	9,647	44,360	497	150,360	281	67,854
2019	81,465	14,392	24	4.8	104,763	10,232	46,603	323	89,827	310	78,548

Note

¹ Portland State University – July 2017

² Oregon Department of Education (for Medford SD549C)

³ Per Bureau of Economic Analysis (Regional Economic Accounts) (www.bea.gov/) (Jackson County)

The latest personal income and per capita personal income was available in 2017 by BEA economic area

⁴ U.S. Department of Labor, Bureau of Labor Statistics Data (www.bls.gov) (Local Area Unemployment Statistics)

⁵ City Building Department

⁶ U.S. Department of Labor, Bureau of Labor Statistics Data

City of Medford, Oregon
Schedule 15 – Largest Employers for Jackson County
2017 and Nine Years Ago
June 30, 2019

Employer	Type of Business	2017 ^{1,2}			Feb. 2008		
		Employees ¹	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Asante (RV Medical)	Health care	4,231	1	4.33%	2,943	2	2.84%
Lithia Motors	Auto dealership	3,000	2	3.07%	800	4	0.77%
Harry & David Operations	Gourmet fruit & gifts	2,000	3	2.05%	3,500	1	3.38%
Rogue Valley Medical Center	Hospitals	1,638	4	1.68%			
Allegiant Air	Commercial airline	1,500	5	1.54%			
Providence Medical Center	Health care	1,300	6	1.33%	1,271	3	1.23%
Medford School District 549C	Schools	1,157	7	1.18%	-		0.00%
Jackson County	County government	1,027	8	1.05%	-		0.00%
Wal-Mart stores	Department stores	930	9	0.95%			
Boise	Plywood mills	875	10	0.90%			
Boise Building Solutions	Secondary wood				750	5	0.72%
Timber Products	Secondary wood				650	6	0.63%
City of Medford	Government	405	16	0.41%	457	8	0.44%
Rogue Valley Manor	Health care/retirement	450	14	0.46%	436	9	0.42%
Regency Blue Cross Blue Shield	Health care				460	7	0.44%
Costco	Retail	235			309	10	0.30%

Source

¹ Chamber of Commerce 1/29/18 website – largest employers in Jackson County

² 2017 is the last year this data is available; neither the Chamber of Commerce nor any other agencies in Jackson County are tracking this information

Note

Information is for the largest employers in Jackson County, per the Chamber of Commerce 10/16/15

City of Medford, Oregon
Schedule 16 – Number of Full Time (FT) Employees and FT Equivalent at End of
Each Fiscal Year
Last Ten Fiscal Years – Unaudited
June 30, 2019

	08-09 ¹	09-10 ¹	10-11 ^{1,2}	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
City Manager	8.0	8.0	9.0	8.0	7.0	9.0	10.2	8.0	8.0	7.9	7.4
Facilities Management								12.9	18.1	18.7	18.7
Information Services	13.5	13.0	12.0	11.0	10.0	12.0	10.0	10.0	11.0	10.9	11.1
Recorder	1.0	1.0	-	-	-	-	-	-	-	-	-
Human Resources	4.2	4.0	4.0	4.0	4.3	5.4	6.0	7.0	7.3	7.9	6.6
Finance	11.3	11.2	10.2	11.4	11.2	10.2	11.2	10.3	9.2	10.1	21.3
Planning	16.0	16.5	17.0	17.0	16.0	17.0	17.0	14.4	17.1	17.4	17.8
Building Inspection	11.2	11.2	9.0	8.0	8.3	9.0	11.0	11.1	11.2	12.7	13.3
Business Licenses								2.0	2.0	2.0	1.5
Public Works											
Engineering	34.0	32.5	32.6	32.4	33.1	34.2	34.6	38.5	39.6	43.4	34.6
Maintenance	57.6	58.0	52.8	57.0	55.6	56.0	58.4	56.1	58.4	65.0	71.3
WRD	25.5	24.9	23.0	24.8	24.7	25.0	24.3	23.1	24.2	27.4	26.5
City Attorney	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.5	4.0	5.0	6.3
Municipal Court	7.5	7.5	7.5	7.9	7.5	7.6	8.0	7.4	7.2	7.9	9.6
Police											
Sworn Officers	99.0	101.0	101.3	103.8	102.8	103.0	100.3	98.9	103.0	113.6	134.5
Civilians	68.1	68.7	41.6	44.5	37.3	39.1	36.4	40.3	40.0	41.7	62.4
Fire											
Firefighters/Officers	72.0	73.0	66.0	72.0	71.0	74.0	72.0	72.0	71.0	98.7	114.9
Civilians	7.2	6.3	8.9	9.5	6.4	3.5	7.1	7.1	10.1	9.1	11.4
Parks & Recreation	55.7	56.7	60.5	61.6	50.8	54.1	44.0	42.7	38.6	54.6	64.7
Urban Renewal	4.0	1.0	-	-	-	-	-	-	-	-	-
Total	499.8	498.6	459.5	477.0	450.1	463.3	454.6	466.2	480.0	554.0	633.8

Source: City Finance Department

Note

¹ FY10/11 A new entity was created combining County and City dispatch services creating a reduction in police of 29 employees

² The Risk Manager is now a part of Human Resources instead of Finance (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2080.

City of Medford, Oregon
Schedule 17 – Operating Indicators by Function
Last Ten Fiscal Years – Unaudited

Fiscal Year Ending June 30,	2010	2011	2012 ¹	2013 ¹	2014	2015	2016	2017	2018	2019
FUNCTION										
Police										
Part I - major crimes	4,706	5,510	5,999	6,698	6,892	6,291	6,805	7,608	6,544	5,905
Part II - other crimes	11,903	14,093	15,964	17,369	17,529	17,615	19,626	22,386	19,152	16,973
Total, part I & II	16,609	19,603	21,963	24,067	24,421	23,906	26,431	29,994	25,696	22,878
Clearance rate, part I & II	79.28%	73.15%	73.10%	73.10%	76.40%	74.40%	75.20%	72.70%	76.29%	71.66%
Cases cleared, part I & II	12,749	14,085	15,082	17,266	17,474	16,890	18,562	20,681	19,604	16,394
# of juvenile charges, part I & II	1,819	1,500	13,666	1,086	986	1,161	881	648	631	513
# of adult arrest charges, part I & II	9,390	11,909	14,049	16,630	16,353	15,838	18,325	21,285	18,886	17,235
Traffic accidents - fatal	1	2	2	1	2	5	3	4	9	3
Traffic accidents - injury	370	377	329	325	387	433	528	532	505	521
Traffic accidents - property damage	1,184	1,141	1,135	1,086	1,063	1,242	1,370	1,372	1,296	1,271
Total accidents	1,555	1,520	1,463	1,415	1,452	1,680	1,901	1,908	1,810	1,795
Fire										
Number of fires	288	270	328	341	320	475	320	372	336	431
Overpressure, heat, explosion	14	16	20	20	13	29	13	6	15	15
EMS, rescue, MVA	5,189	5,501	5,872	6,560	6,819	6,544	6,819	7,388	7,243	7,567
Hazardous conditions	134	124	119	140	117	1	117	221	8	-
Service call	218	210	267	23	374	361	374	658	554	858
Good intent calls	953	933	922	1,232	1,456	1,180	1,456	1,959	1,960	2,643
False alarm	457	437	468	544	504	420	504	484	407	506
Severe weather	7	4	2	-	5	4	5	8	3	2
Special incident	9	9	10	10	15	294	15	10	122	48
Uncategorized	-	-	-	-	7	-	7	-	-	-
Total incident responses	7,269	8,078	8,626	9,268	9,630	9,308	9,630	11,106	10,648	12,070
Total City only	6,899	7,108	7,552	6,180	8,410	8,254	8,410	N/A	9,836	10,551
Total rural only	616	703	687	558	656	651	656	N/A	824	869
Out of district responses					564	403	564	N/A	N/A	650
Mutual aid received	52	44	71	66	N/A	N/A	N/A	N/A	631	852
Mutual aid given	118	107	96	194	N/A	N/A	N/A	N/A	580	640

City of Medford, Oregon
Schedule 17 – Operating Indicators by Function
Last Ten Fiscal Years – Unaudited

Fiscal Year Ending June 30,	2010	2011	2012 ¹	2013 ¹	2014	2015	2016	2017	2018	2019
Highways and street										
Miles of streets added	2.58	0.98	0.12	3.77	2.54	1.08	2.09	1.94	1.96	2.93
Streetlights added	87	56	-171	-190	276	83	152	171	152	210
Culture and recreation										
Aquatics	27,434	28,639	29,000	22,000	22,000	22,000	22,000	22,000	11,000	14,400
Youth and adult sports	9,614	19,043	10,000	10,000	10,000	10,000	10,000	10,000	12,000	16,000
Youth programs/day camps	2,146	3,046	2,000	2,000	2,000	2,000	2,000	3,000	3,600	3,100
Community recreation	10,623	25,950	15,000	15,000	15,000	15,000	15,000	16,000	16,000	15,000
Special interest classes	1,571	1,791	2,000	2,000	2,000	2,000	2,000	2,200	2,200	1,900
Wastewater										
Miles of sanitary sewers added	0.42	0.18	0.32	1	1.11	1	1	1	1	2
Miles of storm sewers added	1.69	1.08	0.05	3.49	2.44	-	3	2	2	3
Average daily million gallons treated	16,700	19,480	17,500	18,100	16,500	17,500	18,800	206,300	15,600	17,700
Building/Planning/Engineering										
Total permits	3,631	3,861	4,107	5,978	6,515	6,074	5,815	6,331	5,846	5,789
Commercial building permits issued	263	348	438	668	650	680	638	591	497	323
Value commercial construction	23,444,266	56,595,164	100,538,768	130,698,992	229,864,567	266,181,937	199,162,002	151,775,643	150,359,928	89,827
Single family residence issued	115	98	100	209	267	246	249	341	281	310
Value residential	21,702,285	17,257,053	21,095,566	45,102,560	70,936,549	59,738,022	59,078,945	78,626,552	67,853,914	78,548,000
Square miles added to City	0.10	-	-	0.01	-	-	-	-	-	0.0026

Source: various City departments

Note

¹ Street lights from 2012 on only include actual street lights (not parking lots)

City of Medford, Oregon
Schedule 18 – Capital Asset Statistics by Function
Last Ten Fiscal Years – Unaudited
June 30, 2019

Fiscal Year Ending June 30,	2010	2011	2012	2013 ⁶	2014 ⁶	2015 ⁶	2016	2017	2018	2019
PUBLIC SAFETY										
Fire protection ²										
Number of stations	5	5	5	5	5	5	5	5	5	5
Police protection ³										
Number of stations	1	1	1	1	1	1	1	1	1	1
Sewers ¹										
Miles of sanitary sewers	258	258	259	260	261	262	263	265	265	268
Miles of storm sewers	166	167	167	170	173	173	176	179	181	184
Public works										
Area - square miles ¹	25.72	25.72	25.72	25.73	25.73	25.73	25.73	25.73	25.75	25.78
Miles of streets ¹	257.93	258.91	259.03	262.80	265.34	266.42	268.51	270.45	272.41	275.34
Number of street lights ¹	6,481	6,537	6,366	6,176	6,452	6,535	6,687	6,858	7,010	7,485
Culture and recreation ⁴										
Number of parks ^{5, 6, 7}	45	46	46	37	36	36	36	36	38	36
Total park acreage	2,393	2,399	2,392	2,392	2,396	2,396	2,396	2,396	2,504	2,500
Number of libraries	1	1	1	1	1	1	1	1	1	1

Sources

¹ City Public Works Department

² City Fire Chief

³ City Police Department

⁴ City Parks Department

⁵ Previous number of parks included school areas maintained by the City

⁶ The total number of parks includes 19 developed parks and 7 undeveloped parks, it also includes greens and bike trails. Counts previous to 2013 included traffic islands, areas along Bear Creek and I-5 and SE pathway property of varying sizes. The count of 36 includes developed and undeveloped parks only

⁷ The total number of parks for includes 19 developed parks and 9 undeveloped parks

Note

The Jackson County Medford Branch Library was closed in April 2007 due to funding concerns. It has since reopened with limited hours in November 2007.

City of Medford, Oregon
Other Schedules
Continuing Disclosure

This section provides financial statement users with additional historic perspective, context, and detail to assist in using the information in the financial statements, note disclosures, and required supplemental information to understand and assess the city's economic condition.

This section also satisfies additional continuing disclosures required by several of our bond documents.

CONTENTS PAGE

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

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Sources

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in Fiscal Year 2003.

City of Medford, Oregon
Table 1 – Outstanding Obligations
Continuing Disclosures for the Following: Series 2006 Sidewalk Bonds Table 12
Unaudited
As of June 30, 2019

	Issue Date	Maturity Date	Amount Issued	Amount Outstanding as of 6/30/2019
GENERAL OBLIGATION BONDS				
General obligations bonds, series 2006	6/27/2016	6/1/2026	\$ 4,600,000	\$ 795,000
Total general obligation bonds			4,600,000	795,000
FULL FAITH & CREDIT OBLIGATIONS OR LIMITED TAX BONDS PAID FROM TAX SOURCE				
(not subject to annual appropriations)				
2017 full faith credit refunding	12/7/2017	6/1/2025	10,000,000	7,715,695
General obligation bonds, series 2011C	12/15/2011	1/10/2025	20,950,000	1,315,000
Pension obligations, series (2004) (taxable) ¹	5/27/2004	6/1/2028	29,205,000	23,010,000
Total FF&C obligations and limited tax bonds			60,155,000	32,040,695
TOTAL NET DIRECT DEBT (including pension obligations) ²			64,755,000	32,835,695
TOTAL NET DIRECT DEBT (excluding pension obligations) ²			25,550,000	9,825,695
REVENUE OBLIGATIONS (self-supporting, not included in net direct debt)				
Parks, police, fire 2013	12/18/2013	7/1/2043	38,155,000	37,115,000
Limited tax revenue bonds, series 2011B (parks)	8/4/2011	6/1/2022	3,673,000	1,220,000
Total self-supporting revenue obligations			41,828,000	38,335,000
OTHER SELF-SUPPORTING OBLIGATIONS (paid from non-tax sources)				
The limited tax bond series A & B were paid off in full as of 9/1/2006			-	-
Total other self-supporting obligations			-	-
TOTAL GROSS DIRECT DEBT (including pension obligations) ³			106,583,000	71,170,695
TOTAL GROSS DIRECT DEBT (excluding pension obligations) ³			67,378,000	48,160,695

Source: City of Medford

¹ This debt was issued as part of a \$126,260,000 pooled pension obligation financing involving multiple Oregon cities and counties

² Net direct debt is gross direct debt less obligations or leases paid from non-tax sources

³ Gross direct debt includes all voter approved general obligation bonds, limited tax bonds and any other obligations, certificates of participation or leases backed by the full faith and credit of the City. Debt whose term is less than one year is not included.

Note

The City also administers an urban renewal agency; the Agency has outstanding tax increment debt which is not an obligation of the City. As of June 30, 2019, the total outstanding debt of the Medford Urban Renewal Agency (MURA) was \$0. However, the City issued the 2011C bonds on behalf of MURA and MURA will repay these bonds (the balance was \$1,315,000 as of June 30, 2019).

City of Medford, Oregon

Table 2 – Debt Ratios¹

Continuing Disclosures for the Following: Series 2006 Sidewalk Bonds Table 11 Unaudited As of June 30, 2019

	Including Pension Obligations			Excluding Pension Obligations		
	Values	Per Capita	Percent RMV	Values	Per Capita	Percent RMV
2019 Population	81,465			81,465		
2019 Real market value	10,587,280,947	\$ 129,961		10,587,280,947	\$ 129,961	
Gross direct debt ²	72,775,780	\$ 893	0.69%	48,160,695	\$ 591	0.45%
Net direct debt ³	38,335,000	\$ 471	0.36%	38,335,000	\$ 471	0.36%
Net overlapping debt	156,864,875	\$ 1,926	1.48%	156,864,875	\$ 1,926	1.48%
Net direct & overlapping debt	195,199,875	\$ 2,396	1.84%	158,974,755	\$ 1,951	1.50%

Source: City of Medford; Debt Management Division, Oregon State Treasury

¹ Outstanding debt information as of June 30, 2019

² Gross direct debt includes all voter approved general obligation bonds, limited tax bonds and any other obligations, certificates of participation or leases backed by the full faith and credit of the City. Debt whose term is less than one year is not included.

³ Net direct debt is gross direct debt less self-supporting unlimited tax general obligation and self-supporting limited tax debt

Debt Limitations

Note

ORS 287.004 provides a debt limit of 3% of the true cash value of all taxable property within the municipality's boundaries. According to ORS 287.004, the 3% limitation does not apply to self-supporting debt, revenue bonds, general obligation improvement bonds, bonds issued for water, sanitary or storm sewers, sewage disposal plants, hospitals, power or lighting purposes, not to bonds issued pursuant to applications to pay assessments for improvements or installments for benefited property owners.

Under ORS 287.001(1) "bonds" means general obligation bonds

2019 Real market value	10,587,280,947
Debt limitation (3% of RMV)	317,618,428
Total applicable bonded debt	29,858,652
Debt margin	287,759,776
Percent of limit issued	10.38%

Under ORS 223.295, cities may issue additional assessment related bonds and notes subject to a separate 3% statutory limitation.

The 2011C series bonds were issued to enable the City to loan the funds to the Medford Urban Renewal Agency. As of June 30, 2019, the balance was \$1,315,000.

Future Debt Plans

The City of Medford executed a loan with the State of Oregon (ODOT) for \$10,000,000 to widen Foothill Road from Hillcrest to McAndrews. The City will have a matching obligation of \$3,000,000. As of June 30, 2019, the project has not begun and the City did not draw down any of the loan.

City of Medford, Oregon
Table 3 – Overlapping Debt
Continuing Disclosures for the Following: Series 2006 Sidewalk Bonds Table 14
Unaudited
June 30, 2019

The following table outlines the outstanding debt of overlapping entities.

Overlapping District	Overlapping District Real Market Value	Percent Overlapping	Gross Direct Debt	Net Direct Debt
Jackson County	\$ 30,348,894,973	34.7600%	\$ 2,943,473	\$ 1,026,836
Jackson County Housing Authority	30,348,894,973	34.7600%	5,247,552	430,899
JC School District #4 (Phoenix-Talent)	3,245,185,099	32.4400%	81,042,046	26,612,263
JC School District #549C (Medford)	12,660,379,487	74.6100%	160,035,000	119,727,785
JC School District #6 (Central Point)	3,809,056,555	1.2700%	7,938,835	104,142
Rogue Community College	41,214,943,189	25.4100%	33,500,000	4,657,234
Rogue Community College (Jackson Cty Bond)	30,348,894,973	34.7600%	11,660,000	4,067,614
Rogue Valley Transit District	22,863,254,805	46.0600%	514,181	238,102
Totals			<u>\$ 302,881,087</u>	<u>\$ 156,864,875</u>

Sources: State of Oregon, Debt Management Information System

Note

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Medford.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values.

The Oregon State Treasury, acting on behalf of the Municipal Debt Advisory Commission, maintains debt information to assist municipalities in debt related matters. The overlapping debt is based on information obtained from sources believed to be reliable, however, per Oregon State Treasury Debt Management Information System, its accuracy cannot be guaranteed.

"Gross property-tax backed debt" includes all general obligations (GO) bonds and limited-tax GO bonds.

Full faith and credit obligations, revenue bonds, and special assessment bonds are not included in the debt outstanding and direct debt.

City of Medford, Oregon

Table 4 – Future Debt Service for Obligations Guaranteed to be Paid from the General Fund

Continuing Disclosures for the Following:¹

Series 2007 Parks Bonds Table 11

Series 2006 Sidewalk Bonds Table 13

Unaudited

June 30, 2019

Year of Maturity	Parks Revenue, Series 2011B		General Obligation (MURA) ² Revenue, Series 2011C		PERS 2004		Sidewalk, Series 2006		Full faith and credit Refundings, Series 2017		Police, Fire, Parks, Series 2013		Total Requirements	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019-20	\$ 390,000	\$ 39,528	\$1,315,000	\$ 39,450	\$ 1,610,000	\$ 1,396,032	\$ 390,000	\$ 34,489	\$ 1,241,128	\$ 384,731	\$ 915,000	\$ 1,713,656	\$ 5,861,128	\$ 3,607,886
2020-21	409,000	26,892	-	-	1,860,000	1,299,190	405,000	17,719	1,267,853	343,531	965,000	1,666,656	4,906,853	3,353,988
2021-22	421,000	13,640	-	-	2,135,000	1,187,311	-	-	1,298,580	300,731	1,010,000	1,617,281	4,864,580	3,118,963
2022-23	-	-	-	-	2,430,000	1,058,891	-	-	1,333,198	256,131	1,065,000	1,565,406	4,828,198	2,880,428
2023-24	-	-	-	-	2,745,000	912,726	-	-	1,366,595	209,531	1,120,000	1,510,781	5,231,595	2,633,039
2024-25	-	-	-	-	3,095,000	745,419	-	-	1,208,341	160,931	1,175,000	1,453,406	5,478,341	2,359,756
2025-26	-	-	-	-	3,475,000	556,778	-	-	-	110,131	1,235,000	1,393,156	4,710,000	2,060,065
2026-27	-	-	-	-	3,880,000	344,977	-	-	-	57,131	1,300,000	1,329,781	5,180,000	1,731,889
2027-28	-	-	-	-	1,780,000	108,491	-	-	-	-	1,365,000	1,263,156	3,145,000	1,371,647
2028-29	-	-	-	-	-	-	-	-	-	-	1,435,000	1,193,156	1,435,000	1,193,156
2029-30	-	-	-	-	-	-	-	-	-	-	1,505,000	1,127,181	1,505,000	1,127,181
2030-31	-	-	-	-	-	-	-	-	-	-	1,565,000	1,065,781	1,565,000	1,065,781
2031-32	-	-	-	-	-	-	-	-	-	-	1,625,000	1,000,966	1,625,000	1,000,966
2032-33	-	-	-	-	-	-	-	-	-	-	1,705,000	924,825	1,705,000	924,825
2033-34	-	-	-	-	-	-	-	-	-	-	1,795,000	837,325	1,795,000	837,325
2034-35	-	-	-	-	-	-	-	-	-	-	1,395,000	757,575	1,395,000	757,575
2035-36	-	-	-	-	-	-	-	-	-	-	1,465,000	686,075	1,465,000	686,075
2036-37	-	-	-	-	-	-	-	-	-	-	1,540,000	615,763	1,540,000	615,763
2037-38	-	-	-	-	-	-	-	-	-	-	1,610,000	545,850	1,610,000	545,850
2038-39	-	-	-	-	-	-	-	-	-	-	1,680,000	471,825	1,680,000	471,825
2039-40	-	-	-	-	-	-	-	-	-	-	1,760,000	394,425	1,760,000	394,425
2040-41	-	-	-	-	-	-	-	-	-	-	1,840,000	313,425	1,840,000	313,425
2041-42	-	-	-	-	-	-	-	-	-	-	1,925,000	228,713	1,925,000	228,713
2042-43	-	-	-	-	-	-	-	-	-	-	2,015,000	140,063	2,015,000	140,063
2043-44	-	-	-	-	-	-	-	-	-	-	2,105,000	47,363	2,105,000	47,363
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 1,220,000</u>	<u>\$ 80,060</u>	<u>\$ 1,315,000</u>	<u>\$ 39,450</u>	<u>\$ 23,010,000</u>	<u>\$ 7,609,815</u>	<u>\$ 795,000</u>	<u>\$ 52,208</u>	<u>\$ 7,715,695</u>	<u>\$ 1,822,848</u>	<u>\$ 37,115,000</u>	<u>\$ 23,863,590</u>	<u>\$ 71,170,695</u>	<u>\$ 33,467,972</u>

¹ Outstanding obligations include all debt (excluding lease obligations) that is guaranteed to be paid from the general revenues of the City.

² The 2011C bond was secured for the Medford Urban Renewal Agency (MURA). MURA will repay this debt service.

Note

The above table represents the outstanding debt service secured by the general fund of the City.

City of Medford, Oregon

**Table 5 – Real Market Value of Taxable Property, Tax Collection, Record,
and Impact of Tax Limitation on the City
Continuing Disclosures for the Following: Series 2006 Sidewalk Bonds Table 16,
17, and 18
Unaudited
June 30, 2019**

Real Market Value of Taxable Property

Continuing Disclosure for the Following: Series 2006 Sidewalk Bonds Table 16

Fiscal Year Ended June 30,	Real Market Value (RMV)	Percent Change	Total Assessed Value (AV)	Percent Change	AV as a Percent of RMV
2010	9,681,297,553	-8.57%	5,588,864,137	3.35%	57.73%
2011	8,518,457,598	-12.01%	5,729,004,715	2.51%	67.25%
2012	7,641,323,994	-10.30%	5,747,894,702	0.33%	75.22%
2013	7,151,504,446	-6.41%	5,696,014,995	-0.90%	79.65%
2014	6,999,431,817	-2.13%	5,877,773,099	3.19%	83.98%
2015	7,805,391,223	11.51%	6,228,322,628	5.96%	79.80%
2016	8,290,018,484	6.21%	6,487,781,276	4.17%	78.26%
2017	8,722,636,821	5.22%	6,742,041,123	3.92%	77.29%
2018	9,496,133,536	8.87%	7,257,639,383	7.65%	76.43%
2019	10,587,280,947	11.49%	7,427,323,010	2.34%	70.15%

Source: Jackson County Assessor and financial statements of the City

¹ Total assessed value of the City includes Medford Urban Renewal values and other offsets such as non-profit housing value. The tax collection record table which follows, reflects the taxable assessed value (AV) which does not include Medford Urban Renewal excess value as calculated by the Jackson County Tax Assessor.

Tax Collection Record

Continuing Disclosure for the Following: Series 2006 Sidewalk Bonds Table 17

Fiscal Year Ended June 30,	Total Assessed Valuation	Percent Change	Operating Levy	Bond Levy	Total Levy per County	Tax Rate/\$1,000	% Collected Year of Levy ²	% Collected as of June 30, 2019 ³
2010	5,588,864,137	3.35%	34,444,886	429,227	34,874,113	5.2953	96%	99.96%
2011	5,729,004,715	2.51%	34,837,127	510,058	35,347,185	5.2953	96%	99.96%
2012	5,747,894,702	0.33%	30,446,889	474,876	30,921,765	5.2953	96%	99.72%
2013	5,696,014,995	-0.90%	31,304,017	477,467	31,781,484	5.2953	96%	99.79%
2014	5,877,773,099	3.19%	32,993,860	474,656	33,468,516	5.2953	97%	99.57%
2015	6,228,322,628	5.96%	33,468,516	474,656	33,943,172	5.2953	97%	99.49%
2016	6,487,781,276	4.17%	40,645,586	475,085	41,120,671	5.2953	97%	99.31%
2017	6,742,041,123	3.92%	35,726,980	400,233	36,127,213	5.2953	97%	99.19%
2018	7,257,639,383	7.65%	38,464,587	449,683	38,914,270	5.2953	98%	98.90%
2019	7,427,323,010	2.34%	39,336,868	449,400	39,786,268	5.2953	98%	97.83%

Source: Jackson County Assessor and financial statements of the City

¹ Collection percentages are for Jackson County as a whole

² Operating levy per Jackson County Assessor (table 4A) does not include levy for bonds (does not include MURA)

³ Collection percentages as of June 30, 2019 are for the City of Medford

Impact of Tax Limitation on the City

Continuing Disclosure for the Following: Series 2006 Sidewalk Bonds Table 18

Historical impact on the \$10/\$1,000 tax limitation on City property tax revenues

Fiscal Year Ended June 30,	Levy Used to Compute Rate	Loss Due to Tax Limitation	Percent Loss
2010	28,635,704	41.06	0.00014%
2011	29,594,947	52.71	0.00018%
2012	30,336,848	108.06	0.00036%
2013	30,436,685	91.11	0.00030%
2014	30,162,386	79.48	0.00026%
2015	32,980,912	119.97	0.00036%
2016	34,355,304	116.44	0.00034%
2017	35,701,130	340.71	0.00095%
2018	38,431,378	218.11	0.00057%
2019	39,329,904	232.66	0.00059%

City of Medford, Oregon

Table 6 – Representative Consolidated Tax Rates for Levy Code Area 49-01 Continuing Disclosures for the Following: Series 2006 Sidewalk Bonds Table 20 Unaudited Period Ending June 30, 2019

Area - Within the City of Medford	Tax Rate For Operations	Tax Rate for Bonds	Tax Rate Total
SCHOOLS			
School District 549C	\$ 4.2340	\$ 1.4328	\$ 5.6668
Education Service District	0.3397	-	0.3397
Rogue Community College	0.4942	0.0918	0.5860
Total education	\$ 5.0679	\$ 1.5246	\$ 6.5925
LOCAL GOVERNMENT			
Jackson County	1.9370	0.1220	2.0590
Library District	0.5012	-	0.5012
City of Medford	5.1031	0.0583	5.1614
Medford Urban Renewal Agency	0.5091	-	0.5091
Vector	0.0414	-	0.0414
4H Ag/Ext	0.0396	-	0.0396
Jackson County Soil Water	0.0482	-	0.0482
Rogue Valley Transit District	0.1708	0.1300	0.3008
Total local government	8.3504	0.3103	8.6607
	13.4183	1.8349	15.2532

Source: Jackson County, Department of Assessment

¹ The 2018-19 taxable assessed value to compute the tax rate code of 49-01 is \$6,535,027,468, which is 84.92% of the total assessed value of the City.

Compliance Section

Report of Independent Auditors on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon Minimum Audit Standards

Honorable Mayor and Members of the City Council
City of Medford, Oregon

We have audited the basic financial statements of City of Medford, Oregon (the City) as of and for the year ended June 30, 2019 and have issued our report thereon dated December 30, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules (OAR) 162-10-0000 to 162-10-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the annual budgets for fiscal years 2019 and 2020.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The requirements pertaining to the use of revenue from taxes on motor vehicle use fuel funds.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

Internal Control Over Financial Reporting

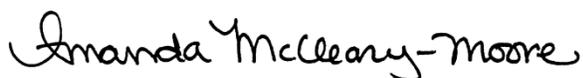
In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
December 30, 2019

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor, City Council Members
City of Medford, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Medford, Oregon (the "City") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise City of Medford, Oregon's basic financial statements, and have issued our report thereon dated December 30, 2019. Our report includes reference to other auditors who audited the financial statements of Medford Water Commission, a discretely presented component unit, as described in our report of the City's financial statements. The financial statements of Medford Water Commission were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss Adams LLP

Medford, Oregon
December 30, 2019

Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Honorable Mayor, City Council Members
City of Medford, Oregon

Report on Compliance for the Major Federal Program

We have audited City of Medford, Oregon's (the City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the City's major federal program for the year ended June 30, 2019. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

Moss Adams LLP

Medford, Oregon
December 30, 2019

City of Medford, Oregon
Schedule of Findings and Questioned Costs
June 30, 2019

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of Major Federal Programs and Type of Auditor’s Report Issued on Compliance for Major Federal Programs

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor’s Report Issued on Compliance for Major Federal Program</i>
14.218	CDBG – Entitlements Cluster	<i>Unmodified</i>

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

Section II – Financial Statement Findings

None reported

Section III – Federal Award Findings and Questioned Costs

None reported

City of Medford, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CDFA Number	Award number / Pass-Through Entity Identifying Number	Passed Through to Sub-recipients	Federal Expenditures
U.S. Department of Housing and Urban Development				
Direct Federal Award:				
Community Development Block Grants/Entitlement Grants	14.218	B-14-MC-41-0005	\$ 79,739	\$ 79,739
Community Development Block Grants/Entitlement Grants	14.218	B-16-MC-41-0005	220,961	223,536
Community Development Block Grants/Entitlement Grants	14.218	B-17-MC-41-0005	243,907	243,907
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-41-0005	424,267	565,327
Community Development Block Grants/Entitlement Grants Program Income	14.218	-	170,043	170,043
Total Direct Award			<u>1,138,917</u>	<u>1,282,552</u>
Passed through Oregon Housing and Community Services:				
Neighborhood Stabilization Program 17/18 Program Income	14.218	NSP1	62,998	62,998
Neighborhood Stabilization Program/ Program Income	14.218	-	-	6,180
Total Passed Through			<u>62,998</u>	<u>69,178</u>
Total CDBG - Entitlement Grants Cluster			<u>1,201,915</u>	<u>1,351,730</u>
Total U.S. Department of Housing and Urban Development			<u>1,201,915</u>	<u>1,351,730</u>
U.S. National Park Service				
Passed Through Oregon Parks and Recreation Department:				
Historic Preservation Award Program (Federal-Aid National Parks Program)	15.904	OR-18-13	-	5,298
Total CFDA 15.904			<u>-</u>	<u>5,298</u>
U.S. Department of Transportation				
Passed Through Oregon Department of Transportation:				
Construction Safety Enforcement Police Grant 2017	20.205		-	1,870
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	31209	-	54,541
Highway Planning and Construction (Federal-Aid Highway Program) TGM	20.205	32778 3A-17	-	73,530
Total CFDA 20.205 Highway Planning and Construction Cluster			<u>-</u>	<u>129,941</u>
Passed Through Oregon Department of Transportation:				
Oregon Impact DUII Grant 2017	20.608		-	10,398
Oregon Impact DUII Grant 2018	20.608		-	6,232
			<u>-</u>	<u>16,630</u>
Passed Through Oregon Department of Transportation:				
State and Community Highway Safety (Speed Enforcement Grant)	20.600	SC-18-35-13 BBB	-	7,180
State and Community Highway Safety (Speed Enforcement Grant)	20.600	SC-18-35-13 BBB	-	16,922
State and Community Highway Safety (Safety Belt Overtime Enforcement Grant)	20.616	M1HVE-19-46-03	-	455
Oregon Impact Distracted Driving	20.600		-	2,659
Pedestrian Safety Enforcement Grant 2017	20.600		-	1,965
Total CFDA 20.600 Total Highway Safety Cluster			<u>-</u>	<u>29,181</u>
Total U.S. Department of Transportation			<u>-</u>	<u>175,752</u>
Executive Office of the President, Office of National Drug Control Policy				
Passed Through Oregon Department of Public Safety Standards & Training:				
High Intensity Drug Trafficking Areas (HIDTA) Programs 2018	95.001	n/a	-	105,941
Total CFDA 95.001			<u>-</u>	<u>105,941</u>
Total Executive Office of the President Office of National Drug Control Policy			<u>-</u>	<u>105,941</u>
Total Expenditures of Federal Awards			<u>\$ 1,201,915</u>	<u>\$ 1,638,721</u>

n/a - pass through numbers are not available.

City of Medford
Notes to Schedule of Expenditures of Federal Awards
June 30, 2019

Note 1 – Basis of Presentation

The accompanying Schedule of expenditures of federal awards includes the federal grant activity of the City of Medford under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flow of the City.

Note 2 – Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Expenditures reported on this schedule are recognized following the cost principles in Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The City has not elected to use the 10% *de minimis* cost rate.

City of Medford, Oregon
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2019

Prior Year Findings

Federal Award Finding

2018-001: Reporting – Significant Deficiency in Internal Control Over Compliance

Current status: cleared